

2009 DECLARATION OF RESTRICTIONS

Lake Summerset Subdivision Stephenson and Winnebago Counties, Illinois “2009 Summerset Restrictions”

WHEREAS, the Lake Summerset Subdivision (hereinafter, the Development) exists partly in Winnebago County and partly in Stephenson County, Illinois, as constituted by the real estate shown on the revised and final plats (hereinafter, plats) recorded in Winnebago County at Book 32 of Plats, page 212 and Microfilm Nos. 1210554 et seq; and recorded in Stephenson County at Book G of Plats, page 88 and Book H of Plats, pages 1-7; and

WHEREAS, Boise Cascade Properties, Inc., a Nevada corporation, (hereinafter, the Developer) was the developer of the Development and it prepared and caused to be recorded the original Declaration of Restrictions (hereinafter, 1969 Restrictions) which, on May 7, 1969, was recorded in Winnebago County as Document 1211783 in Microfilm 69-09-0319, and recorded in Stephenson County at Book P - 172, Page 314, et seq; and

WHEREAS, as contemplated by the 1969 Restrictions, a not-for-profit corporation now named “Lake Summerset Association, Inc.” (hereinafter, LSA) has been organized under Illinois law and presently exists in good standing and is the Association of and for owners of residential lots, and members associated with lots, in the Development, and the Developer has conveyed to LSA, by property deeds, all of the common real estate; that is, all the streets, lakes, parks, common areas, amenities and the like, constituting all real estate within the Development, except the residential lots and except a tract owned by a utility corporation as shown on the plats; and

WHEREAS, the Developer has assigned to LSA all of its rights, powers and immunities under the 1969 Restrictions, and the 1969 Restrictions provide in Section 17 that they may be changed in whole or in part effective January 1, 1999, by vote of persons owning a majority of the numbered lots in the Development; and

WHEREAS, in 1998, a vote was properly conducted and resulted in the adoption by persons owning a majority of the numbered lots in the Development of amended and revised covenants and restrictions (hereinafter, “1999 Restrictions”), which were recorded in Winnebago County on December 18, 1998 as Document Number 98-80054, and recorded in Stephenson County on December 21, 1998 as Document Number 98-94913; and

WHEREAS, Section 17 of the 1999 Restrictions provides that the 1999 Restrictions shall be automatically extended for successive periods of ten (10) years unless changed in whole or in part by vote of persons who are owners of a majority of the numbered lots in the Development; and

WHEREAS, such a vote was duly taken, resulting in approval of an amended and revised covenants and declaration of restrictions document which is set out below, and which herein is called either “2009 Restrictions” or simply “these Restrictions.”

NOW THEREFORE, LSA, acting by its duly elected and appointed officers, declares the foregoing recitals to be true and makes public record of the following 2009 Declaration of Restrictions.

This page to be replaced with included hard copy

IN WITNESS WHEREOF, the undersigned Lake Summerset Association, Inc. confirms and declares the foregoing this 29th day of December 2008.

LAKE SUMMERSET ASSOCIATION, INC.

BY: _____
Its: President

A T T E S T:

SEAL

BY: _____
Its: Secretary

STATE OF ILLINOIS)
)SS.
COUNTY OF WINNEBAGO)

I, the undersigned, a Notary Public in and for said County and State aforesaid, DO HEREBY CERTIFY that Frank A. Miller, personally known to me to be the President of the above-named Corporation, and Marsha Shelly personally known to me to be the Secretary of said Corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such President and Secretary of said Corporation, and caused the corporate seal of said Corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said Corporation, as their free and voluntary act, and as the free and voluntary act of said Corporation, for the purposes therein set forth.

Given under my hand and Notarial Seal this 29th day of December 2008.

Notary Public

Acronyms and Definitions Applicable Herein

amenities	means the real estate constituting all streets, rights-of-ways, lakes, parks, and other real estate shown on the plats (excepting only the lots and the land owned by OCLUD or its successor), and including the recreational facilities, improvements to or on said real estate, and additional properties of any kind whatsoever, owned by LSA.
Board	means the Board of Directors of LSA
Development	means the Lake Summerset Subdivision as more fully described in the foregoing recitals.
ECC	means the Environmental Control Committee appointed pursuant to Section 5C herein and having the powers and functions designated herein and by the Board.
Entity	means a being recognizable in law as capable of owning title, legal or equitable, or other interests in real estate; and capable of entering into contracts. Examples, and without limitation, are a sole person, a plurality of persons jointly and/or severally, a corporation, a partnership, a trust (that is, its trustee).
house	means a single family house built on one or more lots and designed, intended and suitable for use and habitation by no more than a single household.
household	means a family group of one or more persons who regularly and customarily reside together in the same house or home as a primary residence, and all of whom have the same legal address.
Joint Obligation	means, with reference to a given lot, an obligation to LSA for which the Owner and the Principal Member shall have liability, jointly and severally, for payment of monies and for duties of lot maintenance, as set out in these Restrictions. (LSA shall look first to the Principal Member for satisfaction of any such Joint Obligation. See Section 9C.)
lake	means the body of water, and the real estate beneath such water owned by LSA, being 285 acres in area more or less and held by a dam--all within the Development.
lot or lots	means one or more (as the case may be) of the residential lots situated in the Development and shown as numbered lots on the plats, excepting the numbered lots which LSA has withdrawn from residential status.
LSA or Association	means a not-for-profit corporation organized and existing under the laws of Illinois, having a post office address at Davis, Illinois 61019 and constituting the association of owners of residential lots in the Development.
OCLUD	means Otter Creek Lake Utility District, a municipal corporation organized and existing under Illinois law, having a post office address at Davis, Illinois 61019, and as the current successor to the original privately owned public water utility company, the provider of water and sanitary sewer services within the Development.
Owner	means the entity which owns (by conveyance, devise or otherwise) title to, or all ownership interest in a lot. Where more than one being owns interests in title or other interests in a single lot, the singular terms "Entity" or "Owner" shall be taken in the plural.
person	means a living human being.
plats	means the recorded final plats, as described more fully in the foregoing recitals.
structure	means any man-made item, free-standing or permanently fixed to the ground and exceeding four feet in height. Examples: a house, a gazebo, a large decorative fountain.

