Revised Declaration of Covenants, Conditions & Restrictions To Heartland Hills Subdivision

Recitals

The original Declaration of Covenants, Conditions, and Restrictions for Heartland Hills were recorded as Document No. 98-32245 of the Real Property Records of McLean County, Illinois. Such declaration, together with all amendments, supplements, annexations thereto, are, referred to hereafter as the "Original Declaration". Such amendments, supplements, and annexation documents include all documents listed below:

First Declarant:

First State Bank of Bloomington, as Trustee under the provision of a Trust Agreement dated the first day of November 1995, known as Land Trust No. FSB-1080, hereinafter called the "Declarant", is setting forth the following covenants, conditions, and restrictions pursuant to the request and direction for the sole owner of the beneficial interest in the above described land trust.

These covenants, conditions and restrictions apply to certain real property located in McLean County, described as follows: (see Attachment 1 for Lot to Parcel ID)

- a) Lots 1 through 33 inclusive, and Outlots 34, 35 and 36, in Heartland Hills Subdivision, according to the plat thereof recorded September 18, 1998 in McLean County, Illinois, as Document No. 98-31748.
- b) Lots 37 and 38 in the First Addition to Heartland Hills Subdivision according to the plat thereof recorded October 6, 1999 in McLean County, Illinois, as Document No. 99-31072.
- c) Lot 39 in the Second Addition to Heartland Hills Subdivision, according to the plat thereof recorded April 12, 2001 in McLean County, Illinois, as Document No. 2001R10759.

d) Lots 40 through 57, inclusive, and Outlot 58 in the Third Addition to Heartland Hills Subdivision, according to the plat thereof recorded June 18, 2001 in McLean County, Illinois, as Document No. 2001R19452.

Second Declarant:

Mercer Turner, as Trustee under the provisions of a Trust Agreement dated the first day of May 2003, known as Land Trust No. HH-1, hereinafter called the "Declarant", is setting for the following covenants, conditions, and restrictions pursuant to the request and direction of the sole owner of the beneficial interest in the above described land trust.

These covenants, conditions and restrictions apply to certain real property located in McLean County, described as follows:

e) Lots 59, 60, 64 through 88 inclusive, 90, 91, and Outlot 92 in the Fourth Addition to Heartland Hills Subdivision, according to the plat thereof recorded June 23, 2003 in McLean County, Illinois, as Document No. 2003-29789.

f) Lots 61 through 63 and 89 in this Fifth Addition to Heartland Hills Subdivision, according to the plat thereof recorded September 4, 2003 in McLean County, Illinois, as Document No. 2003-45180.

g) Lots 93 through 127, inclusive, and Outlot 128, Outlot 129, and Outlot 130 in the Sixth Addition to Heartland Hills Subdivision, according to the plat thereof recorded October 15, 2004 in McLean County, Illinois, as Document No. 2004-00034988.

h) Lots 131 through 158, inclusive and Outlot 159 in the Seventh Addition to Heartland Hills Subdivision, according to the plat thereof recorded December 15, 2004 in McLean County, Illinois as Document No. 2005-37659.

On or about December 15, 2005, by written approval of the required number of Association members who may vote under the Original Declaration, the members of the Heartland Hills Homeowners Association, Inc. totally revised and replaced such "Original Declaration" with the "Declaration of Covenants, Conditions, and Restrictions for Heartland Hills", the latter being referred to hereafter as the "Revised Declaration". This Revised Declaration totally supersedes and replaces the Original Declaration, except that moneys due and accruing under the Original Declaration prior to the adoption of this Revised Declaration shall continue to be owed and shall be subject to all remedies for collection of same under this Revised Declaration. The documents being superseded and replaced are listed above as subparagraphs a) through g). This document is for the purpose of enhancing and protecting the value, attractiveness and desirability of the lots or tracts constituting such subdivision, Declarant hereby declares that all of the real estate property described above and each part thereof shall be held, sold and conveyed only subject to the following easements, covenants, conditions and restrictions, which shall constitute covenants running with the land and shall be binding on all parties having any right, title or interest in the above described property or any part thereof, their heirs, successors and assigns and shall inure to the benefit of each owner thereof.

Article I. <u>Definitions</u>

Section 1. "Association" shall mean and refer to the Heartland Hills Homeowner's Association, Inc., an Illinois not-for-profit corporation, and its successor and assigns.

