APPLICATION FOR INCIDENTAL TAKE PERMIT

NEUMANN HOMES, INC.

462.0-ACRE, NEUPOINTE SHORES PROPERTY
WONDER LAKE, ILLINOIS

JANUARY 10, 2005

(REVISED AUGUST 23, 2005)

RAISANEN & ASSOCIATES, INC.
ENVIRONMENTAL & ECOLOGICAL
CONSULTANTS

RAISANEN & ASSOCIATES, INC.
3250 N. ARLINGTON HTS. RD., SUITE 106
ARLINGTON HEIGHTS, IL 60004-1500
TEL. 847.870.7762 FAX 847.870.7763

August 23, 2005

Mr. Glen Kruse
Aquatic Endangered Species Program Manager
Illinois Department of Natural Resources
1 Natural Resources Way
Springfield, Illinois 62702

Via UPS Next Day Air

RE: Neupointe Shores Residential Development- Comment Responses to IDNR Incidental Take Permit Application Letter dated January 21, 2005, 462.0-Acre Property located in Wonder Lake, McHenry County, Illinois. RAI Project No. 1883-H. (IDNR# 03-04937)

Dear Glen,

Based on your January 21, 2005 letter providing comments regarding the Incidental Take Permit Application for the proposed Neupointe Shores residential development in Wonder Lake, Illinois, Raisanen & Associates, Inc. has prepared the following responses:

1) As stated in Section 4.1 of the Incidental Take Permit Application, education will be provided to the residents of Neupointe Shores in the form of color informational and educational pamphlets regarding the potential presence of blanding's turtles within the vicinity of their home. These pamphlets will be provided by McHenry County Conservation District (MCCD). MCCD has pamphlets already prepared for blanding's turtles and other threatened and endangered species in McHenry County. The pamphlets provide identification characteristics of the blanding's turtle, potential areas of habitat for the blanding's turtle, and response phone numbers for MCCD if blanding's turtles are found or identified on the Neupointe Shores residential property.

2) Neumann Homes has secured a 5-year bond for funding of special areas and mitigation in the amount of $566,500.00. A letter from the Village of Wonder Lake dated July 27, 2005 assures the acceptance of the bond amount. A copy of this letter is attached in Appendix A of this document.

3) Appendix B of this document contains the covenants and restrictions to which the homeowners will be subject, as provided by Neumann Homes. The covenants and restrictions include specific statements of obligation for the Homeowners Association to carry out monitoring and adaptive management measures associated with the issuance of an incidental take permit.

Appendix C of this document contains the updated site plan, enhancement plan, BMP plan, and overall vegetation plan for the development. Turtle nesting berms have been incorporated into the "greenway design" in order to provide additional nesting habitat for turtles on or within the site.

Appendix D of this document contains the public notice prepared for this project as requested.

Your prompt review and written response is appreciated.

Sincerely,

Raisanen & Associates, Inc.

Scott J. Brejcha
Environmental Scientist

Donald L. Raisanen, P.W.S.
Professional Scientist

Cc: Doug Nataluk – Neumann Homes, Inc.
Tony Topf- Village of Wonder Lake

APPENDIX A

BOND ACCEPTANCE LETTER FROM VILLAGE OF WONDER LAKE

Village of Wonder Lake
4200 Thompson Road
Wonder Lake, IL 60096

Village Fax (815) 728-1226

Village President (815) 482-2501
Village Clerk (815) 728-0839

July 27, 2005

Mr. Todd Wyatt
Neumann Homes
4355 Weaver Parkway
Warrenville, Illinois W 60555

RE: Lakeside Pointe Phase 1 Mass Grading in ACOE jurisdiction

Dear Bill:

Per our Village Engineer's recommendation, we require a 5 year bond to be established in the amount of 110% of the developer's estimate, or $566,500.00, for the work associated with the Wetland Detention Basin, Wastewater Prairie and Tryon Creek. This bond is required to be in a form acceptable to the Village Attorney and must be received by him along with the ACOE permit prior to beginning grading in the ACOE jurisdictional area in Phase 1 of Lakeside Pointe.

If you have any questions or require additional information, please call.

Sincerely,

VILLAGE OF WONDER LAKE, ILLINOIS

Tony Topf
Village President

cc: Rich Curran – Attorney
Christie Caldarella – Village Engineer

CONSERVATION MANAGEMENT PLAN FOR BLANDING'S TURTLES

NEUPOINTE SHORES RESIDENTIAL DEVELOPMENT

WONDER LAKE, ILLINOIS

Prepared for:

Neumann Homes, Inc.
4355 Weaver Parkway
Warrenville, Illinois
60555

Prepared by:

Raisanen & Associates, Inc.
3250 N. Arlington Heights Road,
Suite 106
Arlington Heights, IL 60004

RAI Project No. 1883-C

January 10, 2005

(REVISED AUGUST 23, 2005)

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1.0 INTRODUCTION AND BACKGROUND

This Conservation Management Plan was developed as part of an application for an Incidental Takings Permit for Blanding's Turtles with the Illinois Department of Natural Resources (IDNR). The plan is necessary due to the proposed residential development of the 462-acre site (Neupointe Shores) proposed subdivision located on Greenwood Road in the north 1/2 of Section 11 and north 1/2 of Section 12, Township 45 North, Range 7 East in McHenry County, Illinois. Figure 1, located in Appendix A, is the USGS Richmond Quadrangle, which shows the property location. The entire project site consists of an east parcel, the Anest parcel (336 acres), and a west parcel, the Brzica parcel (126 acres).

The property is owned by Neumann Homes and is located in the vicinity of four natural areas inventoried by the McHenry County Conservation District in 1998. Figure 2, located in Appendix A, is the McHenry County ADID wetland map for the project area. To the north of the proposed site is the Galt Airport Sedge Meadow (N578) and the Blanding's Turtle Sedge Meadow (N596); and to the south of the site is the Greenwood Fen (N610). The site is located on a large portion of Wonder Lake Fen (N620).

Of the 462- acre parcel, approximately 25-acres of high quality wetland and enhanced buffer located directly west of the Wonder Lake shoreline will be donated to the Village of Wonder Lake once management and enhancement are completed by Neumann Homes (Applicant) for a period of one year. The area being donated is labeled Wetland W-7 and is part of the Greenwood Fen (N610) which is associated with Nippersink Creek.

Raisanen & Associates, Inc. (RAI) conducted three searches in 2004 for the presence of Blanding's Turtles (*Emydoidea blandingii*) on or utilizing the site. Scott J. Brejcha of RAI collected data at the site on May 26, 2004 from 8:00 a.m. until 1:00 p.m., June 11, 2004 from 2:00 p.m. until 6:00 p.m., and on June 30, 2004 from 5:00 p.m. until 9:00 p.m. The focus of Mr. Brejcha's investigations was to determine if Blanding's Turtles were present on the proposed site, utilizing the proposed site for nesting or foraging, or passing through the proposed site as a means to reach their nests.

The focus of the turtle investigation took place near the pond located adjacent to the north of the proposed site, at the Galt Airport property.

During all three 2004 investigations, no Blanding's Turtles were located or seen on the proposed site. Transects were established from north to south starting at the Galt Airport pond and working south. Four to five turtles were viewed

along the northern edge of the Galt Airport pond to the north of the site during the June 30, 2004 investigation. The turtles were viewed at approximately 7:15 p.m. The turtles were not identified by species. Characteristics about the turtles could not be recorded in time prior to the turtles plunging into the Galt Airport pond.

A species of turtle are present at the Galt Airport pond located north of the site. However, it is RAI's professional opinion, based on the 2004 site investigations, that turtles, specifically Blanding's turtles, are not utilizing the site for nesting, foraging, or mobilization.

The Applicant has designed the development to include open "green" areas to create additional habitat for local species. Approximately 2.35-acres of former wetlands will be restored on the Site. In addition, 18.4-acres of existing degraded buffer will be restored adjacent to the creek that bisects the site. 25.0 acres of existing high quality wetlands and 15.93 acres of buffer associated with the wetland located south of Wonder Lake would be managed for one year by the Applicant. The 25.0 acres of wetlands and 15.93 acres of buffer would then be donated to the Village of Wonder Lake. Figure 3 in Appendix A is the proposed mitigation plan for the Site.

The Applicant is proposing 11 wet-bottom detention basins throughout the site. Emergent vegetation will be established as well as multiple open water forebays within the detention areas. These detention areas combined with the proposed enhancement, restoration, and created wetland areas will provide additional habitat and nesting areas for potential Blanding's turtles located within the vicinity of the Site. The location of the detention ponds and their proposed plantings are depicted on Figure 23 in Appendix A. Additional turtle nesting berms have been designed and incorporated into the site plan. These turtle nesting berms are located near the mitigation area and along the north property line. The design of the turtle nesting berms was provided by Sue Hayden of the McHenry County Conservation District (MCCD).

2.0 BIOLOGICAL DATA

The McHenry County Conservation District has documented the presence of Blanding's Turtles (*Emydoidea blandingii*) within the Greenwood Fen (N610) and Blanding's Turtle Sedge Meadow (N596). According to Mr. Keith Shank of the IDNR, total numbers of documented specimens within the vicinity are not up to date. According to Mr. Shank, one Blanding's Turtle was observed crossing the north-south segment of Wonder Lake Road in 1995. No attempt to observe the species in this location has been made since 1995. Correspondence between RAI, the IDNR and McHenry County Conservation District is located in Appendix B.

While the species is primarily aquatic, it will travel farther, in upland areas to nest, than any other North American aquatic turtle. Upland areas suitable for nesting are an essential element of habitat for this species. On-going tracking studies have demonstrated that some females are capable of traveling up to one-quarter mile.

Eggs are laid in gravelly/sandy soil from June through September. Nesting periods may be earlier or later depending on the prevailing weather for the year and the amount of successful basking by females. South-facing open areas are preferred. Eggs take up to 60 days to incubate, so hatchlings may be present from late July to as late as November. Hatchling gender is determined by egg temperature at a specific stage of development; warmer temperatures produce females, slightly cooler temperatures produce males.

Blanding's Turtles are the longest-lived North American Turtle, with documented ages over 65 years; females do not reach reproductive maturity until 16-20 years of age and do not necessarily lay a clutch every year. Being a long-lived species, clutches are relatively small, seldom exceeding a dozen eggs. Reduction of nesting habitat, nest predation, and the untimely loss of breeding-age females to road-kill and reptile collectors are major threats to this species. At present, the extent of the presence, population, gender, age, and size of Blanding's Turtles in the vicinity of the proposed development is not known.

Blanding's Turtles are omnivorous, but, like Snapping Turtles, appear to prefer feeding on fish, amphibians, and insect larvae. Hence, a healthy ecosystem with a complete food web is important to them.

The Applicant proposes to create habitat through the restoration of 2.35-acres of former wetlands on the Site. Also, 18.4-acres of existing degraded buffer will be restored adjacent to the creek that bisects the site. The creation of eleven open-water and vegetated wet-bottom detention basins, the enhancement of

existing low quality wetlands and their associated buffer zones, will adequately provide habitat for all types of species located in the vicinity of the Site. The creation of turtle nesting berms along the north property line and within the mitigation area will provide additional turtle habitat on the site.

3.0 POTENTIAL IMPACTS

This project consists of the construction of a residential development. The Applicant will take significant measures to prevent the taking of turtles during and after construction and does not anticipate a negative impact on the local population. However, because of the determined long travel distances of this species, the development may still result in a negative indirect impact on individuals. Potential takings of Blanding's Turtle may occur during and after construction by construction machinery, vehicles, human contact and physical barriers.

4.0 MEASURES TAKEN TO MINIMIZE IMPACTS

The Applicant has integrated significant measures suggested by IDNR and MCCD to minimize development impacts to the ecological well being of the area.

The project site consists of 462 acres, of which approximately 80 acres will remain in open space. These 80 acres consist of an existing 25.0-acre wetland area to the south, 2.35-acres of restored wetland area, 18-acres of restored functional buffer along the creek, approximately 20-acres of open vegetated space associated with the spray areas, designed turtle nesting berms, and eleven stormwater detention ponds, which will be constructed. Therefore, adequate habitat in the form of wetland area, buffer areas, vegetated open areas, turtle nesting berms, and open water areas associated with the detention ponds will be provided on site. The restoration along the creek will provide the turtles with a "natural highway corridor" that extends from the north of the site south to Wonder Lake. Potential turtles will be allowed continued use of this area.

The following measures will be implemented to minimize effects of the development on the turtles, as well as other wildlife.

4.1 Upland Habitat Areas

There is concern regarding the loss of upland habitat (nesting and foraging areas) for the threatened Blanding's turtles. This species prefers habitats consisting of wetlands and upland areas. However, the existing upland use consists of active farmland, which provides limited habitat.

Additionally, the existing substrate consists of silt loam and silty clay loam soils. It has been documented that Blanding's Turtles prefer sand and gravel substrates for nesting; therefore it is not likely that these upland areas are used for nesting. However, to help mitigate the effects of the development, the Applicant will be enhancing 18.4 acres of current upland, which is now designated as non-functional buffer associated with the creek on site. Approximately 2.35 acres of wetlands will be restored providing habitat for foraging by potential turtles.

Turtle nesting berms created from excavation efforts in the northwest corner of the site will provide additional habitat, nesting areas, and protection for turtles in the vicinity of the project. The berms are designed to be located along the north property line and within the created mitigation area. These areas were determined to be the most likely place where occurrences of turtles may appear.

Concern over maintaining water quality and providing proper stormwater treatment for the runoff draining to the Greenwood Fen was expressed. The project will be utilizing the Schaeffer Water Quality system, which consists of a series of open water treatment pools, and the discharge of treated water onto designated spray areas throughout the site.

The Applicant installed wire-backed silt fence along the north property line of the site, both sides of the creek corridor, and all special areas, i.e. wetlands, on April 22, 2005 within the Phase One portion of the site per the recommendation by IDNR to keep turtles from entering and exiting the site.

The Applicant will provide education to the residents of the residential development in the form of color pamphlets describing that there is the potential for Blanding's Turtles to inhabit the area. Color photos of the Blanding's Turtle will be incorporated into the pamphlet as well as a contact number for the McHenry County Conservation District (MCCD) in case a Blanding's Turtle is identified in an unnatural area, i.e. driveway, garage, window well, etc. Through pamphlets provided by MCCD, the Applicant will raise awareness of the potential presence of Blanding's Turtles within the development area.

Minimization Measures and Monitoring Measures To Date

1) Installation of wire-backed silt fence along the north property line of the site, both sides of the creek corridor, and all special areas, i.e. wetlands, on April 22, 2005 within the Phase One portion of the site per the recommendation by IDNR.

2) 5-consecutive days of monitoring the inside and outside portions of the installed silt fence from April 25, 2005 to April 29, 2005. The purpose of this was to locate and identify any potential turtles on the site that may have been trapped by the previously installed silt fence barrier.

