DECLARATION OF RESTRICTIVE COVENANTS

for

FYRE LAKE, SHERRARD, ILLINOIS

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DECLARATION OF RESTRICTIVE COVENANTS FOR FYRE LAKE

DEVELOPMENT ~ SHERRARD, MERCER COUNTY, ILLINOIS.

In general. There has been created, under the laws of the State of Illinois, a not-for-profit corporation known as the Fyre Lake Association, Inc., which is herein referred to as "The Property Owners Association" "Fyre Lake Association, Inc." or "the Association".

The Developer and Fyre Lake Association, Inc. hereby adopt and establish certain covenants, conditions, restrictions, easements and servitudes that shall run with all parts of the Development and shall be binding upon, and inure to the benefit of, the Developer and everyone of the Developer' successors in title to any real estate in the Development. The covenants, conditions, restrictions, easements and servitudes so adopted and established (which are hereinafter sometimes referred to as "the Restrictions") are as follows:

1. RESIDENTIAL CHARACTER OF THE DEVELOPMENT

(a) In General. Every numbered lot in the Development, unless otherwise designated by Developer, or the Board of Directors of the Property Owners Association, is a residential lot and shall be used exclusively for residential purposes. No

structure shall be erected, placed or permitted to remain on any of said lots except a single-family dwelling house and such outbuildings as are usually accessory to a single-family dwelling house.

(b) Prohibition of Residential Use of Accessory Outbuildings, Etc. No accessory outbuilding, camper motor home, mobile home or camping trailer shall be erected on any of said lots prior to the erection thereon of a single-family dwelling house, and no such accessory outbuilding, camper, motor home, mobile home or camping trailer nor any temporary structure shall ever be used as a dwelling house on any of said lots.

(c) Prohibition of Residential Use of Partially Completed Dwelling Houses. No dwelling house on any of said lots shall be occupied for residential purposes until it shall have been substantially completed, a "Certificate of occupancy" has been issued by the Fyre Lake Association bulding inspector and a copy submitted to the Association.

2. RESTRICTIONS CONCERNING CONSTRUCTION, SIZE AND PLACEMENT OF DWELLING HOUSES AND OTHER STRUCTURES AND THE MAINTENANCE THEREOF

(a) In general. No dwelling house, outbuilding, swimming pool or other above ground structure shall be constructed, placed or altered on any numbered lot in the Development nor shall any boat shelter, pier, float or similar structure be placed entirely or partly within the lakes in the Development, unless plans and specifications showing the nature, kind, shape, height, materials and location thereof shall have been submitted to, and approved in writing by no fewer than three (3) members of the Environmental Control Committee hereinafter described for the Development. In the event said Committee fails to approve or disapprove such plans, specifications and locations within forty-five (45) days after submission, approval will not be required and this paragraph will be deemed to have been fully satisfied.

(b) Environmental Control Committee.

(i) The Environmental Control Committee shall consist of the Board of Directors of the Property Owners Association or their designees, if the powers of said Committee shall then have been assigned to said Association.

(ii) Whenever a vacancy shall occur in the membership of the Environmental Control Committee, the Board of Directors of the Property Owners Association shall select a person to fill the vacancy.

(iii) Neither the Environmental Control Committee nor any members thereof shall be entitled to any compensation from any owner of a numbered lot in the Development on account of any service performed in the examination of plans or specifications pursuant to this sub-paragraph (d).

(iv) Whenever the Environmental Control Committee shall approve plans and specifications for a boat shelter, pier, float or similar structure, on or extending into the lake, such approval shall constitute a mere revocable license from the Developer, or its successor in title to said lake, for the construction, placement and maintenance of the proposed structure.

(c) Ground Floor Requirements. Beginning January 1, 2005, no dwelling shall be constructed on any lot in the Development having less than the following minimum square footages of living space, exclusive of porch and garage:

Single story houses shall have a minimum of 1200 square feet of living space.