Definitions of Types of LSA Members

member means, generically, a person who is either a Principal Member, or an Associate Member, or a Tenant Member.

Principal Member means the one person designated in writing by the Owner of a lot to have the obligations and privileges of membership in the Association, with reference to that lot, and who shall have the power to cast a vote, based on that lot, in LSA affairs (there being one vote for each lot). One person who becomes the Sole Owner of a lot may designate himself to be the Principal Member.

In those cases where two persons (a) who live together as part of one household, and (b) who become (after approval by LSA of their application for ownership) joint owners of all right, title, and interest in and to a given lot, those two persons as an Entity shall be the Owners of that lot, and they shall have the privileges and obligations of Principal Members; provided, however, that they will be permitted to cast only one vote, with reference to that lot, in the affairs of LSA. (Note: In most, but not necessarily all, of these cases, the two persons will be husband and wife.)

Associate Member means persons who are a part of the household of a Principal Member (e.g., mother, father, son, daughter, brother, sister) and who are not otherwise entitled to the benefits of membership by virtue of being Owners or Principal Members.

Tenant Member means persons who may from time to time be tenants or regular occupants of houses within the Development and who are not otherwise entitled to the benefits of membership by virtue of being Principal Members or Associate Members.

1. Residential Character of Development

A. In General. Every lot, unless otherwise designated by LSA, is a residential lot and shall be used exclusively for single family residential purposes. No structure shall be erected, placed or permitted to remain upon any lots, except a single family house and such outbuildings and improvements as are usually accessory to a single family house.

B. Residential Use of Accessory Outbuildings, Etc., Prohibited. No accessory outbuildings shall be erected on any lots prior to the erection thereon of a house, and in no event shall any accessory outbuilding, or any temporary structure which may be constructed upon any lot under these Restrictions, ever be used as a place for human occupancy or habitation.

C. Occupancy of Partially Completed Houses Prohibited. No newly constructed house shall be lived in until (a) in Winnebago County, a Certificate of Occupancy is issued by the building permit authority; or (b) in Stephenson County, an approval for occupancy is issued by LSA.

2. Restrictions Concerning Size and Placement of Houses and Other Structures and the Maintenance Thereof

A. Minimum Living Areas. The living area of a house excludes porches, terraces, garages, and areas which are wholly or substantially below ground level.

- All single story houses must have a minimum of 1,000 square feet of living area if that house includes an attached two car garage, but a minimum of 1,200 square feet if there is no garage or a detached garage.
- Multi-story houses must have a minimum of 850 square feet of living area on the first floor and no less than a total of 1,200 square feet of living area.

B. Setback Requirements

a) In General. Except as may be otherwise provided in these Restrictions or on the plats, no house or above grade structure shall be constructed or placed on any lot (except decorative fences, the placement of which is provided for hereinafter) except in compliance with the following setbacks:

- i) Front Yards** - The front building setback shall be at least one half (1/2) of the width of the adjoining road right-of-way. In the event that a particular lot's width is less than sixty (60) feet at that setback line, then the minimum setback on that lot shall be established at a location where the lot width is sixty (60) feet.
- ii) Side Yards** - The side yard setback shall be not less than ten (10) feet from the side line of the lot, except where said lot is a corner lot, and in such case the minimum side yard setback on the side adjacent to a road shall be one half (1/2) of the width of the adjoining road right-of-way.
- iii) Rear Yards** - If a given lot abuts in the rear on a road, whether public or private, the minimum rear setback shall be equal to one half (1/2) of the width of the right-of-way of said road. If a given lot abuts on the rear on the lake, the minimum rear setback shall be fifty (50) feet from the normal high water mark, which is at elevation 826.6 feet. In all other cases, the minimum rear setback shall be twenty (20) feet or twenty-five (25) percent of the depth of the lot, whichever is greater.
- iv) Cul de Sacs** - If a given lot abuts on a cul de sac, the front building setback shall be on an arc the radius of which is at least equal to the radius of the cul de sac plus thirty-three (33) feet.
- v) Line of Sight Rule.** For any given lot which abuts the lake and upon which a house or structure has not yet been built, no structure shall be erected closer to the lake than the "line of sight." This is a straight line which extends from the corner of the foundation on any structure closest to the

lake existing on any of the three (3) lots lying to the right of the given lot, to the corner of the foundation on any structure closest to the lake existing on any of the three (3) lots lying to the left of the given lot. If there are fewer than three (3) lots on either side or no structure exists on any of the three (3) lots on either side, then the line of sight shall be determined by the ECC. Roof lines, open decks and ground level screened patios are excluded from the application of this rule. This rule also applies to any given lot which abuts on a stream that empties into the lake.