3) Weekly inspections of the silt fence and entire Phase One portion of the site for the potential presence of turtles (May 2, 2005 to present).

4) Filing of Incidental Take permit with the IDNR on January 10, 2005.

5) Continual correspondence with IDNR and the McHenry County Conservation District (MCCD). A face to face meeting with IDNR on June 23, 2005 to discuss the consultation process and the incidental take permit.

A detailed monitoring summary is included in Appendix C of this document.

5.0 MONITORING MEASURES

In coordination with the five year Wetland Mitigation Maintenance and Monitoring Requirements for the U.S. Army Corps of Engineers permit, the Applicant will monitor the effectiveness of the measures implemented to minimize turtle takings. RAI staff will search for the presence of turtles around the entire 462-acre parcel twice annually, during the growing season. The areas to be inspected include along the north property line, the constructed detention basins, the existing wetland areas, the creek corridor, and along the right-of-way of Wonder Lake Road and Greenwood Road. If a turtle has been tagged, the tag information will be recorded and reported to Ms. Sue Hayden, the Wildlife Ecologist at the McHenry County Conservation District.

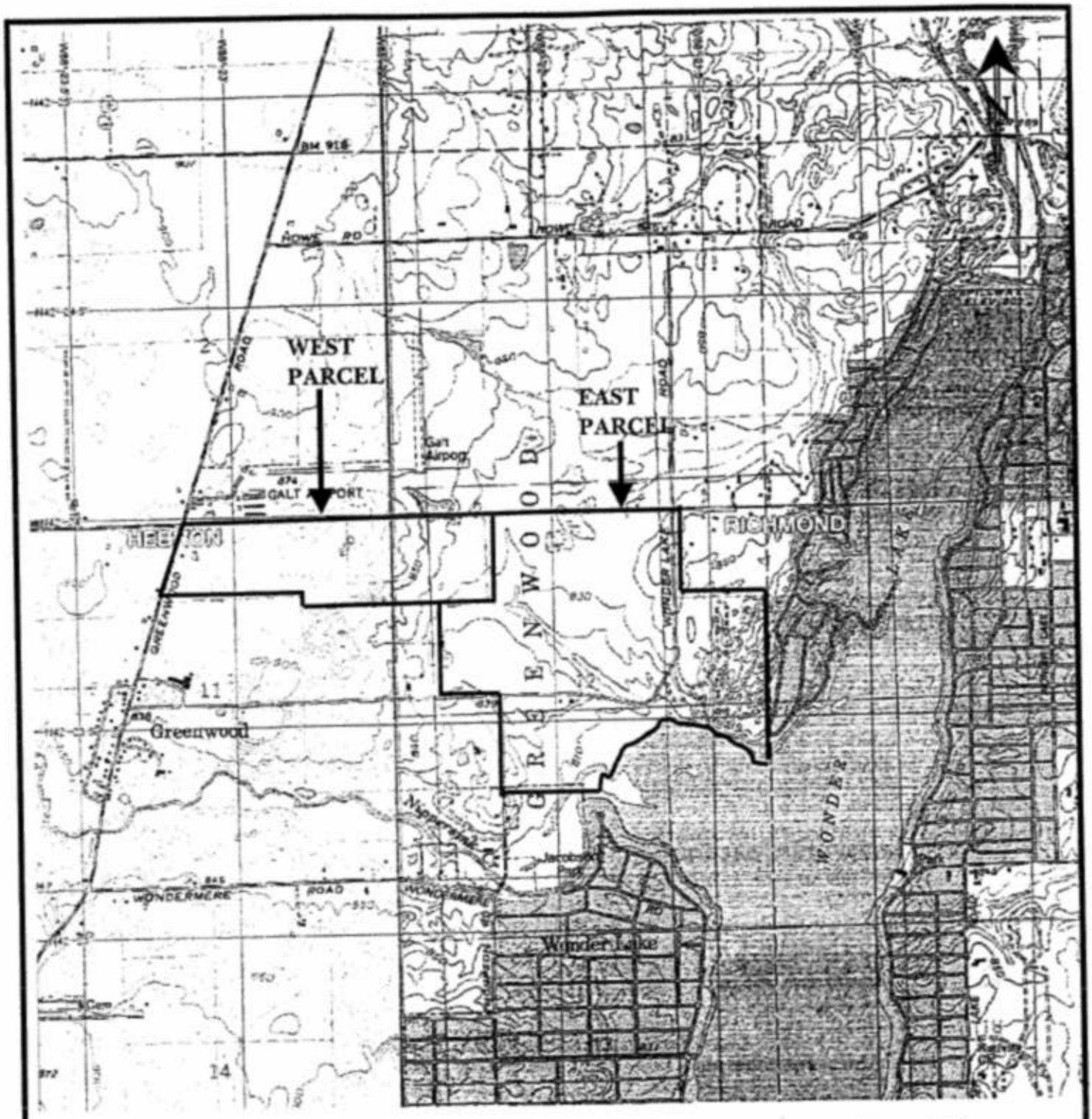
If it is determined that the measures taken to minimize turtle takings are not effective, modifications will be implemented. Adaptive management measures will be developed and implemented as necessary.

The Applicant will provide the necessary funding for the implementation of the taking minimization measures. A bond has already been acknowledged by the Village of Wonder Lake for funding of special management areas and issues associated with the development. After the site has been developed, the Homeowners Association will be responsible for funding the monitoring and any necessary adaptive management measures for all areas north of Wonder Lake Road. The revised covenants and restrictions explicitly state that the Homeowners Association is responsible for carrying out all measures outlined as part of this incidental take permit.

There are no practicable alternatives to avoid a taking. The only no take alternative would be to cease all use of the site. Since that is not practicable the preferred alternative is the least damaging. Because the parcel is located adjacent to various INAI sites, the only alternative, which may not result in any takes, is the no action alternative.

APPENDIX A

FIGURES



REFERENCE: USGS 7.5 MINUTE TOPOGRAPHIC MAP, RICHMOND QUADRANGLE, DATED 1993

RAI SANEN & ASSOCIATES, INC.
ENVIRONMENTAL CONSULTANTS

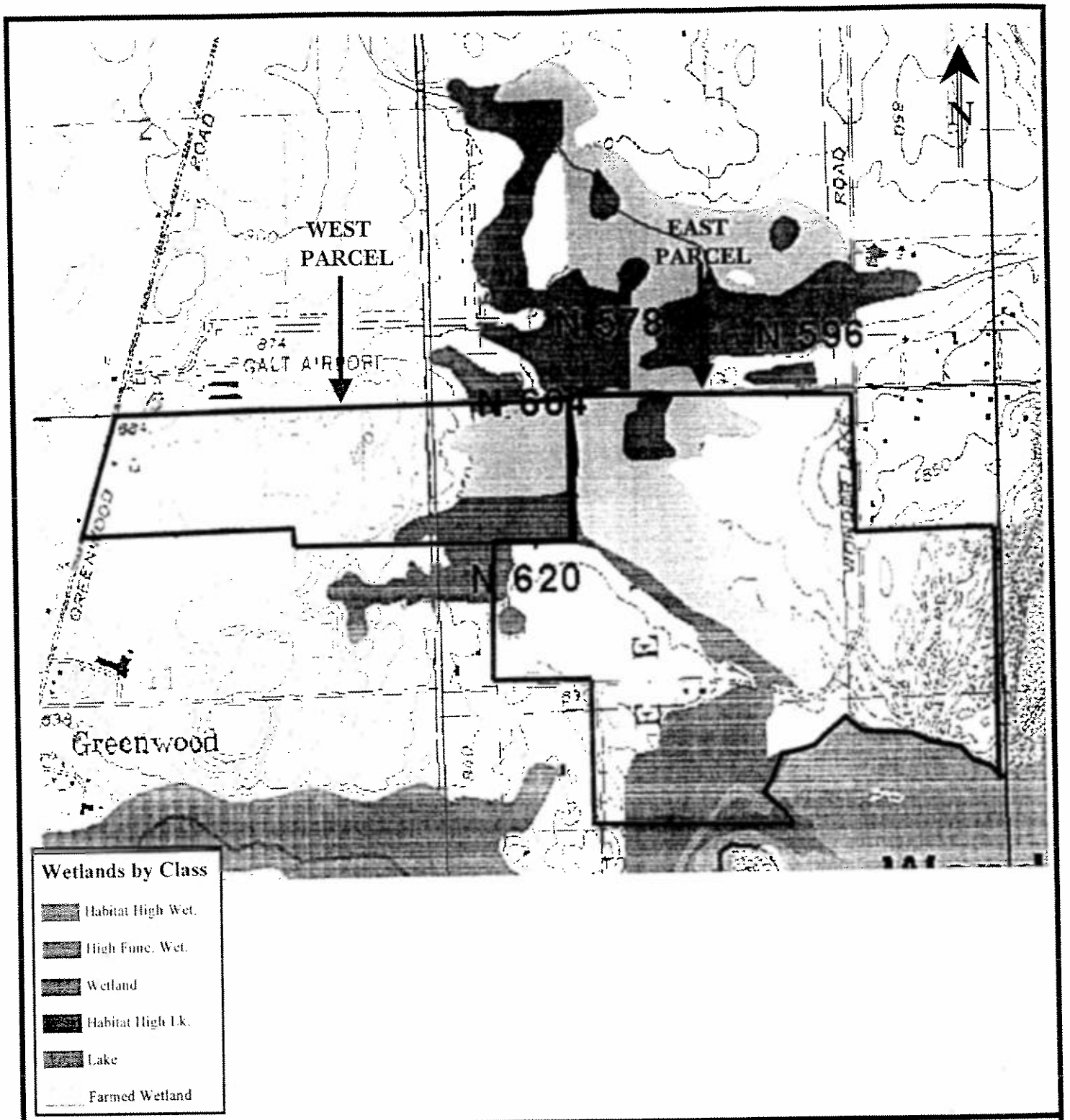
USGS MAP
NEUMANN HOMES, INC.
462 ACRE
NEUPOINTE SHORES
WONDER LAKE, ILLINOIS

SCALE: 1" = 24,000'

REPORT DATE: November 10, 2004

RAI JOB NO.: 1883-E

FIGURE: 1



RAI SANEN & ASSOCIATES, INC.
ENVIRONMENTAL CONSULTANTS

SITE LOCATION MAP
NEUMANN HOMES, INC.
NEUPOINTE SHORES
462.0-ACRE PROPERTY
WONDER LAKE, ILLINOIS

Source: McHenry County ADID Wetland Project

SCALE: 1" = approx. 1,320'

REPORT DATE: November 10, 2004

RAI JOB NO.: 1883-E

FIGURE: 2

APPENDIX B

CORRESPONDENCE

Illinois
Department of
Natural Resources
One Natural Resources Way · Springfield, Illinois 62702-1271

Code 03-04937

http://dnr.state.il.us
Rod R. Blagojevich, Governor

October 24, 2003

Mr. Michael Anderson
Haeger and Associates, Inc.
1911A Rohlwing Road
Rolling Meadows, IL 60008

RE: **Anest Property, Wonder Lake, McHenry County**
Endangered Species Consultation Program
Natural Heritage Database Review #Code 03-04937

Dear Mr. Anderson:

Thank you for submitting this project in Section 12 , Township 45 North, Range 7 East, for consultation in accordance with the *Illinois Endangered Species Protection Act* [520 ILCS 10/11], the *Illinois Natural Areas Preservation Act* [525 ILCS 30/17], and Title 17 *Illinois Administrative Code* Part 1075. We regret the lengthy delay in our response.

The proposed action may adversely affect the State-listed threatened plant species, **Pinweed**, *Lechea intermedia*, which has been recorded within this parcel. The proposed action is located in the vicinity of records for the State-listed threatened **Blanding's Turtle**, *Emydoidea blandingii*, and the State-listed endangered **Red-Shouldered Hawk**, *Buteo lineatus*. The site may contain essential habitat for both species. More information is needed for the Department to form a biological opinion whether the proposed action is likely to adversely affect their essential habitat or may result in the incidental taking of either species.

Consequently, consultation must remain open at this time. Please complete and return the enclosed Detailed Action Report, or have the petitioner do so, along with any information you believe will aid an assessment of potential adverse impacts.

The central portion of the property contains most of a natural area delineated by the McHenry County Conservation District as N620, "Wonder Lake Fen." This particular type of wetland is fed by ground water; its recharge zone may include a substantial portion of the property. The use of septic waste systems poses a significant threat of pollution and degradation to this type of ecosystem. This area and associated drains may provide seasonal habitat for the Blanding's Turtle.

Printed on recycled and recyclable stock

Wooded areas of the parcel may provide nesting habitat for the Red-Shouldered Hawk. Pinweed was recorded in the wooded area in the southeastern part of the property near the lakeshore in 1986.

Blanding's Turtles have been documented in wetlands directly north of this property and wetlands to the southwest. A pond just northwest of the property offers permanent water and hibernation habitat, while the drier upland portions of this property offer potential nesting habitat for this species.

The Department recommends surveys for all these species prior to conversion of the land use.

The Natural Heritage Database cannot provide a conclusive statement on the presence, absence, or condition of significant natural features in any specific location; consultation cannot replace detailed site surveys. The Department is unable to state that no listed species exist within the project footprint, nor can it exclude the possibility that listed species other than those mentioned exist in the vicinity. Should a protected species be encountered on this property, compliance with applicable statutes and regulations is required.

Should you need additional information regarding the consultation process, or should you have any questions, please do not hesitate to contact me.

Sincerely,

Keith M. Shank, Manager
Impact Assessment Section
Division of Resource Review and Coordination
Ph. (217) 785-5500
Fax (217) 524-4177

cc: Brad Semel, IDNR/Region II/Natural Heritage
John Kramer, MCCD
Ed Weskerna, McHenry County SWCD
Bill Madeja, Village of Wonder Lake
Christie Mack Calderella, Smith Engineering Consultants, Inc.
Susan Guanci/1075.70
Cindy Skrukrud, McHenry County Defenders/1075.70

Illinois
Department of
Natural Resources
One Natural Resources Way • Springfield, Illinois 62702-1271

Code 03-04936

http://dnr.state.il.us
Rod R. Blagojevich, Governor

October 24, 2003

1870-B

Mr. Michael Anderson
Haeger and Associates, Inc.
1911A Rohlwing Road
Rolling Meadows, IL 60008

RE: **Brzica Property, Wonder Lake, McHenry County**
Endangered Species Consultation Program
Natural Heritage Database Review #Code 03-04936

Dear Mr. Anderson:

Thank you for submitting this project in Sections 11 and 12 , Township 45 North, Range 7 East, for consultation in accordance with the *Illinois Endangered Species Protection Act* [520 ILCS 10/11], the *Illinois Natural Areas Preservation Act* [525 ILCS 30/17], and Title 17 *Illinois Administrative Code* Part 1075. We regret the lengthy delay in our response

The proposed action is located in the vicinity of records for the State-listed threatened **Blanding's Turtle**, *Emydoidea blandingii*, and the State-listed endangered **Red-Shouldered Hawk**, *Buteo lineatus*. The site may contain essential habitat for both species. More information is needed for the Department to form a biological opinion whether the proposed action is likely to adversely affect their essential habitat or may result in the incidental taking of either species.