Section 2. "Common Area" shall mean all real property in which the Association has an easement or ownership interest, or maintains, for the common use and enjoyment of the owners.

Section 3. "Declarant" shall mean First State Bank of Bloomington, as Trustee of Land Trust No. FSB-1080 or Mercer Turner, as Trustee of Land Trust No. HH-1, and its successors and assigns, provided such successors and assigns acquire more than one undeveloped lot from Declarant for the purpose of development.

Section 4. "Lot" shall mean any plot of land shown on the recorded subdivision map referred to above, with the exception of the common area.

Section 5. "Maintenance" shall mean the exercise of reasonable care to keep the entrance sign, berm, landscaping, and other related improvements and fixtures in a condition comparable to their original condition, normal wear and tear excepted. Maintenance of landscaping shall further mean the exercise of generally accepted garden management practices necessary to promote a healthy, weed-free environment for optimum plant growth.

Section 6. "Member" shall mean every person or entity who holds membership in the Association.

Section 7. "Mortgage" shall mean a conventional mortgage or a deed in trust.

Section 8. "Mortgagee" shall mean a holder of a conventional mortgage or a beneficiary under or holder of a deed in trust.

Section 9. "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the subdivision, or in the event of a contract sale, the contract purchaser. The term owner shall not include those holding title merely as security for performance or an obligation.

Section 10. "Subdivision" shall mean the subdivided real property hereinbefore described and such additions thereto as may be brought within the jurisdiction of the Association as hereinafter provided.

Article II. Membership in Association; Voting Rights

Section 1. Every owner of a lot shall be a member of the Association; membership shall be appurtenant to and may not be separated from ownership of a lot. The Association reserves the right to add members to the Association and to subject the Association to additional real estate, common area, outlots and duties by filing with the McLean County Recorder of Deeds one or more declaration similar to this document for the future additions to the Heartland Hills Subdivision in the City of Bloomington, McLean County, Illinois.

Section 2. The Association shall have one class of voting members as follows:

Class A. All members are Class A members and shall be owners, and shall be entitled to one vote for each lot owned. When more than one person holds an interest in a given lot, all such persons shall be members and the vote for such lot shall be exercised as they may determine among themselves. In no event shall more than one vote be cast with respect to any lot owned by Class A members.

Article III: <u>Meetings of Members</u>

Section 1: <u>Annual Meetings</u>. Annual meetings of members shall be held each year.

Section 2: <u>Special Meetings</u>. Special meetings of members may be called at any time by the president or the board of directors, or on written request of fifty percent (50%) of the members who are entitled to vote one-fourth (1/4) of all votes of the Class A Membership.

Section 3: <u>Notice of Meetings</u>. Notice of each meeting of members shall be given by, or at the direction of, the secretary or other person authorized to call the meeting, by posting signs at each subdivision entrance and by posting a notice on the subdivision website, at least thirty (30) but not more than forty-five (45) days before such meeting. Written notices will be sent only to the owner's of empty lots. Such notice shall specify the day, hour, and place of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 4: <u>Quorum</u>. The presence at the meeting, in person or by proxy, of members entitled to cast a majority of the votes of each class of members shall constitute a quorum for authorization of any action, except as may otherwise be provided in the declaration, the articles of incorporation, or these bylaws. If a quorum is not present at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

Section 5: <u>Proxies</u>. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Proxies shall be revocable, and the proxy of any owner shall automatically terminate on conveyance by him of his lot.

Article IV: Board of Directors Term of Office; First Election; Removal

Section 1: <u>Number</u>. The affairs of the association shall be managed by a board of five (5) directors and may be expanded to seven (7). These directors shall be members of the association. These directors consist of: president, vice-president, secretary, treasurer, and either one or three auxiliary board member(s).

Section 2: <u>Term of Office</u>. Each year at the next board meeting after the annual meeting, a Board of Directors shall be elected. The number of directors must consist of either five (5) or seven (7) members. The newly elected board will then serve for a term of one year, except for the Treasurer and Secretary, who shall serve a term of two years.

Section 3: <u>Removal</u>. Any director may be removed from the board, with or without cause, by a majority vote of the members of the association. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining members of the board and shall serve for the unexpired term of his predecessor.