To determine line of sight, ECC will use existing plot plans for houses on each side that are being used for the establishment of proposed line of sight. ECC will require the Owner or builder of the proposed new structure to submit a diagram which shows existing structure on the lots to the right and to the left, as previously described, in relation to proposed new structure. ECC will make an on site inspection to verify that the diagram matches the area staked out as to the proposed new structure foundation corners and elevations before issuing a permit. Any changes that could affect the line of sight must be approved by the ECC. A copy of the line of sight rule will be given to all lakefront owners or builders when they request a permit for building.

C. Fences. To preserve the natural quality and aesthetic appearance of the existing geographic areas within the Development, all property lines shall be kept free and open one to another. No fences shall be permitted on any lot or lot lines except where, in the opinion of the ECC, a fence or other enclosure, as a structure or aesthetic feature of a design concept, will contribute to and be in keeping with the character of the area. The size, location, height and composition of a proposed fence or other enclosure must receive approval by ECC prior to construction.

D. Exterior Construction Materials. The finished exterior of every building constructed or placed on any lot shall be of material other than tar paper, rollback siding or any other similar material.

E. Diligence in Construction. Any house whose construction or placement on any lot is begun shall be substantially completed for occupancy (as defined in Section 1C) within six (6) months after the beginning of such construction or placement. Final grading and seeding shall be completed within six months following approval for occupancy (as defined in Section 1C). Any improvement which has been partially or totally destroyed by fire or otherwise, shall be repaired or removed within three (3) months after such destruction or damage occurred.

F. Prohibition of Used Structures. All structures constructed or placed on any lot shall be constructed with a substantial quantity of new materials, and no used structures shall be relocated or placed on any lot.

G. Maintenance of Lots and Improvements. It shall be a Joint Obligation, relative to any given lot, that the lot and any improvements thereon be maintained in such a manner so as to prevent said lot or improvements from becoming unsightly. Specifically, this Obligation includes the duties to:

- i) Mow said lot at such times as may be reasonably required to prevent the unsightly growth of vegetation and noxious weeds.
- ii) Remove all debris or rubbish from said lot.
- iii) Prevent the existence of any other condition that unreasonably detracts from or diminishes the aesthetic appearance of said lot.
- iv) Cut down and remove dead trees from said lot.
- v) Where applicable, prevent debris or foreign material from entering the lake; or
- vi) When such debris or foreign material has entered the lake from said lot, remove the same immediately.
- vii) Keep the exterior of all improvements on said lot in such a state of repair or maintenance so as to avoid their becoming unsightly.
- viii) With reference to any lot which adjoins the lake or Otter Creek (which feeds into the lake),

stabilize the shore line in a manner which will prevent soil erosion into the lake (or creek). The method of stabilization utilized must be consistent with soil conservation practices for the county in which said lot is located and must be approved by the ECC prior to the stabilizing work. Stabilization must be completed within one (1) year after a change of ownership of said lot or after written notification to the Principal Member that the shoreline needs to be stabilized. If not completed in that time frame, LSA may make or complete the stabilization, as provided more generally in Section 2H.

H. Association Rights to Perform Certain Maintenance. In the event that the Owner or Principal Member of any lot shall fail to maintain said lot and any improvements thereon in accordance with the provisions of these Restrictions, and any By-laws of LSA which from time to time may be in effect, LSA shall have the right, by and through its agents or employees or contractors to enter upon said lot and repair, mow, clean or perform such other acts as may be reasonably necessary to make such lot and improvements (if any) conform to the requirements of these Restrictions. The cost therefor to the Association shall be added to and become a part of the annual charge to which said lot is subject, and may be collected in any manner in which such annual charge may be collected. Neither the Association nor any of its agents, employees or contractors shall be liable for any damage which may result from any maintenance work performed hereunder.

3. Provisions Respecting Disposal of Sanitary Waste, Etc.

A. No outside toilets shall be permitted, except as required by law or governmental regulations, and no sanitary waste or other wastes shall be permitted to enter the lake. By acceptance of a deed or other legal interest in a lot, the Owner agrees that any violation of this Section 3A constitutes a nuisance which may be abated by LSA in any manner provided in law or in equity. Further, the cost or expense of abatement (including court costs and attorneys' fees where applicable) shall become a charge or lien upon said lot, and may be collected in any manner provided by law or in equity for collection of a liquidated debt. LSA shall not be liable for any damage which may result from enforcement of this Section 3A, nor shall any officer, agent, employee or contractor of LSA be liable.