Consequently, consultation must remain open at this time. Please complete and return the enclosed Detailed Action Report, or have the petitioner do so, along with any information you believe will aid an assessment of potential adverse impacts.

The southeastern portion of the property contains a portion of a natural area delineated by the McHenry County Conservation District as N620, "Wonder Lake Fen." This area may provide nesting habitat for the Red-Shouldered Hawk, as well as seasonal habitat for the Blanding's Turtle. This particular type of wetland is fed by ground water; its recharge zone likely includes a substantial portion of the property. The use of septic waste systems poses a significant threat of pollution and degradation to this type of ecosystem.

Printed on recycled and recyclable stock

Blanding's Turtles have been documented in wetlands northeast of this property and wetlands to the south. A pond just north of the property offers permanent water and hibernation habitat, while the upland portions of this property offer potential nesting habitat for this species. The Department recommends surveys for both of these species prior to conversion of the land use.

The Natural Heritage Database cannot provide a conclusive statement on the presence, absence, or condition of significant natural features in any specific location; consultation cannot replace detailed site surveys. The Department is unable to state that no listed species exist within the project footprint, nor can it exclude the possibility that listed species other than those mentioned exist in the vicinity. Should a protected species be encountered on this property, compliance with applicable statutes and regulations is required.

Consultation is limited to State-listed threatened or endangered species, Illinois Natural Areas, and dedicated Land & Water Reserves and Nature Preserves; it does not entail a comprehensive environmental impact assessment. The Department may raise concerns through other venues regarding potential impacts to other natural resources as it deems appropriate.

Should you need additional information regarding the consultation process, or should you have any questions, please do not hesitate to contact me.

Sincerely,

Keith M. Shank, Manager
Impact Assessment Section
Division of Resource Review and Coordination
Ph. (217) 785-5500
Fax (217) 524-4177

cc: Brad Semel, IDNR/Region II/Natural Heritage
John Kramer, MCCD
Ed Weskerna, McHenry County SWCD
Bill Madeja, Village of Wonder Lake
Christie Mack Calderella, Smith Engineering Consultants, Inc.
Susan Guanci/1075.70
Cindy Skrukrud, McHenry County Defenders/1075.70

OCT-20-2003 07:17AM WILDLIFE PRESERVES
Dept. of Natural Resources
RECEIVED
MAY 19 2003
OREP
Resource Review & Coord.
http://dnr.state.il.us

Illinois Department of Natural Resources
One Natural Resources Way • Springfield, Illinois 62702-1271 George H. Ryan, Governor • Brent Manning, Director

CONSULTATION AGENCY ACTION REPORT

(Illinois Administrative Code Title 17 Part 1075)
Division of Resource Review and Coordination
Stephen K. Davis, P.G., Chief

Date Submitted: 5/7/03
If this is a resubmittal, include previous IDNR response if available.

FOR DEPARTMENT USE ONLY
PROJCODE: 0301935 DUE DATE: 6/18/03

Applicant: Haeger Engineering, LLC
Contact Person: Mike Anderson, P.E.
Applicant Address: 1911A Rohlwing Rd
Rolling Meadows, IL 60008
Phone: (847) 394-6600
Fax: (847) 394-6608
Email: mike-a@haegerengineering.com

LOCATION OF PROPOSED ACTION

A MAP SHOWING LOCATION OF PROPOSED ACTION IS REQUIRED

Project Name: 126 Acre Brzica Property
County: McHenry
Project Address (if available): Greenwood Road
City,State,Zip: Wonder Lake, Illinois, 60097
Township/Range/Section (e.g. T45N,R9E,S2): T45N, R7E, S11
Brief Description of Proposed Action: The site shall be developed into commercial and residential properties. Roads, foundations, and utilities will be installed
Projected Start Date and End Date of Proposed Action: Summer of 2003 until Summer of 2004

Will state funds or technical assistance support this action? [Yes (No)] If Yes, the Interagency Wetland Policy Act may apply
Contact funding agency or this Division for details

Local/State Agency with Project Jurisdiction: Village of Wonder Lake
Contact: Village Manager
Address: 4200 Thompson Road
Phone: (815) 728-0422
Fax:

FOR DEPARTMENT USE ONLY

KM 6/10/03

Are endangered/threatened species or Natural Areas present in the vicinity of the action? (Yes) No]
Could the proposed action adversely affect the endangered/threatened species or Natural Area? (Yes) No]
Is consultation terminated? [Yes (No)]
Comments: Red-shouldered Hawk & Blanding's Turtle in vicinity. More info needed. See attached letter.

Evaluated by:
Kevin M. Roche
Division of Resource Review & Coordination (217)785-5500

Date 10-24-03

Dept. of Natural Resources
RECEIVED
MAY 20 2003
OREP
Resource Review & Coord.

Illinois
Department of Natural Resources

http://dnr.state.il.us

524 South Second Street, Springfield, IL 62701 George H. Ryan, Governor * Brent Manning, Director

CONSULTATION AGENCY ACTION REPORT
(Illinois Administrative Code Title 17 Part 1075)
Division of Resource Review and Coordination
Stephen K. Davis, Chief

Date submitted: May 19, 2003
If this is a resubmittal, include previous IDNR response if available.

FOR DEPARTMENT USE ONLY
PROJCODE: 0305054
Date Due: 6/19/03

Applicant Name: Raisanen & Assoc., Inc
Phone: 847-870-7762
Contact Person: Mr. Don Raisanen
Fax: 847-870-7763
Applicant Address: 220 W Campus Dr, Suite 101
Arlington Heights, Illinois 60004
E-mail: draisanen@raisanen.com

LOCATION OF PROPOSED ACTION
A MAP SHOWING LOCATION OF PROPOSED ACTION IS REQUIRED
Project Name: TLG Holdings 126-Acre Property
County: McHenry
Project Address (if available): N/A
City, State, Zip: Wonder Lake, IL
Township/Range/Section (e.g. T45N,R9E,S2): T45N, R7E, Section , 11, 12
Brief Description of Proposed Action: Residential development

Projected Start Date and End Date of Proposed Action: Unknown
Will state funds or technical assistance support this action? [Yes | No] If Yes, the Interagency Wetlands Policy Act will apply. Contact the funding agency or this Division for details.

Local/State Agency with Project Jurisdiction:
Contact:
Phone:
Address:
Fax:
E-mail:

FOR DEPARTMENT USE ONLY
Are endangered/threatened species or Natural Areas present in the vicinity of the action? [YES / NO] KM 6/19/03
Could the proposed action affect the threatened/endangered species or Natural Area? [YES / NO]
Is consultation terminated? [YES / NO]
Comments: Blanding's turtle and ~~Swainson's~~ Red-Shouldered Hawk in vicinity
See attached letter.

Evaluated by: Keith M Shank
Date: 7-14-03
Division of Resource Review and Coordination (217) 785-5500

Visit our website at http://dnr.state.il.us/orep/nrrc/nrrc.htm

1870-A IDNR T&E form

Illinois
Department of
Natural Resources
One Natural Resources Way • Springfield, Illinois 62702-1271

Code 03-04936; Code 03-04937

http://dnr.state.il.us
Rod R. Blagojevich, Governor

March 3, 2004

Mr. William Madeja, President
Village of Wonder Lake
4200 Thompson Road
Wonder lake, IL 60097-9122

RE: **Maple Hill (Brzica) and Lakeside Point (Anest) Development Proposals**
Wonder Lake, McHenry County
Natural Heritage Database Review #03-04936; #$03-04937

Dear President Madeja:

The Department has received additional information from Insignia Homes, Raisanen & Associates, Inc., and Sheaffer International, LLC, regarding these projects in Sections 11 and 12 , Township 45 North, Range 7 East, to continue consultation in accordance with the *Illinois Endangered Species Protection Act* [520 ILCS 10/11], the *Illinois Natural Areas Preservation Act* [525 ILCS 30/17], and Title 17 *Illinois Administrative Code* Part 1075. The Department has also met with representatives of these firms on February 26, 2004, to discuss the Department's concerns. Insignia Homes indicated to us that these two proposals should now be considered as a single proposal. I have also spoken with Trustees Les Anderson and Larry Reinhardt.

The Department is not yet satisfied that all potential threats to Barber Fen Nature Preserve have been adequately addressed; there is still a need for additional information and its evaluation. Likewise, the scale of the threat to the Blanding's Turtle is also yet to be determined. However, provided the Village will retain the discretion to require measures to avoid or minimize the potential impacts outlined below, there appears to be no compelling reason to delay consideration of the Annexation Agreement on these grounds.

Red-Shouldered Hawk

On February 20, 2004, the Illinois Endangered Species Protection Board reached a final decision to de-list the **Red-Shouldered Hawk**, *Buteo lineatus*, due to the satisfactory recovery of this species. Consequently, this species will no longer be considered as an element of this consultation.

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Franklin's Ground Squirrel

On February 20, 2004, the Illinois Endangered Species Protection Board reached a final decision to list the **Franklin's Ground Squirrel**, *Spermophilus franklinii*, as "threatened" in Illinois. The Department has very little in formation on the current distribution of this species. This project is within the historic range of this species and contains potentially suitable habitat in some areas. This information is noted to avoid later surprises; at this time, the Department has no evidence whatsoever that the Franklin's Ground Squirrel currently occupies any habitat in the vicinity of this project.

Pinweed

The State-listed threatened plant species, **Pinweed**, *Lechea intermedia*, was recorded in the extreme eastern portion of this parcel in the1980s. The increase in forest cover on this area over the intervening years may have suppressed or eliminated this species. However, the removal of forest cover may allow the species to re-emerge from the seed bank. Current plans call for this area to be graded and built out, and partly occupied by a storm water detention basin. If the plant still persists, the Department recommends efforts to re-locate the species to appropriate habitat in projected open spaces. If possible, an ungraded buffer zone between this project and adjacent properties may allow a remnant population to persist or to become re-established. The central open space in this cluster, if not excessively graded, may also serve this purpose.

Blanding's Turtle

The State-listed threatened **Blanding's Turtle**, *Emydoidea blandingii*, was observed crossing the north-south segment of Wonder Lake Road in 1995. No effort to observe the turtle in this location has since been made. However, abundant nesting, basking, feeding, and hibernating habitat for the turtle exists within and adjacent to this parcel. Before any construction activity occurs, the Department recommends a biological survey addressing this species' use of this property. If no survey is performed, or if construction is to commence prior to the results being known, the Department strongly recommends erection of appropriate barriers to exclude turtles from construction areas no later than April 1. The petitioner may at any time consider application for an Incidental Take Authorization to avoid or limit potential liability. The Department will make additional recommendations to avoid or minimize impacts as plans are developed.

Barber Fen Nature Preserve

The Department remains concerned about potential adverse impacts to this dedicated and protected area stemming from alterations of hydrology, both quantitative and qualitative. These impacts will be related to potential increases or decreases in ground water and alterations of its quality. Such changes may be related to the water supply system, the reclaimed water irrigation system, the storm water management system, construction of impermeable surfaces, and turf management in lawn and park areas throughout the development.

The Department is supportive of the "Sheaffer" water reclamation system. The currently proposed location of the treatment cells on the northeastern part of the Lakeside Point area is thought to be unlikely to exert any influence on the hydrology of Barber Fen. Irrigation of areas east of the existing drainage ditch is also likely to be of little consequence. However, irrigation of areas in the Brzica parcel may still have the potential to adversely influence the quality of ground waters feeding Barber Fen. The Department recommends avoiding irrigation of these areas.

[The Department notes that the structures of the Sheaffer System may be subject to Dam Safety regulations requiring a permit from the Department, and which may dictate specific construction techniques and maintenance requirements. If the facilities are to be transferred to the Village, the Village should investigate this aspect further.]

The principle concern is the migration of salts through the soil profile and into the aquifer. Such salts will be harmful to the rare plants associated with Barber Fen. To some degree, the proposal to perform water softening with potassium chloride salts instead of sodium chloride reduces the types of harm which could result. However, the chloride ions themselves remain a threat to these plants. Alternatives which avoid the use of brine softening in the water supply or in individual homes should be sought.

More information is needed about the aquifers underlying the Brzica parcel and their relationship to Barber Fen. The storm water detention basins themselves could be either beneficial or detrimental depending on site conditions which are not currently known to our reviewers. Likewise, the withdrawal of water from related aquifers for the purposes of water supply could be of major consequence to Barber Fen.

The plentiful open spaces and general design of the development are very positive elements. Opportunities may exist to manage open spaces in ways which are beneficial to natural areas and listed species. The Department looks forward to exploring these with the Village.

Sincerely,

Keith M. Shank, Manager
Impact Assessment Section
Division of Resource Review and Coordination
Ph. (217) 785-5500
Fax (217) 524-4177

cc: Brad Semel, IDNR/Region II/Natural Heritage
John Kramer, MCCD
Ed Weskerna, McHenry County SWCD
Scott Brejcha, Raisanen & Associates, Inc.
Christie Mack Calderella, Smith Engineering Consultants, Inc.
Susan Guanci/1075.70
Cindy Skrukrud, McHenry County Defenders/1075.70

Illinois Department of
Natural Resources
One Natural Resources Way • Springfield, Illinois 62702-1271
http://dnr.state.il.us

Code 03-05054

Rod R. Blagojevich, Governor
Joel Brunsvold, Director

July 14, 2003

Mr. Donald L. Raisanen, President
Raisanen & Associates, Inc.
Arlington Corporate Center
3250 N. Arlington Heights Rd., Ste. 106
Arlington Heights, IL 60004

RE: **TLG Holdings, Wonder Lake/Greenwood, McHenry County**
Endangered Species Consultation Program
Natural Heritage Database Review #03-05054

Dear Mr. Raisanen:

Thank you for submitting this project in Sections 11 and 12, Township 45 North, Range 7 East, for consultation in accordance with the *Illinois Endangered Species Protection Act* [520 ILCS 10/11], the *Illinois Natural Areas Preservation Act* [525 ILCS 30/17], and Title 17 *Illinois Administrative Code* Part 1075. We regret the delay in our response.

The proposed action is located in the vicinity of three natural areas inventoried by the McHenry County Conservation District in 1998. On the north side of the parcel lies the Galt Airport Sedge Meadow (N578); on the south the site borders the Greenwood Fen (N610); while the Blanding's Turtle Sedge Meadow (N596) lies just east of the parcel. These natural areas are not listed on the Illinois Natural Areas Inventory (INAI), but have been identified by the Conservation District as regionally-significant remnant natural communities of at least Grade C or better or which provide habitat to rare, threatened, or endangered species of plants and animals.