Two story houses shall have a minimum of 1000 square feet of living space on the main floor. No dwelling shall exceed two stories, exclusive of basement.

A garage that has a minimum of 400 square feet of floor space shall be built for each dwelling house.

(d) Any new construction or modifications to existing structures must comply with the Fyre Lake Association, Inc. New Home Construction - Home Addition/Remodeling Requirements including, but not limited to, erosion control, Fyre Lake building permit, building permit fee, and must comply with all applicable State, County and municipal codes adopted by Mercer County and adjacent counties and municipalities.

(e) The Board of Directors of Fyre Lake Association, Inc., shall have the authority to employ the services of a qualified building inspector to insure compliance with all applicable building codes, and to that end, authorize the building inspector to issue a "Stop Construction" order in the event of non-compliance or refusal to comply with said building codes. A Fyre Lake building permit fee commensurate with the fee paid for services of the building inspector shall be charged at the time of issuance of the building permit.

(f) Set Back Requirements.

In General. Except as may be otherwise shown in the plat, no part of any dwelling house or above grade structure that shall be constructed or placed on any numbered lot in the Development (except fences, the placement of which is provided for hereinafter) shall be less than:

(aa) ten feet (10') from each side line of the lot;

(bb) thirty feet (30') from any lot pin adjacent to a street or roadright-of-way;

(cc) fifty feet (50') from the normal high water mark of Fyre Lake, Lake Karl and Lake Renee, except as may be shown on the recorded plat, or if the lot is not contiguous to Fyre Lake, Lake Karl or Lake Renee, twenty feet (20') from the rear line of the lot.

(g) Other Structures. Whereas the Fyre Lake Declaration of Restrictive Covenants under 2(g) define the set back requirements necessary to comply with the Mercer County zoning ordinances for dwelling houses and garages, the Environmental Control Committee shall have the authority to approve or deny the construction and location of all other structures not attached to, or part of, a house or garage. The requirements of section 2(a) of these Restrictions regarding any construction are mandatory.

(h) Ditches and Swales Not to be Obstructed. The Environmental Control Committee shall not approve plans and specifications for construction of any structure on any numbered lot in the Development on which all or part of an open storm drainage ditch or swale is situated unless such plans and specifications shall provide for the installation of such culverts or for the taking of such other steps as may be specified by the Environmental Control Committee as will insure that such ditch

or swale shall remain free and unobstructed. It shall be the duty of every owner of a lot in the development on which any part of such ditch or swale is situated to keep such part of such ditch or swale continuously unobstructed and in good repair.

(j) Fences. In order 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 and no fences shall be permitted on any lot or lot lines except where, in the opinion of the Environmental Control Committee (as is hereinafter described) 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. In such cases, the Committee shall determine the size, location, height and composition of the fence or other enclosure.

(k) Exterior Construction Materials. The finished exterior of every building constructed or placed on any numbered lot in the Development shall be of material other than tar paper, roll brick siding or any other similar material.

(I) Diligence in Construction. Every building whose construction or placement on any numbered lot in the Development is begun shall be completed within twelve (12) months after the beginning of such construction or placement unless a specific extension of time has been granted in writing by the Board of Directors of Fyre Lake Association, Inc. No structure which has been partially or totally destroyed by fire or otherwise, shall be allowed to remain in such state for more than six
(6) months from the time of such destruction or damage before demolition or reconstruction shall commence.

(m) Prohibition of Used Structures. All structures constructed or placed on any numbered lot in the Development shall be constructed with a substantial quantity of new materials and no used structures shall be relocated or placed on any such lot.

(n) Construction Clean Up Requirements. Contractors are required to keep construction sites clean. No stockpiling of debris is allowed. If construction sites are not maintained by the contractor or home site owner, Fyre Lake Association, Inc., reserves the right to perform such clean-up and to bill the home site owner for this service, or to immediately stop construction until such clean-up is complete.