Section 4: <u>Compensation</u>. No director shall receive compensation for any service he may render to the association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Article V: Board of Directors; Nomination and Election

Section 1: <u>Nomination</u>. If any resident is interested in pursuing a position on the board of directors, they must notify the current Secretary at least one week prior to the Annual Meeting. In addition, they will need to inform the Secretary what position they intend to pursue so their name can be placed on the ballot. All interested candidates must attend the Annual Meeting unless an exception is made by the current board. All attending residents will then vote for their favored candidate for each board position. The candidate receiving the most votes will then be elected to that specific position for a one year term.

Section 2: <u>Election</u>. Election to the board of directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy as many votes as they are entitled to exercise under the provisions of the declaration. Persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Article V: <u>Board of Directors; Meetings</u>

Section 1: <u>Regular Meetings</u>. Regular meetings of the board of directors shall be held on a quarterly basis without notice, at such place and hour as may be fixed from time to time by resolution of the board. However, the board reserves the right to schedule meetings more or less frequently should there be a need. In the event the regular date for a meeting falls on a legal holiday, such meeting shall be held at the same time on the next following day which is not a legal holiday.

Section 2: <u>Special Meetings</u>. Special meetings of the board of directors shall be held when called by the president of the association, or by any two directors, after not less than three (3) days' notice to each director.

Section 3: <u>Quorum</u>. A majority of the directors shall constitute a quorum for the transaction of business. Every act performed or decision made by a majority of directors present at a duly held meeting in which a quorum is present shall constitute the act or decision of the board.

Article VII: <u>Board of Directors; Powers and Duties</u>

Section 1: <u>Powers</u>. The board of directors shall have power to:

a) Adopt and publish rules and regulations governing the use of the common areas and facilities including the personal conduct of the members and their guests thereon; and to establish penalties for infractions of such rules and regulations; b) Suspend the voting rights and rights to use of the recreational facilities of any member during any period in which such member is in default in the payment of any assessment levied by the association. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty (30) days for infraction of published rules and regulations;

c) Exercise on behalf of the association all powers, duties, and authority vested in or delegated to the association and not specifically reserved to the membership by the declaration, articles of incorporation, or by other provisions of these bylaws;

d) Declare the office of a member of the board of directors to be vacant in the event such member is absent from three (3) consecutive regular meetings of the board of directors; and

e) Employ a manager, independent contractors, and such other employees as they may deem necessary, and to prescribe their duties.

Section 2: <u>Duties</u>. It shall be the duty of the board of directors to:

a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members of each annual meeting, or at any special meeting at which such a statement is requested in writing by one-fourth (1/4) of the Class A members entitled to vote thereat;

b) Supervise all officers, agents, and employees of the association and see to it that their duties are properly performed;

c) As more fully provided in the declaration, to:

1) Fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period;

2) Post at entrances and on the association website, notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period;

3) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date, or to bring an action at law against the owner personally obligated to pay the same.

d) Issue, or cause an appropriate officer to issue, on demand by any person, a certificate setting forth whether or not any assessment has been paid. A statement in a certificate to the effect that an assessment has been paid shall constitute conclusive evidence of such payment;

e) Procure and maintain adequate liability and hazard insurance on all property owned by the association;

f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

g) Cause the common area to be maintained; and cause the retention pond to be maintained, as intended when built to comply with the US Clean Water Act of 1977.

Article VIII: Officers and their Duties

Section 1: <u>Officers</u>. The officers of the association shall be a president, vice president, secretary, treasurer, one (1) or three (3) auxiliary board members, and any such other officers as the board may from time to time resolution create.

Section 2: <u>Election of Officers</u>. The election of officers shall take place at the first meeting of the board of directors following each annual meeting of members.

Section 3: <u>Term</u>. The officers of the association shall be elected annually by the board. Each shall hold office for a term of one (1) year, except for the Treasurer and the Secretary, who shall hold office for a term of two years, unless he shall sooner resign, or shall be removed or otherwise disqualified to serve.

Section 4: <u>Special Appointments</u>. The board may elect such other officers as the affairs in the association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the board may, from time to time, determine.

Section 5: <u>Resignation and Removal</u>. Any officer may be removed from office by a voting consent of at least 4 members of the current board of directors. Any officer may resign at any time by giving written notice to the board. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6: <u>Vacancies</u>. A vacancy in any office will be filled by appointment by the president with a voting consent of the board. The officer appointed to such vacancy shall serve for the un-expired term of the officer they replace.