As might be surmised from one appellation, the State-listed threatened **Blanding's Turtle**, *Emydoidea blandingii*, has been documented by MCCD biologists on the latter two sites and there is no reason not to expect it to occur in the third. While the majority of the project area is row-crop farmland, this land-use is not incompatible with its use as nesting habitat for this species. Also, the State-listed endangered **Red-Shouldered Hawk**, *Buteo lineatus*, is known from the vicinity along Nippersink Creek, and appropriate forest-edge habitat exists adjacent to this project area. It is the biological opinion of the Department that the proposed action is likely to adversely affect the essential habitats of both of these species.

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Consequently, consultation must remain open at this time. Please complete and return the enclosed Detailed Action Report, along with any information you believe will aid an assessment of potential adverse impacts. Also, please clarify which local government will have jurisdiction: the Village of Greenwood, the Village of Wonder Lake, of McHenry County.

All three natural areas are dependent on existing ground water hydrology, and the project should be designed to preserve, to the greatest extent possible, existing geo-hydrologic relationships. In addition, Greenwood Fen's plant community will be sensitive to alterations of ground water chemistry. Hence, the project should also attempt to minimize changes in water mineralization. Information on site hydrology, both qualitative and quantitative, and anticipated impacts related to the proposed action will be helpful in developing recommendations.

The Department also calls your attention to 520 ILCS 10/5.5 and Title 17 Ill. Admin. Code Part 1080. At this time, the Department does not have enough information about the Blanding's Turtle population in this area to make a recommendation on the advisability of seeking Incidental Taking Authorization for this species. Seeking such authorization will remain discretionary with the developer/builder.

The allocation of open spaces and storm water facilities will provide opportunities to minimize adverse impacts to both species.

The Natural Heritage Database cannot provide a conclusive statement on the presence, absence, or condition of significant natural features in any specific location; consultation cannot replace detailed site surveys. The Department is unable to state that no listed species exist within the project footprint, nor can it exclude the possibility that listed species other than those mentioned exist in the vicinity. Should a protected species be encountered during project implementation, compliance with applicable statutes and regulations is required.

Consultation is limited to State-listed threatened or endangered species, Illinois Natural Areas, and dedicated Land & Water Reserves and Nature Preserves; it does not entail a comprehensive environmental impact assessment. The Department may raise concerns through other venues regarding potential impacts to other natural resources as it deems appropriate.

Should you need additional information regarding the consultation process, or should you have any questions, please do not hesitate to contact me.

Sincerely,

Keith M. Shank

Keith M. Shank, Manager
Impact Assessment Section
Division of Resource Review and Coordination
Ph. (217) 785-5500
Fax (217) 524-4177

cc: File
Brad Semel, IDNR/Region II/Natural Heritage
John Kramer, MCCD
Ed Weskerna, McHenry Co. SWCD
Kathy Rode, Village of Greenwood
Kate Topf, Village of Wonder Lake
Sue Ehardt, McHenry County Planning and Development
Cindy Skrukrud, McHenry County Defenders/1075.70
Susan Guanci/1075.70

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Rod R. Blagojevich, Governor
Joel Brunsvold, Director

ENDANGERED SPECIES CONSULTATION PROGRAM
DETAILED ACTION REPORT

Date Submitted:_____

PROJCODE: 03-05054
Date Due: _____
For Office Use Only

Agency Name:_____

Contact Person:_____ Phone:_____

Agency Address:_____

_____

Project Description

Project Name (if any):_____

Project Location: Township:_____ Range:_____ Section:_____ County:_____

*Please enclose an area map with the project site clearly delineated. An appropriate **scale** and **legend** should accompany this map.

Total Number of Acres in Project Area:_____

Estimated Starting/Completion Dates: _____

Brief Description of Proposed Action: _____

_____

_____

_____

Please mark the appropriate response for each of the items below:

Water Supply:
- private wells ____
- community well ____
- public system ____

Waste Treatment:
- individual septic systems ____
- private treatment facility ____
- public treatment facility ____

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Return this report with a copy of each of the items listed below (if available):

Subdivision Plat	X
County Natural Resource Inventory Report	X
Drainage Plan/Runoff Control System(s)	X
Detailed Erosion Control Procedures	X
Existing & Proposed Topographic Contours	X
List of Landscaping Plant Species	
Surrounding Land-Use Photography	
Wetland Delineation Report	X
Wetland Mitigation Plan	X
U.S. Army Corps of Engineers Correspondence	X
Restrictive Deeds/Conservation Easement Plans	X
Homeowner Covenants and Restrictions	X
Percolation Test Results	X
Soil Boring Data	X
Tree Inventory/Protection Plan	

Other: **Any biological surveys for Blanding's Turtle or Red-Shouldered Hawk.**

What measures have been, **or can be**, included in the project plans to minimize adverse effects to endangered or threatened species or natural areas/nature preserves? (Use additional pages if necessary)

Completion of the consultation requirement is mandatory before any State agency and/or local unit of government performs, funds, or approves any environment-altering activity. To facilitate effective coordination, please identify all agencies/local governments involved in the project, including primary contact persons, and indicate each agency's/local government's respective role in the project.

Agency/Municipality	Contact Person	Perform	Fund	Approve

Please send all materials to:

Endangered Species Consultation Program
Division of Natural Resource Review & Coordination
Illinois Department of Natural Resources
One Natural Resources Way
Springfield, Illinois 62702-1271

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524 South Second Street, Springfield, IL 62701 George H. Ryan, Governor * Brent Manning, Director

CONSULTATION AGENCY ACTION REPORT
(Illinois Administrative Code Title 17 Part 1075)
Division of Resource Review and Coordination
Stephen K. Davis, Chief

Date submitted: May 19, 2003 If this is a resubmittal, include previous IDNR response if available.	FOR DEPARTMENT USE ONLY PROJCODE: 0305054 Date Due: 6/19/03

Applicant Name: Raisanen & Assoc., Inc Phone: 847-870-7762
Contact Person: Mr. Don Raisanen Fax: 847-870-7763
Applicant Address: 220 W Campus Dr, Suite 101 E-mail: draisanen@raisanen.com
Arlington Heights, Illinois 60004

LOCATION OF PROPOSED ACTION
A MAP SHOWING LOCATION OF PROPOSED ACTION IS REQUIRED
Project Name: TLG Holdings 126-Acre Property County: McHenry
Project Address (if available): N/A
City, State, Zip: Wonder Lake, IL
Township/Range/Section (e.g. T45N,R9E,S2): T45N, R7E, Section , 11, 12
Brief Description of Proposed Action: Residential development

Projected Start Date and End Date of Proposed Action: Unknown
Will state funds or technical assistance support this action? [Yes | No] If Yes, the Interagency Wetlands Policy Act will apply. Contact the funding agency or this Division for details.

Local/State Agency with Project Jurisdiction:
Contact: Phone:
Address: Fax:
E-mail:

FOR DEPARTMENT USE ONLY
Are endangered/threatened species or Natural Areas present in the vicinity of the action? [YES / NO] KM 6/19/03
Could the proposed action affect the threatened/endangered species or Natural Area? [YES / NO]
Is consultation terminated? [YES / NO]
Comments: Blanding's turtle and ~~Swainson's~~ Red-Shouldered Hawk in vicinity
See attached letter.

Evaluated by: Kurt A M Shank Date: 7-14-03
Division of Resource Review and Coordination (217) 785-5500

Visit our website at http://dnr.state.il.us/orep/nrrc/nrrc.htm

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APPENDIX C

MONITORING SUMMARY

SUMMARY OF MONITORING

FIELD NOTES

NEUMANN HOMES

462.0-ACRE PROPERTY
WONDER LAKE, ILLINOIS

JULY 29, 2005

July 29, 2005

Mr. Douglas M. Nataluk
Director of Acquisition and Planning
Neumann Homes, Inc.
4355 Weaver Parkway
Warrenville, IL 60555

RE: Summary of Turtle Monitoring at Wonder Lake -- RAI Project No. 1883H.

Dear Doug:

Attached is the information requested by Keith Shank of the Illinois Department of Natural Resources (IDNR) from the meeting with him on Thursday June 23, 2005. The information includes a list summarizing the monitoring efforts upto and concluding on July 29, 2005 with regards to the potential presence of the Blanding's turtle (*Emydoidea blandingii*) at the site, field notes from the initial 5-day turtle inspection conducted at the site by Jason Price of Raisanen & Associates, Inc. (RAI) and weekly field notes from weekly inspections conducted by Scott Brejcha of RAI, professional wildlife biologist Tom Anton's summary of his assessment of the site, and a letter of concurrence from the Village of Wonder Lake stating that the minimization measures and monitoring efforts taken until July 29, 2005 by Neumann Homes and its environmental representatives are sufficient.

Please call us at your convenience if you have any questions or comments regarding the information contained herein or if you require additional services. We appreciate the opportunity to be of service to you.

Sincerely,

RAISANEN & ASSOCIATES, INC.

Scott J. Brejcha
Environmental Scientist

Donald L. Raisanen
President

Minimization Measures and Monitoring Measures To Date

1) Installation of wire-backed silt fence along the north property line of the site, both sides of the creek corridor, and all special areas, i.e. wetlands, on April 22, 2005 within the Phase One portion of the site per the reccommendation by IDNR.

2) 5-consecutive days of monitoring the inside and outside portions of the installed silt fence from April 25, 2005 to April 29, 2005. The purpose of this was to locate and identify any potential turtles on the site that may have been trapped by the silt fence barrier installed prior.

3) Weekly inspections of the silt fence and entire Phase One portion of the site for the potential presence of turtles (May 2, 2005 to July 29, 2005).

4) Filing of Incidental Take permit with the IDNR on January 10, 2005.

5) Continual correspondence with IDNR and the McHenry County Conservation District (MCCD). A face to face meeting with IDNR on June 23, 2005 to discuss the consultation process and the incidental take permit.

Field Notes from Site Monitoring Visits

April 25, 2005

Mr. Jason Price of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 3:15pm. The temperature at the time of the site visit was approximately 67°F. The sky was mostly cloudy with a wind out of the west-southwest. The site received no precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences.

During this walk no turtles were observed on the site.

April 26, 2005

Mr. Jason Price of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 10:20am. The temperature at the time of the site visit was approximately 51°F. The sky was partly sunny. The site received a small amount of precipitation the previous night.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences.

During this walk no turtles were observed on the site.

April 27, 2005

Mr. Jason Price of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 12:20pm. The temperature at the time of the site visit was approximately 49°F. The sky was overcast with scattered light showers.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included

visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

April 28, 2005

Mr. Jason Price of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 9:45am. The temperature at the time of the site visit was approximately 47°F. The sky was mostly sunny. The site received no precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences.

During this walk no turtles were observed on the site.

April 29, 2005

Mr. Jason Price of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 9:30am. The temperature at the time of the site visit was approximately 49°F. The sky was partly sunny. The site received no precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

May 6, 2005

Mr. Scott Brejcha of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 1:00 pm. The temperature at the time of the site visit was approximately 58°F. The sky was cloudy. The site received minimal precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

May 13, 2005

Mr. Scott Brejcha of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 1:30 pm. The temperature at the time of the site visit was approximately 52°F. The sky was cloudy. The site received precipitation that day (approximately 0.5 inches of rain).

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

May 20, 2005

Mr. Scott Brejcha of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 2:15 pm. The temperature at the time of the site visit was approximately 62°F. The sky was cloudy. The site received a small amount of precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

May 27, 2005

Mr. Scott Brejcha of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 12:00 pm. The temperature at the time of the site visit was approximately 60°F. The sky was partly cloudy. The site received no precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

June 3, 2005

Mr. Scott Brejcha of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 2:00 pm. The temperature at the time of the site visit was approximately 65°F. The sky was sunny. The site received no precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

June 10, 2005

Mr. Scott Brejcha of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 9:30 am. The temperature at the time of the site visit was approximately 76°F. The sky was sunny. The site received no precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

June 17, 2005

Mr. Scott Brejcha of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 2:30 pm. The temperature at the time of the site visit was approximately 78°F. The sky was partly sunny. The site received no precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

June 24, 2005

Mr. Scott Brejcha of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 10:00 am. The temperature at the time of the site visit was approximately 88 °F. The sky was sunny. The site received no precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

July 1, 2005

Mr. Scott Brejcha of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 1:00 pm. The temperature at the time of the site visit was approximately 84 °F. The sky was partly sunny. The site received no precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

July 8, 2005

Mr. Scott Brejcha of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 1:00 pm. The temperature at the time of the site visit was approximately 72 °F. The sky was sunny. The site received no precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

July 15, 2005

Mr. Scott Brejcha of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 1:00 pm. The temperature at the time of the site visit was approximately 78 °F. The sky was sunny. The site received no precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior

and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

July 22, 2005

Mr. Scott Brejcha of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 2:00 pm. The temperature at the time of the site visit was approximately 83 °F. The sky was sunny. The site received no precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

July 29, 2005

Mr. Scott Brejcha of Raisanen & Associates, Inc. (RAI) arrived at the site at approximately 3:30 pm. The temperature at the time of the site visit was approximately 91 °F. The sky was partly sunny. The site received no precipitation that day.

The walk consisted visual observation of the interior and exterior of the silt fence located north and south of the creek. Visual observation of the interior and exterior of the silt fence located on the west and north property boundary. Visual observation of the east property boundary and Wonder Lake Road. Visual observation of the creek area inside of the silt fences. The walk included visual observation of the interior and exterior of the silt fence on the north and south side of the creek east of Wonder Lake Road.

During this walk no turtles were observed on the site.

Tom Anton's Summary

Executive Summary of Wonder Lake Blanding's Turtle Habitat Evaluation
Conducted 21 June 2005 By Tom Anton

Key Points:

1. Blanding's turtle habitat in Wonder Lake proper is degraded due to heavy shoreline development and reduced emergent aquatic vegetation. However, softshell turtles (*Apalone spinifera*) and painted turtles (*Chrysemys picta*) were observed basking on logs in the lake.

2. Blanding's turtle habitat exists in sedge meadows in several areas northwest of the lake.

3. The margins of agricultural fields nearest wetlands (and possibly greater distances) afford nesting habitat for Blanding's turtles and other species; turtle nests (six predated nests, decoy nests) made by unknown species were observed.

4. A stream corridor (channelized in some areas) affords corridor effect between Galt Airport wetlands (ponds) and Wonder Lake via two culverts under Wonder Lake Road. A large adult common snapping turtle (*Chelydra serpentina*) was observed in the small pond east of the larger Galt Airport pond, near the stream corridor.

5. During *droughts*, the Galt Airport ponds would presumably be used by transient individuals; sedge meadows northwest of the Lake would be used in the spring when water is retained; sedge meadows were dry at the time of evaluation.