B. OCLUD is the current provider for the disposal of sanitary waste throughout the Development.

C. With the submission of an application to the ECC for a permit to build, the proposed sewer line hookup must be shown on the plot plan.

D. Once the ECC has approved an application to build a house, an OCLUD sewer application is required.

4. General Prohibitions

A. In General. No noxious or offensive activities shall be carried on in the Development, nor shall anything be done that will become or be an unreasonable annoyance or nuisance to the Owner or Principal Member of any lot in the Development.

B. Signs. No signs or advertisements shall be displayed or placed on any lot or structure without the prior written approval of the ECC.

C. Animals. No animals shall be kept or maintained on any lot, except the usual household pets which shall be kept reasonably confined and controlled so as not to become a nuisance.

D. Vehicle Parking. No vehicle shall be parked over night on any street or right-of-way in the Development without prior approval from LSA's Security Staff. No commercial vehicle more than 12,000 lbs, GVW (Gross Vehicle Weight) shall be parked overnight on any lot.

E. Disposal of Garbage, Trash and Other Like Household Refuse. No Owner or Principal Member of any lot shall burn or permit the burning out of doors of yard waste, garbage, trash or other like household refuse. No Owner or Principal Member shall accumulate or permit the accumulation out of doors of such refuse on his lot, except as may be permitted in Section 4F.

F. Concealment of Fuel Storage Tanks and Trash Receptacles. Every tank for the storage of fuel that is installed outside any building in the Development shall be either buried below the surface of the ground (which must be an EPA approved installation), or for above ground installation must be screened to the satisfaction of the ECC by fencing or shrubbery and must satisfy any applicable fire or building codes. Every outdoor receptacle for ashes, trash, rubbish or garbage shall be installed underground or shall be so placed and kept so as not to be visible from any street or the lake at any time, except at reasonable times prior to contracted refuse collections. Movable receptacles (e.g., trash cans) shall be removed from collection locations (e.g., street shoulder) within reasonable times after each collection.

G. Restriction on Speculation Houses. No Owner or Principal Member of any lot shall build or permit the building of any house upon said lot that is to be used as a model or exhibit, or so-called "spec house" unless written permission to do so is first obtained from the LSA.

H. Restrictions on Temporary Structures. No temporary house, trailer, tent, garage or other outbuilding shall be placed or erected on any lot, nor shall any overnight camping be permitted on any lot (except for small tents on adult-occupied home sites for use by minor children). Camping is permitted on campground areas so designated by the Board, subject to such rules as may be adopted by LSA for the use of camping areas.

I. Removal of Trees. No live tree over three (3) inches in diameter may be removed from any lot without the ECC first having approved such removal.

J. Limited Access. There shall be no access to any lot which has its rear lot line lying on the perimeter of the Development, excepting access via streets or roads within the Development.

K. Docks, Piers, Etc. No pier, dock or other structure may be constructed in such a manner that any portion thereof extends more than fifteen (15) feet from the shore into the lake, and no pier, dock or similar structure may be erected without prior written permission of the ECC.

L. Ditches and Swales Shall Not Be Obstructed. With reference to any lot on which any part of an open storm water drainage ditch or swale is situated (a) to keep such portion thereof as may be situated upon that lot continuously unobstructed and in good repair, and (b) to provide for the installation of such culverts upon said lot as may be reasonably required to accomplish the purposes of this Section 4L. Where required, that Obligation includes the installation of a dry culvert between the road rights-of-way and the lot in conformity with specifications and recommendations of the ECC.

M. Installation of Utility Services. No utility services may be installed under finished streets except in one of the following methods:

- i) By jacking, drilling or boring; or,
- ii) By open trench method. Such trench must be covered with a six (6) inch thick slab of 2500 P.S.I. concrete bridging the backfilled trench approximately twelve (12) inches below the finished grade and bearing at least twelve (12) inches on each side of the trench. The trench above the concrete slab shall be finished to match the existing street.

5. Environmental Control Committee

A. Powers of Committee

- i) **Generally.** No house, building structure or improvement of any type or kind may be constructed or placed on any lot without the prior written approval (sometimes called a permit) of the ECC. Such approval shall be obtained only after written application has been made to that Committee by the lot Owner (or the Principal Member acting as the Owner's agent) requesting such approval or permit. Such written application shall be in the manner and form prescribed from time to time by the ECC, and shall be accompanied by three (3) complete sets of accurate detailed plans to scale and specifications for the proposed construction or improvement. Such plans shall include a

documented survey and plot plans showing the location of all improvements existing upon said lot and the location of the proposed improvements, each properly and clearly designated. Such plans and specifications shall set forth the color and composition of all proposed exterior materials, and any proposed landscaping, together with any other material or information, which said Committee may require. All plans, drawings, etc., required to be submitted to said Committee shall be drawn to a scale, as the Committee may require. Where applicable, the permits or reports required under Sections 2, 3 and 4 must be submitted as a part of the application. All such plot plans shall be prepared by either a registered land surveyor or engineer or architect.