Section 7: <u>Multiple Offices</u>. No person shall simultaneously hold more than one of any of the offices, except in the case of special offices created pursuant to Section 4 of this Article.

Section 8: <u>Duties</u>. The duties of the officers are as follows:

a) <u>President</u>. The president shall preside at all meetings of the board of directors; shall see that orders and resolutions of the board are carried out; shall sign all leases, mortgages, deeds, and other instruments, and shall cosign all checks and promissory notes. This position shall be a voting position within the association.

b) <u>Vice-President</u>. The Vice-President shall act in the place of the president in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the board. This position shall be a voting position within the association.

c) <u>Secretary</u>. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the board and of the members, keep the corporate seal of the association and affix it to all papers so requiring; serve notice of meetings of the board and of members; keep appropriate current records showing the members of the association together with their addresses and all other duties assigned to him. This position shall be a voting position within the association.

d) <u>Treasurer</u>. The treasurer shall receive and deposit in appropriate bank accounts all funds of the association, and shall disburse such funds as directed by resolution of the board of directors; shall sign all checks and promissory notes of the association; shall keep proper books of account; and shall prepare, and submit for consideration by the board, an annual budget and statement of income and expenditures, a copy of which documents shall be delivered to each member, and a report on which shall be given at the regular annual meeting of members and perform such duties as may be required by the board or by law. This position shall be a voting position within the association.

e) <u>Auxiliary Board Member(s)</u>. Shall perform various functions as needed and will be required to attend the monthly board meetings. Each Board Member is a voting position within the association and shall serve the same length of term as the other members.

Article IX: Indemnification and Liability

Section 1. <u>Indemnification by the Association</u>. The Association shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that such person is or was a director, officer, committee member, employee, or agent of the Association against expenses (including attorney's fees, judgments, fines, and amounts paid in settlement) actually and reasonably incurred by such person in connection with such action, suit or proceeding if it is found and determined by the Board or a court that such person:

> (i) acted in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Association; or

> (ii) with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful. Indemnification is not permitted if the act of the person seeking indemnity is

(1) a breach of such person's duty of loyalty to the Association or its members,

(2) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of law,

(3) a transaction from which the person receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of the such person's office, or

(4) an act or omission for which the liability of such person is expressly provided for by a statute.

Section 2. <u>Liability of Board Members</u>. The members of the Board of Directors, the Association officers, and Architectural Control Committee members shall not be liable to any Owner or any person claiming by or through any Owner for any act or omission of such director, officer, or Committee member in the performance of his duties unless such act or omission is

(1) a breach of the such person's duty of loyalty to the Association or its members,

(2) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of law,

(3) a transaction from which the person receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of the such person's office, or

(4) an act or omission for which the liability of such person is expressly provided for by a statute.

The Association shall indemnify all such Directors, Officers, and Architectural Control Committee members from all claims, demands, actions and proceedings and any expenses in connection therewith, except if such person has acted in violation of the foregoing. The Board may purchase (but is not required to purchase) directors and officers liability insurance. Such insurance and any indemnification payments shall be treated as a common expense. The Board is authorized and directed to modify the Association's corporate charter to conform to the foregoing.

Article X: <u>Committees</u>

The board of directors may appoint such committees as it may deem appropriate in the performance of its duties.

Article XI: Books and Records; Inspection

The books, records, and papers of the association shall be subject to inspection by any member during ordinary business hours, or such time that can be agreed upon by the member requesting access and a member or officer of the board. The declaration, articles of incorporation, and bylaws of the association shall be available for inspection by any member at the principle office of the association, if there is such an office, or by appointment with a board member or officer. Copies shall be made available for sale at a reasonable price.

Article XII: Corporate Seal

The association shall have a seal in circular form having within its circumference the words: "Heartland Hills Homeowner's Association, Inc."

Article XIII: Fiscal Year

The fiscal year of the association shall be the calendar year, unless applicable tax laws or regulations require another period, except that the first fiscal period shall begin January 1, 2006 and shall end on December 31 of the year.

Article XIV: <u>Amendments</u>

The bylaws may be amended at a Special or Regular meeting of members, by vote of a majority of a quorum of members present or by proxy. In the event a quorum of members is not achieved at such a meeting (in person or by proxy), the board reserves the right to amend the bylaws with a majority vote.