(o) Maintenance of Lots and Improvements.

(i) The owner of each lot in the Development shall at all times keep such lot and any improvements situated thereon in such a manner as to prevent its becoming unsightly, and to this end shall cut all unsightly growth on such lot, and shall prevent the accumulation of rubbish and debris thereon.

(ii) Purchasers of lakefront lots shall have shoreline erosion control (rip rap) in place within one year of lot purchase.

(p) Association's Right to Perform Certain Maintenance. In the event the owner of any numbered residential lot in the Development shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors of the Property Owners Association, such Association shall have the right, through its agents and employees, to enter upon said lot and to repair, maintain and restore the lot and the exterior of the buildings and any other improvements erected thereon. Such right shall not be exercised unless a majority of such Board of Directors shall have

voted in favor of its being exercised. The cost of such exterior maintenance shall be added to and become a part of the annual charge to which such lot is subject.

3. PROVISIONS RESPECTING DISPOSAL OF SANITARY SEWAGE

Sanitary Sewage Disposal. No outside toilets shall be permitted. No sanitary waste shall be permitted to enter Fyre Lake, Lake Karl or Lake Renee. All sanitary installations and/or revisions must be approved by the Mercer County Health Department and must conform to all County and State regulations and Fyre Lake Association regulations. No sanitary waste disposal drain field shall be permitted nearer to the normal high water mark of Fyre Lake, Lake Karl or Lake Renee than is necessary to prevent the contamination thereof.

4. EASEMENTS

(a) In General. The Developer reserves and grants, as hereinafter provided, certain easement rights in the real estate that constitutes the Development, which easement rights are declared to be of a commercial character. No permanent building shall be placed on such easements, but the same may be used for gardens, shrubs, landscaping, and other purposes, provided that such use or uses do not interfere with the use of said easements for their intended purposes. No easement hereby or subsequently reserved or granted by the Developer shall prohibit any other utility from crossing any such easement with its facilities for the purpose of extending, repairing or maintaining utility service to any property or properties. The easements so reserved by the Developer are described as follows:

(i) Developer, for itself, its successors, assigns and licensees, reserves a thirty (30) foot wide easement along all road rights-of-way and such additional easements as shown on the recorded plats for the purpose of installing, maintaining and operating utility lines and mains thereon, together with the right to trim or cut or remove any trees and/or brush and the right to locate guy wires, braces and anchors wherever necessary for said installation, maintenance, and operations, together with the right to install, maintain and operate utility lines and mains and the appurtenances thereto: culverts and drainage ditches, reserving also with rights to ingress and egress to such areas for any of the purposes theretofore mentioned. Developer further reserves for itself, its successors, assigns and licensees for lake and shoreline maintenance and control along that portion of each lot contiguous to a lake shoreline, an easement ten (10) feet wide. The Developer, for itself and its successors, assigns and licensees also reserves the right to cause or permit drainage of surface water over and/or through said lots. The Developer, its successors, assigns and licensees, also reserves an easement on, over and under all road rights-of-way for the purpose of installing, maintaining and operating the aforementioned utilities and drainage. Lot owners shall have no cause of action against the Developer, Fyre Lake Association, Inc., or Fyre Lake Water Company, Inc., their successors and assigns, either in law or in equity, excepting in cases of willful or wanton negligence on account of any damage caused by the installation, maintenance and operation of the aforementioned utilities and drains.

(ii) All lot owners will install dry culverts between the road rights-of-way and their lots in conformity to specifications and recommendations of the Developer or Fyre Lake Association, Inc., their successors and assigns. (iii) Flowage Easement. Every lot in the Development that lies contiguous to any of the lakes shall be subject to a flowage easement to an elevation on the lot equal to the high water elevation of such lake as stated on the recorded plat.

(iv) Slope Control Easement. Each lot shall further be subject to an easement for the maintenance and permanent stabilization control of slopes.