ii) Power of Disapproval. The ECC may refuse to grant permission to construct, place or make the requested improvement, when:

- aa)** The plans, specifications, drawings or other material submitted are themselves inadequate or incomplete, or show the proposed improvement to be in violation of these Restrictions;
- bb)** The design or color scheme of a proposed improvement is not in harmony with the general surroundings of the lot or with adjacent buildings or structures or closely duplicates an existing house within four hundred (400) feet;
- cc)** The proposed improvement, or any part thereof, would, in the opinion of the ECC, be contrary to the interests, welfare or rights of all or any part of the Owners or Principal Members of other lots.
- dd)** The proposed improvement encroaches upon an easement, line of sight, or set back limitation.

iii) Power to Grant Variances. The ECC may allow reasonable variances or adjustments of these Restrictions where literal application thereof would result in unnecessary hardship with reference to a given lot; provided, however, that any such variance or adjustment is granted in conformity with the general intent and purposes of these Restrictions; and provided that the granting of a variance or adjustment will not be materially detrimental or injurious to Owners or Principal Members of other lots.

iv) Power to Charge Fees. If the ECC deems it necessary to assess a fee for the accomplishment of its duties under this Section 5A, the fee may not exceed the scheduled fee established by the Board for considering any application under Section 5. When a fee is charged, it shall be uniformly applied to all applications. All funds collected shall be payable to LSA.

B. Duties of Committee The ECC shall approve or disapprove applications for proposed improvements within 30 days after all required information has been submitted to it. One copy of the submitted application shall be retained by that Committee for its permanent files. All notifications to applicants shall be in writing, and, in the event that a given notification is one of disapproval, it shall specify the reason or reasons for disapproval. The ECC shall adopt appropriate By-laws and may have additional duties as assigned by the Board.

C. Composition of Committee. The ECC shall be composed of three (3) to five (5) voting members who shall be appointed by the Board, and who shall be subject to removal by the Board at any time. Any vacancies existing from time to time shall be filled by appointments made by the Board.

D. Liability of Committee, etc. Neither the ECC members nor any agent thereof, nor the Board or its members, nor LSA, shall be responsible in any way for any defects in any plans, specifications or other materials submitted to it, nor for any defects in any work done according thereto.

E. Special Provisions Concerning Piers. All permits issued by the ECC for construction of piers, docks, or structures to be located wholly or partly in the lake shall constitute a mere terminable license granted

by LSA.

F. Duty of Inspection. To the extent that inspection of improvements during or shortly after construction is not provided for by appropriate governmental agencies, it shall be the duty of the ECC to inspect work being performed pursuant to an ECC permit to assure compliance with the ECC permit, these Restrictions and applicable regulations.

6. Easements

LSA, as successor to the Developer, retains and reserves unto itself, its successors and assigns, certain easements along, across, over, under and upon the real estate that constitutes the Development. The easements are defined at A through E, below:

- A.** A ten (10) foot wide easement on every lot along all road rights-of-way and a five (5) foot easement along the side and rear lines of every lot for the purpose of installing, maintaining and operating utility lines and mains thereon, together with the right to trim, cut or remove any trees and/or brush, and the right to locate guy wires, braces and anchors wherever necessary upon said lots for said installation, maintenance and operations, together with the right to install and maintain and operate utility lines and mains and appurtenances thereto, and further, the right to ingress and egress to such areas for any of those purposes heretofore mentioned. No permanent building shall be placed on such easements, but the same may be used for garden, shrubs, landscaping and other purposes, provided that such use or uses do not interfere with the use of such easements for their intended purposes. In instances where an Owner of two or more adjoining lots builds (with compliance under Section 7) a house, which crosses over or through a common lot line, the aforementioned five (5) foot easement along that lot line will be waived.
- B.** An easement ten (10) feet wide for lake and shoreline maintenance and control along that portion of each lot contiguous to the shoreline of the lake. Any such lot shall also be subject to a flowage easement to the high water elevation of the lake, which is at elevation 826.6 feet.
- C.** A thirty (30) foot wide easement along all road rights-of-way for the purpose of cutting and filling and drainage, together with the right to cause or permit drainage of surface water over and/or through any lot. Further, an easement on, over and under all road rights-of-way for the purpose of installing, maintaining and operating utilities or drainage, and such additional easements for drainage as may be shown on the plats.
- D.** An easement on and over any lot for the maintenance and permanent stabilization control of slopes.
- E.** An easement fifteen (15) feet in width across the rear of each lot situated on the perimeter of the Development for use as an equestrian trail.
- F.** No Owner or Principal Member of any lot shall have any claim or cause of action against the LSA, its successors, assigns or licensees, either in law or in equity, and arising out of the exercise of any easement reserved hereunder, excepting in cases of willful or wanton negligence.

7. Rules Governing Building on Several Contiguous Lots Having One Owner

Whenever two or more contiguous lots are owned by the same Owner, and such Owner desires to use two or more of said lots as a site for a single house, the Owner shall apply in writing to the ECC for permission to so use said lots. If written permission for such a use is granted, the lots constituting the site for such house shall be treated as a single lot for the purpose of applying these Restrictions. The Owner of the lots so constituting the site for a single house shall, however, be obligated to pay the Association annual charge (dues) for each such lot.