6. Appropriate amounts of silt fencing was observed and are inspected by RAI staff; any additional silt fencing (if recommended by IDNR) should further isolate sedge meadows and nesting habitat if any construction activity takes place in April or May, when sedge meadows are likely to be inundated, and inspected for juveniles in the fall if construction is to begin in mid-late summer after nesting season.

7. Upon creation and restoration of stormwater detention wetlands, it is recommended that the use of such restored wetlands by local turtle assemblages be evaluated by a mark-recapture study of turtles, including Blanding's turtle, to evaluate use by local wildlife and the suitability of such projects in providing basic suitable habitat requirements for any

local individual or small group of Blanding's turtles inhabiting the general area. This can be done through a partnership with a college or university graduate program and would hopefully result in publication in peer-reviewed media which would aid land managers in conservation efforts aimed at long-lived, far-ranging species subject to road mortality, poaching and other detrimental factors. The project would be conducted ~ 5 years after restoration is completed in conjunction with further aquatic plant community restoration, and time for colonization by wildlife has elapsed.

A copy of the letter of concurrence on the monitoring efforts to date dated July 27, 2005 from the Village of Wonder Lake is attched at the end of this document.

RECD 9/12/05

September 9, 2005

RAISANEN & ASSOCIATES, INC.
3250 N. ARLINGTON HTS. RD., SUITE 106
ARLINGTON HEIGHTS, IL 60004-1500
TEL. 847.870.7762 FAX 847.870.7763

Mr. Glen Kruse
Aquatic Endangered Species Program Manager
Illinois Department of Natural Resources
1 Natural Resources Way
Springfield, Illinois 62702

Via UPS Next Day Air

RE: Neupointe Shores Residential Development- Comment Responses to IDNR Incidental Take Permit Application E-mail dated September 1, 2005, 462.0-Acre Property located in Wonder Lake, McHenry County, Illinois. RAI Project No. 1883-H. (IDNR# 03-04937)

Dear Glen,

Based on your September 1, 2005 email providing additional comments regarding the Incidental Take Permit Application for the proposed Neupointe Shores residential development in Wonder Lake, Illinois, Raisanen & Associates, Inc. has prepared the following responses:

1) The Woodland Protection Plan prepared by Christopher B. Burke Engineering is included with this letter per your request.

2) A letter from Neumann Homes dated September 6, 2005 assuring that the revised bond that Neumann Homes has set up for the project will cover and include any incidental take measures needed. This bond will be established once the incidental take permit and U.S. Army Corps of Engineers 404 water quality permit are obtained.

3) Also included with this letter are the revised covenants and restrictions prepared by Neumann Homes, Inc.

Your prompt review and written response is appreciated.

Sincerely,

Raisanen & Associates, Inc.

Scott J. Brejcha
Environmental Scientist

Donald L. Raisanen, P.W.S.
Professional Scientist

Cc: Doug Nataluk – Neumann Homes, Inc-No Enclosures.
Tony Topf- Village of Wonder Lake –No Enclosures

September 6, 2005

RAI
Scott Brejcha
3250 N. Arlington Heights Road
Suite 106
Arlington Heights, IL 60004

Subject: IDNR – Wonder Lake

Dear Scott,

Per our discussion last week, please find the Woodlands Protection Plan enclosed. Also, Neumann Homes, Inc. agrees to establish a bond for work associate with the wetland detention basin, wastewater prairie, and Tryon Creek. The bond will also cover any incidental take measures needed, as required by the IDNR. The bond will be established once the permit for the work in these areas has been obtained. A copy of the bond will be forwarded to you once it has been obtained. Additionally, language has been added to the CC&R's, concerning the Incidental Take permit, per the IDNR's request. A copy of the revised CC&R's will be emailed to you this week.

It is my understanding that this project will not be unnecessarily delayed if all of the requested information is provided to you prior to the end of the week. Please contact me if you need additional information.

Sincerely,

Todd Wyatt
Manager of Land Acquisition and Planning

C: Doug Nataluk
File

DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR LAKESIDE POINTE MASTER ASSOCIATION

THIS DECLARATION (the "Declaration") made this ____ day ~~of~~ of _____, 2005, by **NEUMANN HOMES, INC.**, an Illinois corporation (hereinafter referred to as the "Declarant").

PREAMBLES:

A. Declarant is the owner in fee simple of a certain parcel of real estate in the Village of Wonder Lake, County of McHenry, State of Illinois, legally described in Exhibit "A", attached hereto and incorporated herein (the "Property");

B. Declarant and Developer (hereinafter defined) desire to develop a residential development on the Property and the Additional Property consisting of three hundred seventy nine (379) single family homes and one hundred sixteen (116) townhomes and to be known as Lakeside Pointe (the "Development"); and

C. Declarant is desirous of submitting the Property to the provisions of this Declaration.

NOW, THEREFORE, Declarant hereby declares that the Property shall be held, sold, transferred, occupied and conveyed subject to the following covenants, conditions, easements and restrictions, all of which shall run with the Property, and be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall inure to the benefit of each owner thereof.

ARTICLE 1

DECLARATION PURPOSES AND PROPERTY SUBJECT TO DECLARATION

1.1. The Declarant desires to create on the Property a residential development for future owners of Lots (as hereinafter defined) for the following general purposes:

a. The Declarant, by the imposition of covenants, conditions and restrictions and the reservation of certain powers unto itself, does intend to provide for the Property a plan for development which is intended to enhance and to protect the values of Declarant's residential community; and

b. The Declarant desires to provide for the maintenance of the Common Area (as hereinafter defined) portions of which may be owned by the Association (as hereinafter defined) and used in common by the Owners (as hereinafter defined) of the Property.

1.2. To further the general purposes herein expressed, the Declarant, for itself, its successors and assigns, hereby declares that the Property at all times is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions and restrictions herein set forth.

ARTICLE 2

DEFINITIONS

The following words, when used in this Declaration or in any supplemental Declaration shall, unless the context shall prohibit, have the following meanings:

2.1. "Additional Property" shall mean and refer to the real estate legally described on Exhibit "D", which is attached hereto.

2.2. "Association" shall mean and refer to the Lakeside Pointe Master Association, an Illinois not-for-profit corporation, as from time to time amended, its successor and assigns.

2.3. "Board" shall mean and refer to the Board of Directors of the Lakeside

Pointe Master Association, an Illinois not-for-profit corporation; said entity shall govern and control administration and operation of the Property.

2.4. "By-Laws" shall mean and refer to the By-Laws of the Lakeside Pointe Master Association, which are attached hereto as Exhibit "C". The By-Laws are incorporated into this Declaration by this reference.

2.5. "Common Area" shall mean and refer to all real property and improvements thereon to be owned or maintained by the Association for the common use and enjoyment of all members of the Association. The Common Area shall include all Outlots as indicated on the Subdivision Plat, as hereinafter defined.

2.6. "Declarant"/"Developer" shall mean and refer to Neumann Homes, Inc., an Illinois corporation.

2.7. "Homeowners Association" shall mean and refer to Lakeside Pointe Homeowners Association, an Illinois Not for Profit Corporation, and its successors and/or assigns.

2.8. "Lot" shall mean and refer to that portion of the Property indicated upon the recorded subdivision plat or plats of the Property improved or intended to be improved as set forth on Exhibit "B", attached hereto.

2.9. "Owner" shall mean and refer to the record owner, whether one or more persons, individuals or entities, of a fee simple title to any Lot, which is part of the Property, including contract purchasers, but excluding those having such interest merely as security for the performance of an obligation.

2.10. "Member or Membership" shall mean and refer to every person or entity who holds Membership in the Association.

2.11. "Mortgage" shall mean and refer to either a Mortgage or Deed of Trust creating a lien against a portion of the Property given to secure an obligation of the Owner of such portion of the Property.

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

2.13. "Property" shall mean and refer to the real estate legally described in Exhibit "A", attached hereto and made a part hereof.

2.14. "Subdivision Plat" shall mean and refer to the Plats of Subdivision for the Lakeside Pointe Subdivision to be recorded with the office of the Recorder of Deeds of

McHenry County, Illinois. A copy of the Final Plat of Subdivision (unrecorded) for Phase 1 is attached hereto and made a part hereof as Exhibit "B."

2.15. "Single Family" shall mean and refer to one or more persons, each related to other by blood, marriage or adoption, or a group of not more than three (3) persons not all so related, maintaining a common household.

2.16. "Townhome Association" shall mean and refer to Lakeside Pointe Townhome Association, an Illinois not for profit corporation, and its successors and/or assigns.

2.17. "Turnover Date" shall mean and refer to the meaning referred to and set forth in Section 4.6 hereof.

ARTICLE 3

MEMBERSHIP AND BOARD OF DIRECTORS

3.1. Membership. 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 any Lot. Ownership of a Lot shall be the sole qualification for membership.

3.2. Voting Rights. The Association shall have one class of membership and each member shall have one vote for each Lot such member owns, provided that in no event shall more than one (1) vote be cast with respect to any one (1) Lot. If more than one (1) person is the record owner of any Lot, or if an Owner is a trustee, corporation, partnership or other legal entity, the vote for such Lot shall be exercised as such Owner or Owners of that Lot shall designate. Such designation shall be made in writing to the Board or in such other manner as may be provided in the By-Laws.

3.3. Board of Directors. The Association shall be governed by a Board of Directors comprised of five (5) persons, or such greater number as may be determined by Board resolution. The Board shall consist of five (5) members, each of whom shall be an Owner and a Voting Member (as defined herein); provided that there shall be positions on the Board for two (2) persons who are members of the Homeowners Association and two (2) persons who are members of the Townhome Association. The remaining member of the Board shall either be from the Homeowners Association or the Townhome Association. The Board shall maintain and administer the Common Area and improvements thereon in accordance with the terms and provisions of this Declaration

and the By-Laws.

3.4. Officers. The Association shall have such Officers as shall be appropriate from time to time, who shall be elected by the Board and who shall manage and conduct the affairs of the Association under the direction of the Board. Except as expressly provided otherwise by the Articles of Incorporation or By-Laws, all power and authority to act on behalf of the Association, both pursuant to this Declaration and otherwise, shall be vested in its Board, from time to time, and its officers under the direction of the Board and shall not be subject to the approval of the Members. The Articles of Incorporation and By-Laws of the Association may include such added provisions for the protection and indemnification of its Officers and Directors as shall be permissible by law. The Directors and Officers of the Association shall not be liable to the Owners or others for any mistake of judgment or any acts or omissions made in good faith as such Directors or Officers.

3.5. Director and Officer Liability. Neither the Directors nor the Officers of the Association shall be personally liable to the Owners or the Association for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors or officers except for any acts or omissions found by a court to constitute fraud. The Association shall indemnify and hold harmless the Directors and Officers, their heirs and legal representatives, against all contractual and other liabilities to others arising out of contracts made by or other acts of the Directors and Officers on behalf of the Owners or the Association or arising out of their status as Directors or Officers unless any such contact or such act shall have been made fraudulently. The foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to attorneys' fees, amounts of judgments paid and amounts paid in settlement) actually and reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or other, in which any such Director or Officer may be involved by virtue of being or having been such Director or Officer; provided, however, that such indemnity shall not be operative with respect to (i) any matter as to which such person shall have finally been adjudged in such action, suit or proceeding to be liable for fraud in the performance of his duties as such Director or Officer, or (ii) any matter settled or compromised unless, in the opinion of independent counsel selected by or in a manner determined by the Board there is no reasonable ground for such person being adjudged liable for fraud in the performance of his/her duties as such Director or Officer.

3.6. Turnover. The Developer shall, through the Board appointed by it in accordance with Section 3.2, exercise control over all Association matters, until the first to occur of the following events: a) twelve (12) years from the date of this Declaration, b) the sale and conveyance of legal title to all of the Lots to Owners other than Declarant or an assignee of Declarant as provided in Section 9.7 hereof, or (c) Developer elects voluntarily to turnover to the Members the authority to appoint the Board, which election it

shall evidence by directing the Declarant to execute and record in the Office of the Recorder of Deeds of McHenry County, Illinois an instrument setting forth its intention to so turnover its authority hereunder. The date upon which the authority to appoint the Board passes to the Members is hereinafter referred to as the "Turnover Date". On or prior to the Turnover Date, the Developer shall cause Declarant to convey to the Association, and the Association shall accept, the Common Area to be owned by the Association hereunder and the Association shall undertake to maintain the Common Area pursuant to the terms hereof.

3.7. Board Powers. The Association, through the Board, shall have the following powers and duties:

a. Own, maintain and otherwise manage the Common Area and all Improvements thereon, and own, maintain and otherwise manage all other property acquired by the Association or which the Association agrees to maintain, including any obligation to maintain any landscaping located in concrete islands, cul-de-sac and median strips in the dedicated streets which are adjacent to or within the Property and to maintain any signage and lighting located thereon;

b. Have the authority to employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, provided that any contract with a person or firm appointed as a manager or managing agent shall provide for the right of the Association to terminate the same not later than thirty (30) days after the date of the initial meeting of the Members of the Association is held as provided by the By-Laws;

c. Establish and maintain a working capital and contingency fund in an amount to be determined by the Board;

d. Provide for the maintenance of landscaping, signs, monuments, fencing, retaining walls, water systems, brick pavers, lighting and other improvements located within the Common Area at the entrance ways to the Property.

e. At its option, mow, care for, maintain vacant and unimproved portions of the Property and remove rubbish from same and to do any other things necessary or desirable in the judgment of the Board to keep any vacant portions of the unimproved portions of the Property neat in appearance and in good order. The foregoing rights

shall not apply to any Lot or other portion of the Property owned by Declarant;

f. Make such improvements to the Common Area and provide such other facilities and services as may be authorized from time to time by the affirmative vote of two-thirds (2/3) of the Members of the Association acting in accordance with its Articles of Incorporation and By-Laws, provided, however, that any such action so authorized shall always be for the express purpose of keeping Lakeside Pointe Subdivision a highly desirable residential community; and

g. To deny an Owner access to the Common Area for such Owner's failure to pay assessments in accordance with the terms and conditions of this Declaration.

h. Exercise all other powers and duties vested in or delegated to the Association, and not specifically reserved to the Members by this Declaration, the Articles of Incorporation or the By-Laws.

3.8. Insurance. The Board shall also have the authority to and shall obtain comprehensive liability insurance, including liability for injuries to and death of persons, and property damage, in such limits as it shall deem desirable, and worker's compensation insurance, and other liability insurance as it may deem desirable, insuring each Owner, the Association, its Officers, members of the Board, the Declarant, and their respective employees and agents from liability and insuring the Officers of the Association and members of the Board from liability for good faith actions beyond the scope of their respective authority. Such insurance coverage shall include cross liability claims of one or more insured parties against other insured parties. The premiums for such insurance shall be common expenses payable out of the proceeds of the Assessments required by and collected in accordance with Article 5. The Association shall be further responsible for maintaining such policies of insurance for the Common Area against loss or damage by fire and such other hazards contained in the customary fire and extended coverage, vandalism and malicious mischief endorsements as the Association may deem desirable and may also obtain such other kinds of insurance as the Association shall from time to time deem prudent. The coverage shall contain an endorsement to the effect that said coverage shall not be terminated for non-payment of premiums without at least 30 days prior written notice for the Association. The Insurance policies shall contain waivers of subrogation with respect to the Board, its employees, agents, owners and mortgagees.