(b) Rules for Determination of Location of Easement in Certain Cases. The rules prescribed in sub-paragraph 2(g)of the Restrictions above for the establishment of setback lines that must be measured from meandered lines may be applied, whenever necessary, and with such adaptations as are necessary, in defining the location of any easement that is to encumber a strip of land contiguous to a meandered line.

5. RULES GOVERNING BUILDING ON SEVERAL CONTIGUOUS LOTS HAVING ONE OWNER

(a) Whenever two or more contiguous lots in the Development shall be owned by the same person, and such person shall desire to use two or more of said lots as a site for a single dwelling house, he shall apply in writing to the Environmental Control Committee for permission so to use said lots. If written permission of such a use shall be granted, the lots constituting the site for such single dwelling house shall be treated as a single lot for the purpose of applying these restrictions to said lots, so long as the lots remain improved with a single family dwelling house.

(b) No more than three (3) adjoining lots shall be eligible for contiguous lot status.

6. CERTAIN ACTIVITIES PROHIBITED

(a) In General. No noxious or offensive activities shall be carried on on any lot in the Development, nor shall anything be done on any of said lotsthat shall be or become an unreasonable annoyance or nuisance to any owner of another lot in the Development.

(b) Signs. No signs shall be displayed on any lot or structure in the Development without prior written permission of the Developer or the Board of Directors of Fyre Lake Association., their successors or assigns, with the exception of one real estate sign being allowed on a lot or residence for sale.

(c) Animals. Except the usual household pets, no animals shall be kept on any numbered lot in the Development. Household pets must be kept indoors, in a confinement, or on a leash, and not allowed to run loose on any property other than that of the pet owner. No owner or keeper of any pet shall permit said pet to defecate on any public way or property or upon any private property without permission of the occupant or owner of the private property without immediately removing said defecation and depositing same in a refuse container or similar depository.

(d) Vehicle Parking. No vehicle shall be parked on any street in the Development at any time so as to create a safety hazard or to impede the flow of traffic. No commercial vehicle having a capacity rating of more than 2 tons shall be parked

or stored overnight or longer on any numbered lot in the development in such a manner as to be visible to the occupants of other lots in the Development or the users of any street or lake within the development, nor shall any stripped down, partially wrecked or junk motor vehicle, or any sizable part thereof, be so parked.

(e) Disposal of Garbage, Trash and Other Like Household Refuse. No owner of any numbered lot in the development shall burn or permit the burning out-of-doors of garbage, trash and other like household refuse, nor shall such owner accumulate or permit the accumulation out-of-doors of such refuse on his lot except as permitted in sub-paragraph 6(g) below. In order to enhance the appearance and orderliness of the Development, Fyre Lake Association, Inc., hereby reserves for itself, its successors and assigns, the exclusive right to operate, or from time to time to grant an exclusive license to a third party to operate a commercial refuse collection service within the Development for the purpose of removing garbage, trash and other like household refuse. Such refuse collection and removal service shall be provided not less often than once each week on a day or days designated by Fyre Lake Association, Inc. The charge to be made for such refuse collection and removal service shall be as determined by the Board of directors, shall be at a reasonable rate commensurate with the rates charges by commercial refuse collection firms serving other subdivisions of high standards within the area, and shall be subject to change from time to time.

(f) Yard Waste. No yard waste or other debris shall be disposed of or dumped on any vacant lot or greenway within the Development.

(g) Concealment of L.P. or Fuel Storage Tanks and Other Trash Receptacles. Every tank for the storage of fuel that is installed outside any building in the development shall be screened to the satisfaction of the Environmental Control Committee, by fencing or evergreen shrubbery. Every outdoor receptacle for ashes, trash, rubbish, or garbage shall be of metal or rigid plastic composition and shall be so placed and kept as not to be visible from any street or lake within the development, at any time except times when refuse collections are being made.