Article XV: Conflicts

In the case of any conflict between the articles of incorporation and the bylaws, the articles shall control; In the case of any conflict between the declaration and the bylaws, the declaration shall control.

Article XVI: <u>Assessments</u>

Section 1. <u>Lien and Personal Obligation of Assessments</u>. Declarant hereby covenants for each final platted lot within the subdivision, and each owner of a lot is hereby deemed to covenant by acceptance of his deed for such lot, whether or not it shall be so expressed in his deed, to pay to the Association

- (1) annual assessments and
- (2) special assessments for capital improvements.

Such assessments will be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and a continuing lien on each lot against which such an assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees incurred to collect same shall also be the personal obligation of the person or persons who owned the lot at the time the assessment fell due, but such personal obligation shall not pass to the successors in title of such person or persons unless expressly assumed by them.

Section 2. <u>Purpose of Annual Assessments</u>. The annual assessments levied by the Association shall be used exclusively to promote the health, safety, welfare, and recreation of the residents in the subdivision and for the improvement and maintenance of the common areas and any other lawful purpose of the Association. Annual assessments shall include, and the Association shall acquire and pay for out of the funds derived from annual assessments, the following:

a) Maintenance and repair of the common area;

b) Water, sewage, garbage, electrical, lighting, telephone, gas and other necessary utility service for the common area, if any;

c) Acquisition of furnishings and equipment for the common area as may be determined by the Association, including without limitation all equipment, furnishings, and personnel necessary or proper for use of the recreational facilities, if any;

d) Fire insurance covering the full insurable replacement value of the common area with extended coverage, if any;

e) Liability insurance insuring the Association against any and all liability to the public, to any owners, or to the invitees or tenants of any owner arising out of their occupation and/or use of the common area. The Policy limits shall be set by the Association, and shall be reviewed at least annually and increased or decreased at the discretion of the Association;

f) Workmen's compensation insurance to the extent necessary to comply with the Workers Compensation Act of the State of Illinois, and any other insurance deemed necessary by the Board of Directors of the Association;

g) A standard fidelity bond covering all members of the Board of Directors of the Association and all other employees of the Association in an amount to be determined by the Board of Directors; h) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Association is required to secure or pay pursuant to the terms of this declaration of by law, or which shall be necessary or proper in the opinion of the Board of Directors of the Association for the operation of the common areas, for the benefit of lot owners, or for the enforcement of these restrictions.

Section 3: <u>Maximum Annual Assessment</u>.

a) From and after January 1 of the year immediately following the conveyance of the first lot be Declarant to an owner, the maximum annual assessment may be increased by the vote or written assent of a majority of all votes entitled to be case under Article II above;

b) The Board of Directors of the Association may fix the annual assessment at an amount not in excess of the maximum.

Section 4: <u>Special Assessments or Capital Improvements</u>. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement on the common area, including fixtures and personal property related thereto. Any such assessment must be approved by a majority of each class of members.

Section 5: <u>Notice and Quorum for Action Authorized Under Article III,</u> <u>Section 3 and 4</u>. Notice of any meeting called for the purpose of taking any action authorized by Section 3 or 4 of Article III shall be posted at the entrances to the subdivision and on the association website not less than thirty (30) and no more than forty-five (45) days in advance of such meeting. Written notices shall be mailed only to the owners of empty lots. In the event the proposed action is favored by a majority of the votes cast in such meeting, but less than the requisite majority of each class of members, members who were not present in person or by proxy may give their assent in writing within ten (10) days after the date of such meeting.

Section 6: <u>Uniform Rate of Assessment</u>. Both annual and special assessments must be fixed at a uniform rate for all lots.

Section 7: <u>The Commencement and Collection of Annual Assessments</u>. The annual assessments provided for herein shall commence as to all lots on the first day of the month following the conveyance of the subject lot to the owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each lot at least sixty (60) days in advance of the due date thereof and shall fix the dates such amount become due. Notice of the annual assessments shall be posted at the subdivision entrances and on the association website. Written notices shall be mailed only to the owners of empty lots. The Association shall, on demand and for a reasonable charge, furnish a certificate signed by an officer of the Association, setting forth whether the assessments against a specific lot have been paid, and shall, on or before January 1 of each year, cause to be recorded in the Recorder's Office of McLean County, Illinois, a list of delinquent assessments as of the date.

Section 8. <u>Effect of Nonpayment of Assessments: Remedies of the</u> <u>Association</u>.