3.9. Developer Rights. Notwithstanding anything contained in the Declaration to the contrary:

a. Until the Turnover Date, the Developer shall have all the rights and powers herein granted to the Association and shall be authorized and empowered to take all such actions as the Board would have been authorized and empowered to take as herein provided. Until the Turnover Date, the Developer shall have the right to appoint all of the members of the Board.

b. Until the Turnover Date, Developer may elect to maintain the Common Area and all signs and monuments located thereon and shall pay all expenses and costs in connection with the Common Area, including without limitation, the costs of improving and maintaining the Common Area (and any signs and monuments located thereon) and general real estate taxes payable in connection with the Common Area and such payments shall be credited against any amounts due the Association from Developer, including in Subsidy Payments (as hereinafter defined). To the extent that any real property taxes payable after the Turnover Date are attributable to the period prior to the Turnover Date, Developer shall reimburse the Association, on a pro rata basis, for such real property taxes. Declarant shall, not later than the Turnover Date, convey to the Association that portion of the Common Area to be owned by the Association.

c. Developer shall be entitled, without cost, at all times to conduct sales or leasing of Lots and residences to be located upon Lots from the Property and shall have the right, for itself and its agents, employees, guests, invitees, to utilize roads, streets, Common Area and all other portions of the Property, excluding Lots or residences to conveyed to Owners, for such purposes, at no cost or expense, until all Lots are sold and conveyed to purchasers thereof. Developer may at all times, without cost, utilize signage, lighting and establish temporary construction and sales offices, buildings and trailers and construct model homes to conduct its construction, sales and marketing of the Property.

d. Prior to the Turnover Date, the Developer shall not be obligated to pay any amounts to the Association as an Assessment (either general or special). Prior to the Turnover Date, the Developer may elect to pay to the Association payments ("Subsidy Payments") in an amount equal to the difference between the actual expenses incurred by the Association (not including reserves) and the amount of Assessments paid by the Owners in accordance with the terms

and conditions of this Declaration. The Declarant may make Subsidy Payments as needed, as determined by Developer, during such period. A final accounting shall be made between Developer and the Association with respect to the Subsidy Payments as soon as practicable after the Turnover Date. The Developer shall not be responsible for the payment of any amounts to the Capital Reserve. If Developer elects to make Subsidiary Payments, upon Turnover, the Developer shall have no further obligation for payment of the Subsidy Payments.

ARTICLE 4

EASEMENTS AND PROPERTY RIGHTS

4.1 Easements and Use and Enjoyment. An Easement is hereby declared and created over and upon the Common Area for the benefit of the entire Property, and every Owner shall have a right and easement of use and enjoyment and a right of access to and of ingress and egress on, over, across, in, upon and to the Common Area, and such right and easement shall be appurtenant to and shall pass with title to every Lot, subject to the following provisions:

a. The right of the Association, in accordance with its By-Laws, to adopt rules and regulations governing the use, operation and maintenance of the Common Area.

b. The right of the Association, in accordance with its By-Laws, to borrow money for the purpose of improving the Common Area. Notwithstanding the foregoing, no mortgage shall be placed upon the Common Area unless such mortgage is approved by the Board and by a majority of the Members, voting at a general or special meeting duly called and held in accordance with the By-Laws.

c. The right of the Association to dedicate or transfer all or any part of the Common Area or any utility system thereon to any public agency, authority or utility for such purposes and subject to such conditions

as may be agreed to by the Members, provided that no such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer, signed by two-thirds (2/3) of the Members of the Board of Directors, has been recorded.

4.2. Rights of Occupants. All persons who reside on a Lot shall have the same rights to use and enjoy the Common Area and all improvements situated thereon as the Owner of that Lot, as provided in the By-Laws.

4.3. Utility Easements. The authorized telephone company, Com-Ed, the authorized cable television company, Nicor, McHenry County Public Works Department, Village of Wonder Lake, Illinois, and all other suppliers of utilities serving the Property are hereby granted the right to install, lay, construct, operate, maintain, renew, repair and replace conduits, cables, pipes, wires, transformers, mains, switching apparatus and other equipment, including housings for such equipment, into, over, under, on and through the Property for the purpose of providing utility services to the Property or to any portion of Additional Property, whether or not annexed hereto. Every Owner is also hereby granted an easement of ingress and egress over and upon the Common Area and any other Lot for any and all purposes arising out of the construction, installation, repair, maintenance, replacement and inspection of utilities servicing such Owner's Lot.

4.4. Encroachments. In the event that (a) by reason of settlement, shifting or movement, any dwelling, garage or other improvement as originally constructed by the Developer on any Lot or upon the Common Area overhangs or otherwise encroaches or shall hereafter encroach upon any other Lot or upon the Common Area, or (b) by reason of such settlement, shifting or movement it shall be necessary or advantageous to an Owner to use or occupy any portion of the Common Area for any reasonable use appurtenant thereto which Lake not unreasonably interfere with the use or enjoyment of the Common Area by other Owners, or (c) by reason of settlement, shifting or movement of utility, ventilation and exhaust systems, as originally constructed by Developer, any mains, pipes, ducts or conduits servicing any Lot or more than one Lot, encroach or shall hereafter encroach upon any part of any Lot or the Common Area, then, in any such case, valid easements for the maintenance of such encroachment and for such use of the Common Area, together with the right to enter upon such other Lot or Common Area to maintain, repair and replace such other Lot or Common Area to maintain, repair and replace such encroachment, are hereby established and shall exist for the benefit of such Lot or the Common Area, as the case may be, so long as such dwelling, garage or other improvement shall remain standing, provided, however, that if any such dwelling, garage or other improvement is partially or totally destroyed and thereafter repaired or rebuilt, the same encroachment may be re-established and the easements herein granted for the maintenance, repair and replacement thereof shall continue in force; provided further that in no event shall a valid easement for any encroachment or use in the Common Area be

created in favor of any Owner if such encroachment or use was created by the intentional, willful or negligent conduct of any Owner or that of his agent.

4.5. Conservancy Lots/Conservancy Easements. Certain Lots located within the Property shall be conservancy lots ("Conservancy Lots") as indicated on the Plat of Subdivision which shall contain a conservation easement ("Conservation Easement") for the rear ten feet (10') to twenty feet (20') inward from the rear property lines of such Conservancy Lots. The Conservancy Lots shall be subject to planting restrictions as set forth below. The Association and Owners who own any of the Conservancy Lots as shown on the Plat of Subdivision shall comply with the following restrictions as requested by the Village of Wonder Lake, Illinois ("Village") and the Illinois Department of National Resources ("IDNR"):

(a) All portions of the Conservation Easement shall be maintained in their natural, undisturbed condition;

(b) No man-made structures of any kind shall be constructed within the Conservation Easement unless shown on the final landscape plan and engineering drawings filed with the Village;

(c) No grading shall be conducted within the Conservation Easement except in accordance with applicable Village codes;

(d) No portion of the Conservation Easement shall be mowed, cultivated, sprayed or in any way disturbed without following the required procedures and approval of the Village; and

(e) All areas so designated within the Conservation Easement shall be kept free of debris by the Association and/or Owner.

4.6. Easement to Association. An easement is hereby declared, reserved and created over and upon the Common Area for the benefit of the Association and the Association shall have the right and easement of access to and of ingress and egress on, over, across, in, upon and to the Common Area for the purposes of maintaining the Common Area.

4.7. Watering Costs. The Declarant reserves for itself and for the Association, their designees, successors and assigns, the right to attach hoses and other water sprinkling devices to and obtain water from water faucets located on the outside of any Lot improvement in order to assist in caring out their duties and responsibilities as provided for herein. If said water faucets are "metered" to a particular Lot, the Owner of

said Lot shall promptly be reimbursed by the Association as to said costs incurred. The method of implementation in the amount of said reimbursement shall be decided by the Board based upon estimated water use at current water rates and the Owners whose water is to be used will be notified by the Board prior to the beginning of each landscaping season.

4.8. Easements Run With the Land. All easements and rights described herein are easements appurtenant, running with the land, perpetually in full force and effect, and at all times shall inure to the benefit of and binding upon any owner, purchaser, mortgagee or to the person having an interest in the Property, or any part or portion thereof. Reference in the respective deeds of conveyance or in any mortgage or trust deed or other evidence of obligation to the easements and rights described in this Article or in any other part of this Declaration shall be sufficient to create and reserve such easements as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

ARTICLE 5

COVENANT FOR ASSESSMENTS

5.1. Creation of the Lien and Personal Obligation for Assessments. Each Owner of a Lot (excluding Declarant and Developer or any Lot utilized by Developer of Declarant), by acceptance of a Deed therefor, whether or not it shall be so expressed in any such deed or other covenants, hereby covenants and agrees and shall be deemed to covenant and agree to pay to the Association, for each Lot owned by such Owner, all assessments and charges levied pursuant to this Declaration. Such assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge and a continuing lien upon the Lot against which such assessment is made. Each such assessment, together with such interest and costs, shall also be the continuing personal obligation of the person who was the Owner of such Lot at the time when such assessment fell due.

5.2. Purpose of Assessments. The Assessments levied by the Association shall be used for the purpose of promoting the recreation, health, safety and welfare of the Members of the Association and, in particular, without limiting the foregoing, for maintenance, repair, replacement, improvement and additions of and to the Common Area and the improvements thereon, for all taxes, insurance, utilities, professional and other services, materials, supplies, equipment and other costs and expenses incident to the ownership of the Common Area and all facilities and improvements thereon, for certain maintenance, and for otherwise carrying out the duties and obligations of the Board and of the Association as stated herein and in its Articles of Incorporation and By-

Laws.

5.3. Assessment Procedure - Annual Assessments.

a. Each year, on or before December 1, the Board shall prepare a budget for the Association for the ensuing twelve (12) months which shall include estimated cash expenditures and reasonable amounts as a reserve for repairs to and replacement of the improvements on the Common Area, including but not limited to cost and expense relating to the repair, maintenance, and replacement of the Ponds provided for in the Stormwater Declaration, and for such other contingencies as the Board may deem proper, and shall, on or before December 15, notify each Owner in writing of the amount of such estimate, with reasonable itemization thereof. The budget shall also take into account the estimated net available cash income for the year, if any, that may be received by the Association. On or before the next January 1, following the preparation of the budget, and on the first day of each and every month for the next twelve (12) months, each Owner, jointly and severally, shall be personally liable for and obligated to pay to the Board or as it may direct, one-twelfth (1/12) of the assessment made pursuant to this paragraph. On or before May 1 of each year following the initial meeting, the Board shall supply to all Owners an itemized accounting, on an accrual or cash basis, of expenses for the preceding twelve (12) months together with a tabulation of the assessments and showing net excess or deficit, on an accrual or cash basis, of income over the sum of expenses plus reserves. Any such excess may, at the discretion of the Board, be retained by the Association and shall be placed in a reserve account.

b. If said annual assessments prove inadequate for any reason, including non-payment of any Owner's assessment, the Board may, subject to the limitations on the use of capital reserves in Paragraph 5.5, charge the deficiency against existing reserves, or levy a further assessment which shall be assessed equally against all Lots subject to assessment. The Board shall serve notice for such further assessment on all Owners by a statement in writing showing the amount due and reasons therefor, and such further assessment shall become effective with the monthly installment which is due more than ten (10) days after delivery or mailing of such notice of further assessment. All Owners shall be personally liable for and obligated to pay their respective adjusted monthly assessment.

c. The failure or delay of the Board to prepare or serve the annual or adjusted estimate on any Owner shall not constitute a waiver or release in any manner of such Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided. Whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Owner shall continue to pay his monthly installment at the then existing rate established for the previous period until the monthly installment which is due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

5.4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Board may levy special assessments for the purpose of defraying, in whole or in part, the cost of constructing or purchasing a specified capital improvement upon or to the Common Area and for the necessary fixtures and personal property related thereto, provided that, unless otherwise provided in the By-Laws, any such assessments which in one (1) year exceed Twenty Five Thousand and No/100 Dollars ($25,000.00) for all Lots involved shall first be approved by a majority of the Board and thereafter by a majority of the votes cast by the Members present at a general or special meeting duly called for that purpose or, in lieu of such Member's meeting, by an instrument signed by the Members owning two-thirds (2/3) of the Lots. Special assessments levied hereunder shall be due and payable at such time or times and in such manner as shall be fixed by the Board or, where applicable, as approved by the members, and shall be used only for the specific purpose for which such assessment was levied.

5.5. Capital Reserves. To the extent the annual budget includes an amount specifically designated as a capital reserve, that proportion of each installment of the annual assessments paid to the Association as the amount so designated as a capital reserve bears to the total annual budget shall be segregated and maintained by the Association in a special capital reserve account to be used solely for making repairs and replacements to the Common Area and the improvements thereon which the Association is obligated to repair and replace in accordance with the provisions of this Declaration, and for the purchase of equipment to be used by the Association in connection with its duties hereunder.

5.6. Initial Operating Contribution. Developer shall collect from each initial purchaser of a Lot, at the closing of the sale of such Lot, a sum equal to three (3) months assessments based on the Association budget then in effect to be used for the operating needs of the Association.

5.7. Notice and Quorum. Written notice of any meeting called for the purpose of

authorizing special assessments which requires approval of the Members shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of such meeting. At the first such meeting called, the presence of voting Members in person or by proxy having forty percent (40%) of the votes entitled to be cast shall constitute a quorum. If the required quorum is not present another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

5.8. Uniform Assessments. Both annual and special assessments shall be fixed at a uniform rate for all Lots.

5.9. Collection of Assessments. Any installment of an assessment which is not paid when due shall be delinquent. If said installment is not paid within thirty (30) days after the due date, the Board may, upon notice to such Owner of such delinquency, accelerate the maturity of all remaining installments due with respect to the current assessment year, and the total amount shall become immediately due and payable and commence to bear interest from the date of acceleration at the maximum rate permitted by law. The Board may determine a monthly late charge for all delinquent assessments as determined in its sole and absolute discretion. The Association may bring an action against the Owner personally obligated to pay assessments and recover the same, including interest, costs and reasonable attorneys' fees for any such action, which shall be added to the amount of such assessment and included in any judgment rendered in any such action. To the extent permitted by any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and any such accelerated installments, together with interest, late charges as determined by the Board, costs and attorneys' fees as above provided, shall be and become a lien or charge against the delinquent Owner's Lot when payable and may be foreclosed by any action brought in the name of the Association. To the extent permitted by statute, the Board may bring an action in Forcible Entry and Detainer to collect any delinquent assessments. In addition, in the event an Owner fails to pay his/her assessments as provided in this Declaration, the Association shall have the right to deny such Owner's access to the Common Areas.