(h) Restrictions on Construction of Model Homes, etc. No owner of any numbered lot in the development shall build or permit the building thereon of any dwelling house that is to be used as a model house or exhibit house unless prior written permission to do so shall have been obtained from the Developer or from the Property Owners Association, in the event that the power herein reserved shall have been assigned to such Property Owners Association.

7. OWNERSHIP, USE AND ENJOYMENT OF STREETS, PARKS AND RECREATIONAL AMENITIES. NO DEDICATION OF STREETS, ETC.

(a) Each street, lake, park, recreational facility or other amenity depicted on the recorded plats of the Developer or Fyre Lake Development, is and shall remain private, and neither the Developer's execution or recording of the plats nor the doing of any other act by the Developer is, or is intended to be, or shall be construed as a dedication to the public of any of said streets, lakes, parks, recreational facilities or other amenities. A license upon such terms and conditions as Developer, its successors or assigns shall from time to time establish, for the use and enjoyment of each of said streets, lakes, parks, recreational facilities is reserved to Developer, its successors and assigns, to the persons who are from time to time, members of the Property Owners Association.

(b) Ownership of the streets, lakes, parks, recreational facilities and other amenities shall remain in the Developer or Fyre Lake Association, Inc., if such title shall have passed to said Association, subject to the conditional license described above. Developer covenants, for itself, its successors and assigns, that within three (3) years after their completion, to convey fee simple title, free of financial encumbrances to such streets, lakes, parks, recreational facilities, dams and spillways and other amenities, to the Property Owners Association. Such conveyance shall be subject to easements and restrictions of record, and such other conditions as the Developer may at the time of such conveyance deem appropriate and proper. Such conveyance shall be deemed to have been accepted by the said Property Owners Association and those persons who shall from time to time be members thereof, upon the recording of a deed or deeds conveying such streets, lakes, parks recreational facilities, dams and spillways and other amenities to the said Property Owners Association.

8. THE FYRE LAKE ASSOCIATION, INC

(a) In General. Every person who acquires title (legal or equitable) to any single family numbered lot in the development or any dwelling unit on a multiple family numbered lot shall be a member of the Property Owners Association. The foregoing provision requiring that owners of numbered residential lots within the Development be members of the Property Owners Association is not intended to apply to those persons who 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 such person should realize upon his security and become the real owner of a numbered lot within the Development, he will then be subject to all the requirements and limitations imposed in these restrictions on owners of numbered lots within the Development and on members of the Property Owners Association, including those provisions with respect to alienation and the payment of an annual charge. Each member shall complete and return a signed membership application or renewal application to the Association not later than March 1 each year.

(b) Purposes and Powers of the Property Owners Association.

(i) The general purpose of the Property Owners Association is that of providing a means whereby the streets and those areas within the Development designated as parks, lakes, recreational areas, parkways, outlots, greenways or other amenities on the plats thereof, and such other recreational facilities within the Development as may be conveyed to the Association, may be operated, maintained, repaired and replaced.

(ii) An additional purpose of the Property Owners Association is that of providing a means for the promulgation and enforcement of all regulations necessary to the governing of the use and enjoyment of such streets, parks, lakes, recreational facilities or other amenities and such other recreational facilities within the Development as may be conveyed to the Association.

(c) Power of Property Owners Association to Levy and Collect Charges & Impose Liens.

(i) The Property Owners Association shall have all the powers that are set out in its Articles of Incorporation, the powers provided in these restrictions, and all other powers that belong to it by operation of law, including (but not limited to)

the power to levy, against every member of the Association, a uniform annual charge per numbered single-family residential lot or occupied dwelling unit on a numbered multiple family lot within the Development, or such greater amount per numbered single-family residential lot or occupied dwelling unit on a numbered multiple family lot within the Development as may be determined by the Board of Directors of the Association after consideration of current maintenance needs and future needs of the Association, for the purposes set forth in its Articles of Incorporation; provided, however, that no such charge shall ever be made against, or be payable by, the Developer, the Association itself, or any corporation that may be created to acquire title to, and operate the utilities serving the Development.