> a) Any assessment not paid within thirty days after the due date shall be deemed default and shall bear interest from the due date at the rate of nine percent per annum. The association may bring an action of law against the owner personally obligated to pay the same or may foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common area or abandonment of his lot. The association may waive any assessment or interest not paid on such assessment provided criteria is met as stipulated in section b or section c.

> b) The association may waive any assessment provided the following criteria are met in full.

1. Owner shall not have possession of lot for more than 90 days.

2. Owner must provide written evidence of change of ownership to the association.

3. Ownership of lot shall not have passed from business relationship, blood relative, legal guardian or by marriage.

4. Written request must be submitted to the executive board outlining specific request for waiver of assessment within 90 of possession of lot.

5. No future assessment shall be waived.

c) The association may waive interest due provided written notice from owner to the executive board or designee has been received within 15 days of payment of full annual assessment and all prior interest due. The executive board may not waive more than one annum of default charges, unless criteria for subsection b has been met. No owner may request default charges be waived more than once within a 3 year period.

Section 9. <u>Subordination of Assessment Lien to Mortgages</u>. The assessment lien provided for herein shall be subordinate to the lien of any first mortgage. A sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to a mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the assessment lien as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or form the lien thereof.

Section 10. <u>Special Assessments by Governmental Units</u>. Hereafter, governmental units may place special assessments against property contained in the subdivision, and all such special assessments shall not be the responsibility of the developer, but shall be the responsibility of the owner of said property.

Article XVII. Property Rights and Restrictions

Section 1. Easements for installation and maintenance of utilities and drainage facilities are shown on the recorded Subdivision plat. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with, or change the direction of flow of drainage in the easements. The easement area of each lot and all improvements therein shall be continuously maintained by the owner of such lot, except for improvements for maintenance of which a public authority or utility company is responsible.

Section 2. No dwelling unit or other structure of any kind shall be built, erected, or maintained on any such easement, reservation or right-of-way, and such easements, reservations, and rights-of-way shall at all times be open and accessible to public and quasi-public utility corporations, their employees, and contractors, and shall also be open to Declarant, its successors and assigns, all of whom shall have the right of privilege of doing whatever may be necessary in, on, under and above such locations to carry out any of the purposes for which such easements, reservation and rights-of-way are reserved.

Section 3. Docks may only be attached to private land and may not be erected, maintained or otherwise cross over any public area or common ground.

Section 4. No dwelling unit, permanent fixtures or structures of any kind shall be built, erected, or maintained in any public area or common ground, except those which are for the benefit of the collective members of the Association and have been duly approved pursuant to Article III, Sections 3 and 5.

Section 5. Lots 1 through Lot 33 inclusive, Lots 37 through Lot 57 inclusive, 59 through 91 inclusive, and 93 through 127 inclusive shall be used as a residence for a single family and for not other purpose.

Section 6. No business of any kind shall be conducted on any residence with the exception of in-home business of the homeowner, which does not add on street parking beyond the residential use allowed by the City of Bloomington single family zoning ordinance. There shall be no operation of the business, causing customer traffic beyond the hours of 7 a.m. to 6 p.m., Monday through Friday. Additionally, the business of Declarant and the transferees of Declarant in developing all of the lots.

Section 7. No obnoxious or offensive activity shall be conducted on any lot. The business of Declarant and the transferees of Declarant, in developing all of the lots, shall not be considered noxious or offensive.

Section 8. No sign of any kind shall be displayed to public view on a lot except customary name and address signs and lawn signs of not more than 10 square feet in size advertising a property for sale or rent.

Section 9. Nothing shall be done or kept on a lot which would increase the rate of insurance relating to other lots, and no owner shall permit anything to be done or kept on his lot which would result in the cancellation of insurance on any other residence or which would be in violation of any law.

Section 10. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot. However, dogs, cats and other household pets may be kept on the lots, so long as they are not kept, bred or maintained for commercial purposes.

Section 11. No rubbish, trash, garbage or other waste material shall be kept or permitted on any lot except in sanitary containers located in appropriate areas concealed from public view with exception of trash collection days.

Section 12. No fence, hedge, wall or other dividing instrumentality over eight feet in height measured from the ground on which it stands shall be constructed or maintained on any lot.

Section 13. No outbuilding, basement, tent, shack, garage, trailer, shed, or temporary building of any kind shall be used as a residence, either temporarily or permanently.