5.10. No Waiver of Liability. No Owner may waive or otherwise escape liability for assessments provided for herein by non-use of the Common Area or abandonment of his Lot. Any claim by an Owner against the Association shall be by separate action and shall not be used as a defense or counterclaim to an action by the Association to collect assessments.

5.11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage placed at any

time on a Lot by a bona fide lender. Each holder of a first mortgage on a Lot who obtains title or comes into possession of that Lot pursuant to the remedies provided in the mortgage, foreclosure of the mortgage, or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Lot free of any claims for unpaid assessments or charges which become payable prior to such acquisition of title, possession, or the filing of a suit to foreclose the mortgage.

5.12. Collecting Associations.

a. Unless and to the extent directed to the contrary by written notice from the Board to either the Homeowners Association or the Townhome Association, or both, the Homeowners Association and the Townhome Association ("Collecting Associations") shall act as an agent for the Association for the purpose of collecting Assessments at such times and in such amounts as shall be determined from time to time by the Board. The Collecting Association shall be required to remit funds to the Association, if and when funds are actually collected and received by the Collecting Association; provided, that, if the Collecting Association receives a partial payment of an amount due which is not sufficient to satisfy the amount then due to both the Collecting Association under its own assessment and the Association under Assessments due hereunder, the Collecting Association shall remit to the Association the amount equal to that portion of the amount received, which is equal to the ratio of (I) the amount due to the Association, (II) that total due to both the Association and the Collecting Association, multiplied by, (III) the amount actually received by the Collecting Association.

b. Each Collecting Association shall use its reasonable efforts to collect amounts due to the Association with respect to each Lot administered by it, and shall pursue a collection of delinquent amounts in the same manner as it pursues collection of delinquent amounts due to the Collecting Association for its own account (and to this end, the Collecting Association shall be authorized to act as agent for the Association for the purposes of filing a Claim of Lien and/or pursuing any other remedies provided for in this Declaration or at Law). Nothing in this Declaration shall obligate the Collecting Association to in any way make payments to the association except and to the extent that the Collecting Association has actually received funds from the Owner as provided for in this Section; it being understood that the Collecting Association shall act merely

as a collection agent for the Association and shall use its best efforts to collect delinquent accounts, but shall not be in any way liable for payment for any amounts which it is not successful in collecting. The Collecting Association shall be entitled to retain court costs, filing costs, and attorneys' fees collected by it relating to its collection of amounts due to the Association.

ARTICLE 6

EXTERIOR MAINTENANCE BY ASSOCIATION AND OWNERS

In addition to other rights, powers and duties of the Association under applicable law or as otherwise set forth in this Declaration and in the By-Laws of the Association, the Association shall have the following rights, powers and duties with regard to the Common Area and the cost and expense of which shall be paid for by the Association from assessment funds:

Common Area. The Association shall maintain, repair, replace and manage the Common Area, and all facilities, improvements and equipment thereon, and pay for all expenses and services in connection therewith, including without limiting the generality of the foregoing: landscape maintenance, comprehensive liability, hazard and other insurance, payment of all taxes, assessments and other liens and encumbrances which are assessed to or charged against the Common Area or other property owned by the Association, and such other services for the Common Area as the Board deems to be in the best interests of the Association and its Members.

Entry Monument Signs. The Association shall provide for the care, maintenance, replacement and reconstruction of entry signs constructed by Declarant identifying the Property. In addition, the Association shall be provide for the care, maintenance, replacement and reconstruction of any and all landscaping around such entry monument signs, whether located on the Common Area, a privately owned Lot or, if approved by the Village, within the public right-of-way. All costs incurred as a consequence thereof shall be an expense of the Association. A non-exclusive easement for such purposes is hereby established for the benefit of the Association upon that portion of any Lot upon which such a sign is constructed by Declarant.

Fence. The Association shall maintain, repair, replace and manage that certain six foot (6') _____fence to be located along the perimeter of the Property located along the entire eastern border of the Property and the northern border of the Property from Lot ___ through Lot _____, both inclusive. The cost and expense for the maintenance, repair, replacement and management of the said fences shall be an expense of the Association.

ARTICLE 7

RIGHTS OF FIRST MORTGAGEES

7.1. In addition to all other rights of first mortgagees pursuant to this Declaration, and notwithstanding any other provisions herein to the contrary:

Unless at least fifty-one (51) percent of the first mortgagees (based upon one vote for each first mortgage owned) of individual Lots (hereinafter referred to as "First Mortgagees") have given their prior written approval, the Association shall not be entitled to:

a. By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any real estate or improvement thereon which are owned, directly or indirectly, by the Association for the benefit of the Lots and the Owners. The granting of easements for public utilities or for other purposes consistent with the intended use of such property by the Association shall not, for purposes of the foregoing, be deemed to be a transfer.

b. Change the method of determining the obligations, assessments, dues, reserves for maintenance, repair and replacement of Common Areas, or other charges which may be levied against a Lot and the Owner thereof as provided in Article 5, subject, however, to the provisions in Paragraph 7.05 hereof.

c. By act or omission waive, abandon or materially change any scheme or regulations or enforcement thereof pertaining to the architectural design or the exterior appearance of any dwelling or garage on a Lot, the exterior maintenance of any such dwelling or garage, the maintenance of common fences and driveways, if any, or the upkeep of lawns and plantings on the Property.

d. Fail to maintain fire and extended coverage insurance on the insurable improvements in the Common Area in an amount not less than one hundred percent (100%) of the full insurable replacement cost.

e. Use hazard insurance proceeds for losses to any improvements to the Common Area for other than the repair, replacement or reconstruction of such improvements.

f. Change the responsibility for maintenance and repairs of the Common Area and/or Lots thereof as provided in Article 6.

g. Change the interests in the Common Area or rights to their use.

h. Change the voting rights of any Member of the Association.

i. Impose any restrictions on a Lot Owner's right to sell or transfer his or her Lot.

j. By act or omission, seek to terminate the legal status of the Association after substantial destruction or condemnation.

7.2. First Mortgagees shall have the right to examine the books and records of the Association at reasonable times upon reasonable notice.

7.3. First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for the Common Area and First Mortgagees making such payments shall be owed immediate reimbursement therefore from the Association.

7.4. Any First Mortgagee, at its written request, shall be entitled to written notice from the Board of any default by the mortgagor of such Lot in the performance of such mortgagor's obligations hereunder or under the By-Laws or rules and regulations of the Association which is not cured within thirty (30) days.

7.5. First Mortgagees are entitled to timely written notice, if requested in writing of:

a. Any condemnation or casualty loss that affects either a material portion of the project or the lot securing its mortgage;

b. Any 60-day delinquency in the payment of assessments or charges owed by the Owner of any Lot on which it holds the mortgage;

c. A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the owners' association; and

d. Any proposed action that requires the consent of a specified percentage or eligible mortgage holders.

The request must include the Owners' Association, stating both its name and address and the Lot address of the Lot it has a mortgage on.

This Article 7 may be amended only with the written consent of fifty one percent (51%) of the First Mortgagees (based upon one vote for each first mortgage owned).

ARTICLE 8

ANNEXING ADDITIONAL PROPERTY

8.1. **Additional Parcel**. The Declarant, Developer, and their successors and assigns, hereby reserve the right and option, at any time and from time to time, within twelve (12) years from the date of the recording of this Declaration in the office of the Recorder of Deeds of McHenry County, Illinois, to add-on and annex to the Property, all or any portion of the property legally described on Exhibit "D" attached hereto and incorporated herein by reference ("Future Development Parcel"), by recording an amendment or amendments to this Declaration executed by the Declarant (every such instrument being hereinafter referred to as "Amendment to Declaration") which shall set forth the legal description of the additional parcel or parcels ("Additional Parcel") within the Future Development Parcel to be annexed to the Property. Upon the recording of every such Amendment to Declaration, the Additional Parcel shall be deemed submitted and governed in all respects by the provisions of this Declaration and shall thereupon become part of the Property. No portion or portions of the Future Development Parcel shall be subject to any of the provisions of this Declaration unless and until an Amendment to Declaration is recorded annexing such portion or portions to the property as aforesaid. The Owners shall have no rights whatsoever in or to any portion of the Future Development Parcel, unless and until an Amendment to Declaration is recorded annexing such portion to the Property as aforesaid. Upon the expiration of said twelve (12) year period, no portion of the Future Development Parcel which has not theretofore been made part of or annexed to the Property shall thereafter be annexed to the Property. No portion of the Future Development Parcel must be added to the Property. Portions of the Future Development Parcel may be added to the Property at different times within such twelve (12) year period. Except as may be required by applicable laws and ordinances, there shall be no limitations (i) on the order in which portions of the Future Development Parcel may be added to the Property, (ii) fixing the boundaries of these portions, or (iii) on the location of improvements which may be made on the Future Development Parcel.

8.2. **Amendments to Declaration Adding Additional Property**. Every

Amendment to Declaration shall include the legal description of the portion or portions of the parcel which shall add to the legal description of the Parcel that portion or portions of the Future Development Parcel annexed to the Property.

8.3. **Existing Mortgages**. Upon recording of every Amendment to Declaration, the lien of every mortgage encumbering an existing Lot shall automatically be deemed to be adjusted and amended to encumber such Lot as set forth in such Amendment to Declaration.

8.4. **Binding Effect**. Every Owner and every mortgagee, grantee, heir, administrator, executor, legal representative, successor and assign of such Owner, by such person's or entity's acceptance of any deed or mortgage or other interest in or with respect to any Lot, shall be deemed to have expressly agreed and consented to (i) each and all of the provisions of this Article 8; (ii) the recording of every Amendment to Declaration, and (iii) all of the provisions of every Amendment to Declaration which may hereafter be recorded in accordance with the provisions of this Article 8.

ARTICLE 9

GENERAL PROVISIONS

9.1. **Enforcement**. In addition to all other rights herein granted to the Association, the Association may enforce the provisions of this Declaration, the Articles of Incorporation, By-Laws and rules and regulations of the Association by any proceeding at law or in equity against any person or persons violating or attempting to violate any such provisions. All rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, and failure of the Association to enforce any such provisions shall in no way be deemed a waiver of the right to do so thereafter. All expenses incurred by the Association in connection with any such proceedings, including court costs and attorneys' fees, together with interest thereon at the highest interest permitted by law, shall be charged to and assessed against any Owner violating any such provisions and shall be added to and deemed a part of his assessment and constitute a lien on his Lot and be enforceable as provided in Article 5. If any Owner, or his guests, violates any provisions of this Declaration, the Articles of Incorporation, the By-Laws, or the rules and regulations of the Association, the Board may, after affording the Owner an opportunity to be heard, levy a reasonable fine against such Owner, and such fine shall be added to and deemed a part of his assessment and constitute a lien on his Lot and be enforceable as provided in Article 6.

9.2. Severability. Invalidation of any provision of this Declaration by judgment or court order shall not affect any other provision hereof, all of which shall remain in full force and effect.

9.3. Title in Land Trust. In the event title to any Lot is conveyed to a title-holding trust under the terms of which all powers of management, operation and control of the Lot remain vested in the trust beneficiary or beneficiaries, then the beneficiary or beneficiaries thereunder from time to time shall be responsible for payment of all obligations, liens or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Lot. No claim shall be made against any such title-holding trustee personally for payment of any lien or obligation hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon the Lot and the beneficiaries of such trust, notwithstanding any transfer of the beneficial interest of any such trust or any transfers of title of such Lot.

9.4. Amendments. The provisions of Article 4 and Paragraph 5.1, and this paragraph may be amended only by an instrument in writing setting forth such amendment signed and acknowledged by all Owners. Subject to Article 7, the remaining provisions of this Declaration may be amended by an instrument in writing setting forth such amendment signed and acknowledged by the voting Members having at least fifty-one (51%) percent of the total votes of the Members or that is approved at a duly called and held general or special meeting of Members by the affirmative vote, either in person or by proxy, of the voting Members having a majority of the total votes of the Members and containing a certification by an officer of the Association that said instrument was duly approved as aforesaid. No amendment shall be effective until duly recorded in the Office of the Recorder of Deeds of McHenry County, Illinois.

9.5. Special Amendment. Declarant reserves the right and power to record a special amendment ("Special Amendment") to this Declaration at any time and from time to time which amends this Declaration (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (ii) to induce any of such agencies or entities to make, purchase, sell, insure, or guarantee first mortgages encumbering any Lot, or (iii) to correct clerical or typographical errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto. In addition, a Special Amendment shall also be deemed to include, until the Turnover Date, such amendment to this Declaration as Declarant elect to record at any time and from time to time for any other purpose, so long as such amendment shall not materially impair the rights of the Owners hereunder or materially increase the expenses to be borne by them hereunder. In furtherance of the foregoing, a power

coupled with an interest is hereby reserved and granted to the Declarant to vote in favor of, make, or consent to a Special Amendment on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservations of, the power to the Declarant to vote in favor of, make, execute and record Special Amendments.

9.6 Headings. All headings set forth herein are intended for convenience only and shall not be given or construed to have any substantive effect on the provisions of this Declaration. The singular shall include the plural wherever the Declaration so requires, and the masculine the feminine and neuter and vice versa.

9.7 Assignment/Transfer. Notwithstanding anything herein to the contrary, Declarant and/or Developer reserve(s) the right to transfer, assign, mortgage or pledge any and all of either respective privileges, rights, title and interests hereunder, or in the Property, by means of recording an assignment of such with the Office of the Recorder of Deeds of McHenry County, Illinois. Upon such assignment, Declarant and/or Developer, as the case may be, shall be relieved from any liability arising from the performance or non-performance of such rights and obligations accruing from and after the recording of such assignment. No such successor assignee of the rights of Declarant and/or Developer shall have or incur any liability for the obligations or acts of any predecessor in interest.

9.8 Mailing Address. Each Owner of a Lot shall file the correct mailing address of such Owner with the Association and shall notify the Association promptly in writing of any subsequent change of address; provided, however, that if any Owner shall fail to so notify the Association, the mailing address for such Owner shall be the common street address of the Lot owned by such Owner. The Association shall maintain a file of such addresses. A written or printed notice, deposited in the United States mails, postage prepaid, and addressed to any Owner at the last address filed by such Owner with Declarant shall be sufficient and proper notice to such Owner shall be deemed delivered on the third (3rd) day after deposit in the United States mails.

9.9 Notices. Any notice required or desired to be given under the provisions of this Declaration to any Owner shall be deemed to have been properly delivered when deposited in the United States mail, postage prepaid, directed to the person who appears as the Owner at his last known address, all as shown on the records of the Association at the time of such mailing.

9.10 Binding Effect. Except for matters discussed in Article 7 of this Declaration, the easements created by this Declaration shall be of perpetual duration unless cancelled

in a written document signed by ninety percent (90%) of the Owners. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns.