(ii) Every such charge so made shall be paid by the member to the Property Owners Association on or before the first day of March of each year for the ensuing year. The Board of Directors of the Property Owners Association shall fix the amount of the annual charge per lot by the first day of February of each year, and written notice of the charge so fixed shall be sent to each member in the form of the annual assessment statement.

(iii) If any charge shall not be paid when due, it shall bear interest from the date of delinquency at the rate of 6% per annum. The Association shall publish the name of the delinquent member in a list of delinquent members, or by any other means of publication; and the Association shall file a notice that it is the owner of a lien to secure payment of the unpaid charge, plus costs and reasonable attorneys' fees, which lien shall encumber the lot or lots in respect of which the charge shall have been made, and which notice shall be filed in the Office of the Recorder of the County in which the lot or lots so encumbered shall lie. Every such lien may be foreclosed by equitable foreclosure at any time within three (3) years after the date on which the notice thereof shall have been filed. In addition to the remedy of lien foreclosure, the Property Owners Association shall have the right to pursue all legal remedies to collect such unpaid charges, interests, costs and reasonable attorneys' fees, in any court of competent jurisdiction as for a debt owed by the delinquent member or members of the Association. Every person who shall become the owner of the title, (legal or equitable) to a numbered lot in the Development by any means is hereby notified that, by the act of acquiring such title, such person will be conclusively held to have covenanted to pay the Property Owners Association all charges that the Association shall make pursuant to this sub-paragraph 8(c) of the Restrictions.

(iv) The Property Owners Association shall, upon demand, at any time, furnish a certificate in writing signed by an officer of the Association certifying that the assessments on a specified lot have been paid or that certain assessments against said lot remain unpaid, as the case may be. A reasonable charge may be made by the Board of Directors of the Property Owners Association 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 assessments levied by the Property Owners Association 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 improvement and maintenance of the properties owned or operated by the Association.

(e) Suspension of Privileges of Membership. Notwithstanding each member's consent for use and enjoyment reserved in Paragraph 7(a) hereof, the Board of Directors of the Property Owners Association shall have the right to suspend the voting rights (if any) and the right to use the facilities of the Association of any member:

(i) for the period during which any past due Association charge owed by the member remains unpaid;

(ii) and during any period of any continuing violation of the restrictive covenants for the Development, after the existence of the violation shall have been declared by the Board of Directors of the Association;

(iii) and while any utility bill for water service rendered to the member shall remain unpaid.

9. MOTOR VEHICLE OPERATION

All State of Illinois vehicle Codes shall apply within Fyre Lake Development. No motor vehicle shall be driven on any street within the Development at a speed in excess of the posted limits, which in most cases will be 25 miles per hour. Appropriate posting of these speed limits shall be made by the Developer or by the Property Owners Association to which such power shall pass upon conveyance to it of the streets within the Development.

10. PROVISIONS IN RESPECT OF LAKES AND LOTS CONTIGUOUS THERETO

(a) In General. Certain lots in the Development are as foresaid, contiguous to a lake which has been or is to be established within the boundaries of the Development. The water in, and the land under, said lakes is and will be owned by the Developer and subsequently by the Property Owners Association. Said lakes are, or will be, depicted in the recorded Development plats of the Development, and the normal pool water elevation and the high water elevation of said lake is, and/or will be, also indicated on said plats. Ownership of any of said contiguous lots will and shall extend only to the shoreline of the lake to which such lot is contiguous, as said shoreline would be established on the date hereof if the water elevation in said lake were at an elevation one vertical foot above the normal pool water elevation indicated in said Development plats and as the shoreline may hereafter be established by the water, at an elevation one vertical foot above normal pool water elevation, by erosion from said shoreline. No such grantee nor any of such grantee's successors or assigns, shall have any right with respect to any stream that is a tributary to said lakes, or with respect to said lakes, the land thereunder, the water therein, or its or their elevations, or use or condition, and none of said lots shall have any riparian rights or incidents appurtenant; provided further that title shall not pass by reliction or submergence or changing water elevations. The Developer, its successors and assigns, or the Property Owners Association, if title to said lakes shall have been transferred to said Association, shall have the right 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 to which the lot is contiguous may be moved toward, or to, but not inland beyond, the location of said shoreline as it would exist as of the date hereof if the water elevation in said lakes were at an elevation one vertical foot above the normal pool water elevation indicated in said Development plats, and title shall pass with such dredging or other removal as by erosion.