8. Ownership, Use and Enjoyment of the Amenities; No Dedication to the Public.

All of the amenities shall remain private. Neither LSA's execution or recording of the plats nor the doing of any other act by LSA is, or is intended to be, and shall not be construed as, a dedication to the public of any of the amenities. A license upon such terms and conditions as LSA shall from time to time specify and amend for the use and enjoyment of the amenities, is granted to the persons who are from time to time members of LSA. Ownership of the amenities shall remain in LSA, subject only to such conditional license.

9. Lake Summerset Association

A. In General

- i) All Owners shall have a non-participation membership relation with LSA and shall have delegated to their respective Principal Members all rights and privileges of membership in LSA, including the right to vote in the affairs of LSA and the right to enjoy the license (see Section 8) and use of the amenities. Owners shall, nevertheless, have Joint Obligations, with their respective Principal Members, as provided in these Restrictions. Owners may from time to time change their respective designated Principal Members upon appropriate application to, and approval by, LSA.
- ii) Every Entity which intends to acquire title to or a legal interest in any lot and become an Owner must designate a person to be a Principal Member of LSA with reference to that lot; and both the Owner and the Principal Member must agree to abide by the rules and regulations of LSA. No Entity shall acquire such title or interest until its written application for ownership, with its designation of the Principal Member and his household, is approved by LSA. No Owner of a lot shall have the power to sell or convey the title to that lot to any Entity which has not agreed to abide by the rules and regulations of LSA. The foregoing provision requiring that prospective Owners of lots submit an application for ownership with said designation is not intended to apply to those entities which hold an interest in such real estate merely as security for the performance of an obligation to pay money, e.g., mortgagees and land contract vendors. However, if any such entity should realize upon its security and become the real Owner of a lot, it will then be subject to all the requirements and limitations imposed by these Restrictions on Owners of lots, including, among others, those provisions pertaining to submitting an application and designation, as aforesaid, and pertaining to alienation and the payment of an annual charge.-
- iii) In those affairs of LSA where voting of the membership is conducted, there shall be one vote for each lot. Only the Principal Member of a given lot is authorized to cast or exercise that vote.
- iv) The Board may establish rules, regulations and fees concerning Associate Members and Tenant Members, which may be different from those applicable to Principal Members. The Board may establish sub-classes of members within the classes of Associate Members and Tenant Members. There shall be no sub-classes of Principal Members. All members shall cease automatically to be members of LSA upon the sale by the designating Owner of the specific lot from which their member status resulted. Tenant Members shall cease to be members immediately when their occupancy of a house is terminated.

B. Purposes of LSA

- i) The general purpose of LSA is that of providing a means whereby all of the amenities may be operated, maintained, repaired and replaced.
- ii) An additional purpose of LSA is that of providing for the promulgation, publication and enforcement of rules and regulations deemed necessary to governing the use and enjoyment of the amenities.

C. Power of LSA to Levy and Collect Charges, and Impose Liens.

- i)** LSA shall have all of the powers set forth in its Articles of Incorporation, together with all other powers that belong to it by law as well as the power to levy a uniform annual charge (sometimes called “dues”) against the Owner of each lot. The Board, acting in accordance with the By-laws of LSA, and after consideration of the financial requirements of the Association, shall determine and publish each year the annual charge per lot, taking into consideration the recommendations of the LSA Finance Committee.

 - It shall be a Joint Obligation of the Owners and Principal Members, relative to their respective lots, to pay such annual charge each year when due. LSA shall look first to the Principal Member for satisfaction of any such Joint Obligation.
 - The Owner shall be obligated to pay only one such charge for each lot owned.
 - The rights and obligations of members of the Association shall be as set forth in these Restrictions and as further detailed in other governing documents of the Association.
 - No charge shall ever be levied against LSA, or any corporation that may be created to acquire title to and operate utilities serving the Development.
- ii)** The Board shall fix the amount of the annual charge per lot by the first day of February of each year. Written notice or billing of the charge so fixed shall be sent to each Owner or Principal Member. Every such annual charge so made shall be paid by each lot’s Owner or Principal Member to LSA on or before the first day of March of each year.
- iii)** If any charge levied or assessed against any Owner has not been paid by the date it becomes overdue, it shall then ipso facto become a lien upon the lot or lots owned by such Owner, and shall remain a lien against said lot or lots until paid in full, together with interest and other charges or costs which might arise as a result of non-payment, or as is hereinafter provided:

 - Such charges as are provided for in these Restrictions, when overdue, shall bear interest at the rate of 3% over the then Prime Rate per annum until paid in full.
 - Unless the Board, acting at its discretion, grants an extension, any charges which have remained overdue and payable for more than three (3) months will be cause for the Board, at its discretion, to initiate procedures, either in law or in equity, to collect the amount due in any court of competent jurisdiction, either by way of foreclosure of such lien or otherwise.
 - The Owner of the lot or lots subject to the charge, shall, in addition to the amount of the charge at the time legal action is instituted, be obliged to pay any expenses or costs, including attorneys’ fees, incurred by LSA in collecting the same.
 - Every Entity which intends to acquire, in any way, legal or equitable title to, or any legal interest in, a lot, is hereby notified and by acquisition of such interest, agrees that any such liens or charges which may be extant upon said lot or lots at the time of the acquisition of such interest are valid liens and shall be paid.
 - Every Entity which becomes an Owner of a lot is hereby notified that by the act of acquiring an ownership interest, such Entity will be conclusively held to have agreed to pay LSA all charges LSA makes pursuant to this sub-paragraph Section 9C.
- iv)** LSA shall, upon demand, at any time, furnish a certificate in writing signed by an officer of the Association certifying that the assessments made against any Owner of a specified lot have been paid or that certain assessments against said Owner remain unpaid, as the case may be. A reasonable charge may be made by the Board for the issuance of these certificates. Such

certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

D. Purpose of the Assessments. The charges or assessments levied by LSA shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the members of the Association, and in particular, for the operation, improvement and maintenance of the properties owned or operated by the Association.

E. Suspension of Privileges of Membership. Notwithstanding any other provision contained herein, the Board shall have the power to suspend the voting rights, if any, and the right to use the amenities of any Principal Member and Associate Member in his household

- (i) for any period during which any Association charge (including fines, if any, assessed under Section 10 or for violation of LSA rules and regulations) owed by the Principal Member and his related Owner remains overdue and unpaid;
- (ii) or during the period of any continuing violation of one or more provisions in these Restrictions, after the existence of the violation shall have been declared by the Board;
- (iii) or while any violation of the By-laws or regulations of the Association continues after notification to the violator.

10. Speed Limits

No motor vehicle shall be driven on any street within the Development at a speed in excess of the posted limits, nor shall any boat be operated upon the lake at a speed in excess of the posted speed limits or those defined in the then current LSA rules and regulations. Appropriate postings of these speed limits shall be made by LSA. LSA shall have the power to assess fines for the violation of such speed limits in accordance with the schedule of fines promulgated by the Board. Every such fine, and other fines of similar character, shall be paid based on the terms and conditions defined in a Letter of Notification from LSA upon its being assessed, and if it is not, LSA may add the amount of the fine to the Owner's annual charge pursuant to Section 9C, and the amount of such fine shall be collectible by the same means as are prescribed in said Section for the collection of delinquent annual charges or through the sanctions prescribed in Section 9E.

11. Provisions With Respect To Lake and Lots Contiguous Thereto

A. In General. Certain lots are contiguous to the lake. The normal water elevation of the lake is at elevation 825 feet, and the high water elevation of the lake is at elevation 826.6 feet. The titles that will be or have been acquired by the Owners of the contiguous lots (and by the successors and assigns of such Owners) will and shall extend to a distance from the shoreline of the lake as is designated on the plats. No such Owner, nor any of such Owner's successors or assigns, shall have any right with respect to any stream that is a tributary to the lake, or with respect to the lake itself, the land thereunder, the water therein, or its elevation, use or condition, and none of said lots shall have any riparian rights or incidents appurtenant; provided further that title to land shall not pass by reliction or submergence or changing water elevations. LSA, its successors, assigns and licensees, shall have the power, but not the duty, at any time to dredge or otherwise remove any accretion or deposit from any of said lots in order that the shoreline of the lake may be moved toward, or to, but not inland beyond, the location of said shoreline as it would have existed on April 30, 1969, if the water elevation of the lake were at an elevation of 826 feet. Title shall pass with such dredging or other removal as by erosion.

B. Reservation of Easement for Operation of Lake. The Developer reserved, and LSA, as the Developer's successor, now holds and reserves unto itself, and its successors, assigns, and licensees, such an easement upon, across and through each of said lots contiguous to the lake as is necessary in connection with operating and maintaining the lake. Without limiting the generality of the preceding

sentence, it is declared that LSA shall not be liable for damages caused by ice, erosion washing or other action of the water or for any damage caused through the exercise of said easement or the right set forth in Section 11C.

C. Reservation of Right in LSA to Change Water Elevation in Lake. The Developer reserved and LSA, as the Developer's successor, now holds and reserves to itself, and its successors and assigns, the right to raise and lower the elevation of water in the lake, but neither LSA, nor any successor or assign of LSA shall have an easement to raise, (by increasing the height of any dam or spillway, or otherwise) the high water elevation of said lake to an elevation above 826.6 feet.

12. Rights of First Refusal

As used in this Section 12, the term Right-Side Owner means the owner of the lot adjoining on the right of a given lot (as one faces the rear of the given lot); and the term Left-Side Owner means the owner of the lot adjoining on the left of such given lot. In the case of a corner lot, "right" and "left" shall be applied as one faces the given lot from the intersection of the streets which adjoin that corner lot.