Section 14. All front yards of each lot shall be maintained to have a full stand of grass within six (6) months after completion of the construction of a home.

Section 15. Each lot shall be planted with not less than one hardwood tree, which is not less than two inches in diameter, within one year after a lot is in possession of a property owner after sale by Declarant.

Section 16. No "used materials" except for brick shall be used for or in the construction of this property, and no previously built structure of any kind shall be moved upon said premises unless approved in writing by the Declarant or Association.

Section 17. No residential dwelling structure shall be occupied until the exterior surface has been completed, including final painting if such construction calls for same.

Section 18. No trucks larger than ³/₄ ton, tractors, commercial trailers, RV's, camper vans, truck campers, enclosed cargo trailers, car trailers, car haulers, house trailers, light farm trailers, mobile or motor homes, boats, boat trailers, motor bikes, or trail bikes shall be kept on any lot or in the subdivision except entirely within an enclosed structure. Open, single axel utility trailers are allowed, if and only if, they are fully functional and properly licensed, and may be parked in a homeowner's drive-way if they do not impede in any way on the sidewalk. All automobiles kept or stored on said premises not enclosed in a permanent structure or building shall be in a workable and running condition.

Section 19. Any boundary fence constructed upon the premises must be a minimum of six inches inside the property line and constructed of any decorative material. Chain link fencing may, however, only be constructed in a rear yard of any lot not closer to the front line than a straight line formed by an imaginary extension of the residence facing the rear yard (or) to align with adjoining neighbors established fence.

Section 20. No excavated material shall be moved from the Subdivision without the written consent of the Declarant.

Section 21. Before the commencement of any construction on any lot, the building design, location, construction plans, and construction materials must be approved by the Architectural Review Committee which has been established by the Declarant.

Section 22. Single-family residences shall contain a minimum of 1,200 square feet of livable floor areas exclusive of any garage, breezeway, or basement when the structure consists of one floor or shall contain a minimum of 1,700 square feet of livable floor areas exclusive of any garage, breezeway or basement when the structure consists of two floors, except that for the design known as the bi-level, the structure shall consist of 1,100 square feet of livable floor area on the upper floor exclusive of any garage, breezeway, or basement and for the designs known as the tri-level or quad-level, the structure shall consist of 1,000 square feet of livable floor area on the upper two floors combined exclusive of any garage, breezeway or basement.

Section 23. Satellite dishes or receivers shall be allowed only if the size of the dish or receiver is less than 39.37 inches in diameter and the dish or receiver is directly attached to the back one-half of the home determined by an imaginary line drawn through the home dividing it such that there would be a front one-half and a back one-half of the home. The satellite dish or receiver may be located on the back one-half of the home on either side of the home, on the back side of the home.

Section 24. The installation or construction of any storage shed or detached building is prohibited without the written consent of the Declarant or Association.

Section 25. Without written permission of the Declarant or Association, no clothesline, whether temporary or permanent, shall be used or installed in the yard or any other area outside the residence.

Section 26. No completely modular building shall be permissible; however, precut or preassembled components may be used.

Section 27. No snowmobiles or jet skis are permitted to be operated on the neighborhood retention pond.

Section 28. No recreational vehicle (gas-powered, electric or otherwise) are allowed to be operated on common ground, easement, reservation or right-of-way.

Section 29. Pumping or otherwise removing water from the retention pond is prohibited.

Section 30. Declarant or the transferees of Declarant shall undertake the work of developing all lots included within the Subdivision. The completion of that work, and the sale, rental or other disposition of residential units is essential to the welfare of the Subdivision as an ongoing residential community. In order that such work may be completed and the Subdivision be established as a fully occupied residential community as soon as possible, nothing in this Declaration shall be understood or construed to:

a) Prevent Declarant, Declarant's transferees, or the employees, contractors of Declarant or Declarant's transferees or their representatives, whatever they determine may be reasonably necessary or advisable in connection with the completion of such work;

b) Prevent Declarant, Declarant's transferees, or the employees, contractors, or subcontractors of Declarant or Declarant's transferees from constructing and maintaining on any part or parts of the Subdivision property owned or controlled by Declarant, Declarant's transferees, or their representatives, such structures as may be reasonably necessary for the completion of such work, the establishment of the Subdivision as a residential community, and the disposition of lots by sale, lease or otherwise.