(b) Reservation of Easement for Operation of Lakes. The Developer or the Property Owners Association, in the event that title to said lakes shall have been transferred to said Association, reserves to itself, and its successors and assigns, such an easement upon, across and through each of said lots contiguous to said lakes as is necessary in connection with operating said lakes. Without limiting the generality of the immediately preceding sentence, it is declared that neither the

Developer, the Property Owners Association nor any of their successors or assigns shall be liable for damages caused by ice, erosion, washing or other action of the water.

(c) Reservation of Right to Change Water Elevation in Lakes. The Developer or the Property Owners Association, in the event that title to said lakes shall have been transferred to said Association, reserve to themselves and their successors and assigns, the right to raise and lower the elevation of said lakes, but neither the Developer, nor the Fyre Lake Association, nor any of its successors or assigns shall have an easement to raise (by increasing the height of any dam or spillway, or otherwise) the high water elevation of any of said lakes to an elevation above that indicated on said Development plats.

11. WATER SERVICE

(a) Each person who commences construction of a residence on any lot in Fyre Lake Development shall automatically become a stockholder of Fyre Lake Water Co., Inc., whether such person is owner in fee or contract purchaser of the lot at that time. Each residence shall be entitled to one share of stock in said corporation, which is a not-for-profit Illinois corporation owning the well or wells, pump and transmission lines throughout Fyre Lake Development.

(b) The water availability fee per stockholder and other rates shall be determined from time to time by the Board of Directors of Fyre Lake Water Co., Inc. All decisions regarding potable water service within Fyre Lake Development shall be made by the Board of Directors of Fyre Lake Water Company, Inc.

(c) No well shall be drilled within the confines of Fyre Lake Development except by Fyre Lake Water Co., Inc., or its successors or assigns, unless written approval to drill such well shall be granted by both Fyre Lake Association, Inc., and Fyre Lake Water Co., Inc.

12. TITLES, ETC.

The underlined titles preceding the various paragraphs and sub-paragraphs of the 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 masculine form shall be taken to mean or apply to the feminine or to the neuter.

13. DURATION OF THE RESTRICTIONS

The foregoing covenants and restrictions are to run with the land and shall be binding on all parties and all persons claiming under them until January 1, 2015, at which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years unless changed in whole or in part by vote of those persons who then are the owners of

a majority of the single family numbered lots and owners of individual dwelling units on numbered lots platted as multiple family lots in the Development.

14. REMEDIES

If any violation of any of the Restrictions shall occur or be threatened, the party to whose benefit the particular Restriction inures may proceed at law to recover damages for, or in equity to prevent the occurrence or continuation of the violation. The remedies hereby specified are cumulative, and this specification of them shall not be taken to preclude an aggrieved party's resort to any other remedy available at law, in equity, or under any statute. No delay or failure on the part of an aggrieved party to invoke an available remedy in respect of a violation of any of the Restrictions shall be held to be a waiver by that party of (or an estoppel of that party to assert) any right available to him upon the reoccurrence or continuation of said violation or the occurrence of a different violation.

15. SEVERABILITY

Every one of the 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 the Restrictions shall be held to be invalid or to be 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 the Restrictions.