Whenever the Owner of any given lot receives a bona fide offer to purchase said lot, which is acceptable to such Owner, that Owner shall then offer to sell said lot (i) to the Right-Side Owner, (ii) to the Left-Side Owner, and (iii) to LSA, at the price and on the terms contained in said bona fide offer. Such three offers shall be made in writing and dispatched, by mail or other delivery, simultaneously. The Right-Side Owner may accept that offer at any time until 5:00 p.m. on the tenth day following such dispatch. If the Right-Side Owner does not so accept, the Left-Side Owner may accept that offer at any time from the expiration of the Right-Side Owner's time until 5:00 p.m. on the twentieth day after such dispatch. If neither adjoining Owner accepts, LSA may accept that offer at any time from the expiration of the Left-Side Owner's time until 5:00 p.m. on the thirtieth day after such dispatch.

If none of the three offerees accept the offer to purchase said given lot at the price and on the terms contained in said bona fide offer, then the Owner (prospective seller) of the given lot shall be free, subject to all of the other provisions in these Restrictions (e.g., that requiring the purchaser to have been approved by LSA for ownership), to sell the given lot to the party who originally made said bona fide offer, at the price and on the terms of the bona fide offer.

13. Water and Sanitary Sewer Services

The Owner of any lot, by the act of acquiring that lot, agrees to pay OCLUD, or its successors, assigns, lessees or licensees, availability charges or charges for actual water and sanitary sewer usage, as the case may be, in accordance with rate ordinances from time to time adopted and promulgated by OCLUD. Unpaid overdue charges shall become a lien upon the lot or lots served as of the date they become overdue. Upon written request in accordance with ordinances and policies of OCLUD and payment to it of the connection fee from time to time established by OCLUD, a tap from a water and/or sewer main will be brought to the lot line. Owners of lots shall not drill or permit the drilling of a water well on any lot.

14. Remedies

A. LSA or any party to whose benefit these Restrictions inure, including LSA's successors and assigns, may proceed at law or in equity to prevent the occurrence or continuation of any violation of these Restrictions. However, LSA shall not be liable for damages of any kind to any person for failing either to abide by, enforce or carry out any of these Restrictions.

B. No delay or failure on the part of an aggrieved party to invoke any available remedy with respect to a violation or violations of any one or more of these Restrictions shall be held to be a waiver by that party (or an estoppel of that party to assert) of any right available upon the occurrence, recurrence or continuation of such violation or violations.

15. Effect of Owners' Acceptance of Deed, Etc.

A. The Owner of any lot, by acceptance of a deed conveying title thereto, or the acquisition of any legal interest, or the execution of a contract for the purchase thereof, shall accept such deed or execute such contract and acquire such interest, subject to each and every provision in these Restrictions and to every agreement herein defined. Further, that by acceptance of such deed or execution of such contract or acquisition of such interest, such Owner acknowledges the rights and powers of LSA created by these Restrictions, and also, that Owner, its heirs, personal representatives, successors and assigns, does covenant and agree and consent to and with LSA, and to and with the grantees and subsequent Owners of each of the other lots, to keep, observe, comply with and perform these Restrictions and said agreements.

B. Each Owner also agrees, by such acceptance of a deed to a lot or execution of a contract for the purchase thereof, or the acquisition of a legal interest, to assume, as against LSA, its successors and assigns, all of the risks and hazards of ownership or occupancy attendant to such lot, including, but not restricted to, its proximity to the lake.

16. Titles, Etc.

The bold type headings preceding the various Sections in these Restrictions are for convenience of reference only, and none of them shall be used as an aid to the construction of any provision of the Restrictions. Wherever and whenever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or to the neuter.

17. Duration

The foregoing covenants and these 2009 Restrictions are to run with the land and shall be binding on all entities and all persons claiming under them until January 1, 2019, at which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years, unless changed, effective as of any tenth anniversary, in whole or in part by vote of those entities who are then the Owners of a majority of the numbered lots in the Development. Such vote, if any, shall be made by ballot during the last six (6) months of one of said ten (10) year periods.

18. Severability

Every one of these Restrictions is hereby declared to be independent of, and severable from, the rest of the Restrictions and of and from every other one of the Restrictions, and of and from every combination of the Restrictions. Therefore, if any of these Restrictions shall be held invalid or unenforceable, or to lack the quality of running with the land, that holding shall be without effect upon the validity, enforceability or "running" quality of any other one of these Restrictions.

19. No Prejudice to Existing Owners

It is not the intention of these 2009 Restrictions to prejudice or adversely affect those Owners, persons or entities who acquired and owned lots prior to January 1, 2009. Any such Owner or entity who believes himself, or herself, or itself to be prejudiced, damaged or in any way adversely affected by changes (from the 1999 Restrictions) effected by these 2009 Restrictions may be exempted for a period of time or in perpetuity from one or more of such changes, by the favorable vote of the Board upon written application to LSA for such exemption. Exemptions shall be in the sole discretion of the Board, whose decision shall be final and binding upon the parties.

Further, it is recognized that these 2009 Restrictions change definitions of "Owner," "member," and the use of other terminology. Anything herein to the contrary notwithstanding, these 2009 Restrictions are not intended to change, and will not change, or require change, in the status of all ownership and

membership relationships relative to lots, nor in the records of LSA pertaining thereto, as they existed on December 31, 2008.