c) Prevent Declarant, Declarant's transferees, or the employees, contractors, or sub-contractors of Declarant or Declarant's transferees from conducting on any part or parts of the Subdivision property owned or controlled by Declarant or Declarant's transferees or their representatives the business of completing such work of establishing the Subdivision as a residential community, and of disposing of lots by sale, lease or otherwise; or

d) Prevent Declarant, Declarant's transferees, or the employees, contractors, or sub-contractors of Declarant or Declarant's transferees from maintaining such sign or signs on any of the lots owned or controlled by any of them as may be necessary in connection with the sale, lease or other disposition of subdivision lots.

As used in this section, the words "its transferees" specifically exclude purchasers of improved lots.

Article XVIII. <u>Owner's Obligation to Repair</u>

Section 1. Each owner shall, at his sole expense, be responsible for the condition of the sidewalk, curb, gutter, and the yard grade of the premises. In the event that same is in any way damaged or disturbed during any construction on the premises, the owner agrees to assume responsibility of same, so as to comply with these restrictions, and the ordinances of law of any other governmental unit.

Section 2. Each owner shall, at his sole cost and expense, repair his residence, keeping the same in a condition comparable to the condition of such residence at the time of its initial construction, excepting only normal wear and tear.

Article XIX. Owner's Obligation to Rebuild

If all or any portion of a residence is damaged or destroyed by fire or other casualty, it shall be the duty of the owner thereof, with all diligence, to rebuild, repair, or reconstruct such residence in a manner which will substantially restore it to its appearance and condition immediately prior to the casualty. Reconstruction shall be undertaken within two months after the damage occurs, unless prevented by causes beyond the control of the owner or owners, and be completed within 12 months of commencement.

Article XX. Maintenance of Exterior of the Berm

The Declarant hereby authorized the Association to maintain the berms and the pedestrian pathways between Lots 100 and 101 and Lots 105 and 106 in the Subdivision and the landscaping within the berms and retention pond within the Heartland Hills Subdivision. The Association shall employ the Declarant, or his representative, to conduct this maintenance, until such time as the Association decides to provide the service in some other way. The Association shall pay a reasonable fee to the Declarant for such maintenance.

This shall include maintenance of Outlot 92, Outlot 114, Outlot 128 through Outlot 130, Outlot 159 and Outlot 160.

Article XXI. <u>Maintenance of the Yard and the Landscaping of a Member's</u> <u>Lot</u>

The Association is authorized to maintain the yard and landscaping of a member's lot in the event that a member fails to reasonably do so. The Association shall be entitled to alien on the maintained property for such maintenance, until such time as the member reimburses the Association.

Article XXII. <u>General Provisions</u>

Section 1. <u>Enforcement</u> – The Declarant, the Association, or any owner shall have the right to enforce, by any proceeding at law or equity, all restrictions, conditions, covenants, easements, reservations, liens or charges now or hereafter imposed by the provisions of this Declaration. Failure by Declarant, the Associations, or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The owner shall be obligated to pay the attorney fees of the Association or Declarant which are incurred to enforce these covenants against the owner.

Section 2. <u>Severability</u> – Invalidation of any one of these covenants or restrictions by judgment or Court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 3. <u>Amendments</u> – Covenants and restrictions of this Declaration may be amended by duly recording an instrument executed and acknowledged by not less than ³/₄ of each owner.

Section 4. <u>Subordination</u> – No breach of any of the conditions herein contained or re-entry by reason of such breach shall defeat or render invalid the lien of any mortgage made in good faith and for value as to the subdivision of any lot therein, provided, however, that such condition shall be binding on any owner whose title is acquired by foreclosure, trustee's sale, or otherwise.

Section 5. <u>Duration</u>. This Revised Declaration shall continue until extinguished by a written instrument executed by the Owners of at least 66 2/3% of the Lots within the Property then subject to this Revised Declaration.

President, Heartland Hills Homeowners Association

STATE OF ILLINOIS))SS COUNTY OF MC LEAN)

I, the undersigned, a Notary Public in and for said County and State aforesaid, DO HEREBY CERTIFY that ______, President of Heartland Hills Homeowners Association, personally known to me to be the same person(s) whose name(s) is/are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that the said instrument was signed, sealed and delivered as a free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Notarial seal this _____ day of _____, 20___.

Notary Public