9.11 Architectural Review Committee. The Board may establish an architectural review committee which shall consist of up to five (5) (but not less than three (3) members), all of which shall be Owners and whom may or may not be members of the Board, provided that prior to Turnover, such members do not have to Owners. The regular term of office for each member shall be one (1) year, coinciding with the annual meeting of the Association. Any member appointed by the Board may be removed with or without cause by the Board at any time by written notice to such appointee, and a successor or successors appointed to fill such vacancy shall serve the remainder of the term of the former member. Notwithstanding the foregoing to the contrary, any member appointed to the Architectural Review Committee by the Board shall be subject to the prior approval of Declarant until that date which is one (1) year from and after the date on which Declarant's right to appoint and remove officers and directors of the Association is terminated. The Architectural Review Committee may meet once in each calendar month, as well as upon call of the chairman, and all meetings shall be held at such places as may be designated by the chairman. A majority of the committee members shall constitute a quorum for the transaction of business, and the affirmative vote of a majority of those present in person at a meeting of the Architectural Review Committee on any matter before it shall constitute the approval of the Committee. The Architectural Review Committee is authorized to retain the services of consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the Architectural Review Committee in performing its functions set forth herein. The Board may adopt rules and regulations governing the procedure utilized by the Architectural Review Committee. Further, notwithstanding the foregoing to the contrary, the Declarant shall be exempt from review by the Architectural Review Committee for any improvements made by Declarant on the Property. Except as otherwise provided herein, no structure, landscaping or other improvement shall be commenced or allowed on any portion of the Property unless it complies with the provisions of this Declaration and approved by the Board or Architectural Review Committee. All structures on the Property shall be of new construction.

9.12 Building Codes. All structures within the Property shall be constructed in accordance with applicable governmental building codes and zoning ordinances of the Village. If and to the extent there any conflicts between this Declaration and the provisions of any ordinances, codes, rules and regulations of the Village, such conflicts shall be resolved by the application of the more stringent provision as between this Declaration and such ordinance, code, rules and regulations of the Village.

9.13 Fertilizers and Hazardous Materials. To minimize the costs of maintaining the storm water management system, to avoid pollution, and to protect downstream water quality, the application of lawn chemicals, including pesticides, shall be held to a minimum. Owners will be held responsible for the application of lawn care chemicals to their Lot. Lawn and garden fertilizers and soil amendments should be applied in accordance with recommendations developed through soil tests to avoid over application. All fertilizers, amendments, and pesticides should be applied at or below recommended rates. Granulated slow release fertilizers are recommended; the use of liquid fertilizers is discouraged because they are more soluble and more likely to damage the storm water management system. Special care must be taken when using pesticides which are toxic to fish and aquatic organisms. In the event a storm water facility is being damaged by nutrient or chemical loading, the Association shall have the right, without notice, to enter upon any Lot tributary to that facility to obtain a soil sample for testing. When tests demonstrate that lawn chemicals have been applied at excessive rates, the Association may fine the Owner of each such Lot, which may cover the costs of the soil testing and repairing the damage to the storm water management facility. No Owner shall maintain or place, nor cause or permit to maintain or place, any hazardous substances upon the Property as defined by Section 3.14 of the Environmental Protection Act (415 ILCS 5/3.14). The Association shall have the right to cause the removal of any such hazardous substances at the sole cost and expense of the offending Owner.

9.14 Landscape Maintenance. To preserve the aesthetic appearance of the Property, no landscaping, grading, excavation or filling of any nature whatsoever shall be implemented or installed by any Owner, other than Declarant, until the plans therefore have been submitted to and approved in writing by the Board or the Architectural Review Committee. No hedge or shrubbery planting or tree which have obstruct site lines of streets and roadways within the Property shall be placed or permitted to remain on any Lot, where such hedge, shrubbery or tree interferes with traffic site lines, including site lines at the intersection of a driveway and a road or street within the Property. Except as otherwise provided in this Declaration, each Owner shall regularly mow and trim all areas within his Lot covered with ground cover and shall keep all areas within his Lot designed or intended for the proper drainage or detention for water, including soil lines and ditches unobstructed and shall mow and maintain such areas so as to keep such areas in good and functional condition. No trees, plantings, shrubbery, fencing, patio structure, landscaping treatment or other obstructions shall be planted, placed or allowed to remain in any such areas and no Owner shall alter the rate or direction of flow of water from any Lot by impounding water, changing rate, blocking or regarding or redirecting soils, ditches or drainage areas or otherwise.

9.15 Fences. No fences shall be located in any areas designated on the Plat of Subdivision as a "landscape easement area". No fence shall be located in front of the line formed by the front of any improvement located upon a Lot, as extended to the side

Lot lines. On corner Lots, side yard fences cannot extend beyond the building line setback. Fences on Lots that are adjacent to or have an exposure to _____ and/or Route _____ are required to be identical in design and of the style approved by the Architectural Control Committee. Fences on Lots that are adjacent to or have an exposure to _____ Park or other open space are required to be identical in design and of the style approved by the Architectural Control Committee. Fences on Lots that border _____ Park must have the identical fence that is installed at _____ Park, and are not subject to the requirement along _____ Drive. All fences constructed upon the Property, shall be in accordance with Village ordinances, shall not be more than four feet (4') high and shall be approved by the Board or the Architectural Review Committee.

Basketball Hoops. Basketball hoops must be installed in accordance with the then current rules and regulations of the Association and approved by the Board or the Architectural Review Committee.

9.16

9.17 Incidental Take Permit (IDNR). The Illinois Department of Natural Resources (IDNR) prohibits any amendments to this document that would modify or negate the incidental take authorization without the consent of the Department of Natural Resources (reference the attached Exhibit E – "Incidental Take Permit"). Incidental take authorizations are treated as contracts between the signatory parties and cannot be changed without the consent of all parties.

~~9.17Wetlands and Buffer Areas. Certain portions of the Common Area have been identified by the Army Corps of Engineers as wetland areas. In addition, the Common Area includes land surrounding these wetland areas called buffer areas. The use of these wetland and buffer areas is subject to strict compliance with the provisions of this Declaration, the By-laws and the Rules and Regulations of the Association and any guidelines or mandates promulgated by the Army Corps of Engineers or any other governmental agency. It is the responsibility of the Association to maintain and enforce any such provisions and/or mandates.~~

ARTICLE 10

WETLANDS AND BUFFER AREAS

Certain portions of the Common Area have been identified by the Army Corps of Engineers as wetland areas. In addition, the Common Area includes land surrounding these wetland areas called buffer areas (reference Exhibit F attached hereto for a map of

the aforesaid wetland and buffer areas). The use of these wetland and buffer areas is subject to strict compliance with the provisions of this Declaration, the By-laws and the Rules and Regulations of the Association and any guidelines or mandates promulgated by the Army Corps of Engineers or any other governmental agency. It is the responsibility of the Association to maintain and enforce any such provisions and/or mandates.

The Association will be deeded the common areas, including the wetlands and the associated buffer areas located north of Wonder Lake Road. A conservation easement will be placed on the wetland and buffer areas (reference the Subdivision Plat for the precise conservation easement language). The Association will be responsible for the long-term management of the wetlands and associated buffer areas located north of Wonder Lake Road.

The Village of Wonder Lake will be deeded the existing sedge meadow wetland and the associated buffer area located south of Wonder Lake Road (reference Exhibit F attached hereto for a map of the aforesaid wetland and buffer areas).The Village of Wonder Lake will be responsible for the long-term management of the Sedge Meadow Wetland and Buffer Area located south of Wonder Lake Road (reference the Subdivision Plat for the precise conservation easement language).

ARTICLE ~~10~~11

WOODLAND PROTECTION PLAN

Neumann Homes, Inc. has implemented a Woodland Protection Plan ("Plan") in accordance with terms set forth by the ~~Illinois Department of Natural Resources ("IDNR")~~Village of Wonder Lake to provide management ~~and maintenance of~~of specified woodland areas to be preserved and protected on the site (Tree Protection Area) ~~outside buffer and outside wetland areas~~ ~~("Protection Area").~~ The Plan was prepared by Christopher B. Burke Engineering, dated April 19, 2005. ~~The Protection Area is governed by the Plan in accordance with the Illinois Endangered Species Protection Act (520 ILCS 10/11), Illinois Natural Areas Preservation Act (525 ILCS 30/17) and Title 17 of the Illinois Administrative Code, Part 1075. Access to the Protection Area is governed by the Association and is legally permissible as regulated by the plan's policies.~~ Any unauthorized ~~access~~ disturbance to the Tree Protection Area constitutes an act of trespass and violators are subject to fines. A copy of the Plan is attached hereto as Exhibit G (without exhibits). Copies of the exhibits to the Plan will be available at the Village of Wonder Lake.~~Based upon the fact that the Protection Area is the home of a variety of wildlife and vegetation protected by the above referenced statutory sections, the IDNR is understandably concerned about the increased potential for unauthorized use of the Protection Area by future residents within the Association. All owners, family~~

members, tenants, guests, invitees, servants and agents shall refrain from any trespass onto the Protection Area of the Property.

Attached hereto is the Plan hereinafter defined as Exhibit "E". Neumann Homes, Inc. will fund the implementation, maintenance and management of the Plan and will then transfer the maintenance and management responsibility to the Association as hereinafter defined in Exhibit "E".

ARTICLE 11

WETLAND CONSERVANCY AREAS

All areas designated on the Plat of Subdivision as "wetland conservancy areas" located upon the Lots or the Common Areas within the Property shall be maintained in their natural, undisturbed condition, and no man-made structures of any kind shall be constructed thereon. In addition, no grading shall be permitted on any conservancy areas, except according to the final landscape plans for the Property and in accordance with the appropriate Village regulations. All natural vegetation located within the wetland conservancy areas shall be preserved and maintained and should not be mowed, cultivated, sprayed or in any way disturbed without following the required procedures of the Village.

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, Neumann Homes, Inc. has executed this Declaration as of the date and year first above mentioned.

NEUMANN HOMES, INC.

By:_____
Rick Dalton
North Division Manager

STATE OF ILLINOIS)
) SS.
COUNTY OF DUPAGE)

I, _____, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Rick Dalton, as North Division Manager of **Neumann Homes, Inc.**, an Illinois corporation, personally known to me to be the same person whose name is subscribed to the foregoing Declaration of Covenants, Conditions, Easements and Restrictions for the Lakeside Pointe Master Association, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said Declaration, on behalf of the corporation and as his free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and seal, this _____ day of _____, 2005.

_____
Notary Public

CONSENT OF MORTGAGEE

_____ Bank, F.S.B., holder of a Mortgage on the Property legally described on Exhibit A attached hereto, hereby consents to the execution and recording of the within Declaration of Covenants, Conditions, Easements and Restrictions for Lakeside Pointe Master Association and agrees that said Mortgage is subject thereto.

IN WITNESS WHEREOF, _____ Bank, F.S.B. has caused this Consent of Mortgagee to be signed by its duly authorized officer on its behalf; on this _____ day of _____, 2005.

_____ BANK, F.S.B.

By: _____
Its: _____

STATE OF _____)
) SS.
COUNTY OF _____)

I, _____ a Notary Public in and for County and State aforesaid, do hereby certify that _____, known to me to be the same person whose name is subscribed to the foregoing instrument as such _____, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act, and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this _____day of _____, 2005.

_____
Notary Public

My Commission Expires: _____

EXHIBIT "A"

LEGAL DESCRIPTION

[See Attached]

EXHIBIT "B"

(SUBDIVISION PLAT)

COPY OF FINAL PLAT for PHASE 1

[See Attached]

EXHIBIT "C"

BY-LAWS OF THE LAKESIDE POINTE MASTER ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the not-for-profit corporation is the Lakeside Pointe Master Association ("Association"). The principal office of the Association shall be located at Wonder Lake, Illinois, but meetings of members and directors may be held at such places within the State of Illinois, County of McHenry as may be designated by the Board of Directors ("Board").

ARTICLE II

BOARD OF MANAGERS

Section 1. Administration of Property Prior to Election of Initial Board of Managers. Until the election of the initial Board of Managers, the same rights, titles, powers, privileges, trusts, duties and obligations vested in or imposed upon the Board of Managers by law and in the Declaration and By-Laws shall be held and performed by the Declarant. The election of the initial Board of Managers shall be held thirty (30) days after the occurrence of one of the following events:

(a) Twelve (12) years from the date of the Declaration;

(b) The sale and conveyance of legal title to all of the lots to owners other than Declarant or an assignee of Declarant; or

(c) Declarant elects voluntarily to turn over to the members the authority to appoint a Board. Within sixty (60) days following the election of a majority of the Board of Managers other than the Declarant, the Declarant shall deliver to the Board of Managers:

Within sixty (60) days following the election of a majority of the Board of Managers other than the Declarant, the Declarant shall deliver to the Board of Managers:

(1) All original documents pertaining to the Property (as defined in the Declaration) and its administration such as the Declaration, By-Laws, Articles of Incorporation, minutes and any rules or regulations governing the Property.

(2) A detailed accounting by the Declarant, setting forth the source and nature of receipts and expenditures in connection with the management, maintenance and operation of the Association;

(3) Association funds, which shall have been at all times segregated from any other monies of the Declarant;

(4) A schedule of all personal Property, equipment and fixtures belonging to the Association, including documents transferring the Property;

(5) Any contracts, leases, or other agreements made prior to the election of a majority of the Board of Managers other than the Declarant by or on behalf of Lot Owners.

Section 2. Board of Managers (Board of Directors).

(a) The Board of Directors, also known as the Board of Managers, shall consist of five (5) persons who shall be appointed or elected in the manner herein provided, or such greater number as may be determined by Board resolution. The Board shall consist of five (5) members, each of whom shall be an Owner and a Voting Member (as defined herein); provided that there shall be positions on the Board for two (2) persons who are members of the Homeowners Association and two (2) persons who are members of the Townhome Association. The remaining member of the Board shall either be from the Homeowners Association or the Townhome Association. Each member of the Board shall be a Lot Owner and shall reside on the Property, provided, however, that in the event a Lot Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any officer, director or other designated agent of such corporation, partner of such partnership, beneficiary or other designated agent of such trust or manager of such other legal entity, shall be eligible to serve as a member of the Board, provided such person must reside on the Property unless he is a Board member nominated by the Declarant.

(b) At the initial meeting, the Voting Members shall elect five (5) Board Members. In all elections for members of the Board, each Voting Member shall be entitled to cumulate his votes in the manner provided by law and the candidates receiving the highest-number of votes with respect to the number of offices to be filled

shall be-deemed to be elected. Members of the Board elected at the initial meeting shall serve until the first annual meeting. The three (3) persons receiving the highest number of votes at the first annual meeting shall be elected to the Board for a term of two (2) years and the person receiving the next highest number of votes shall be elected to the Board for a term of one (1) year. In the event of a tie vote, the members of the Board shall determine which members shall have the two (2) year terms and which members shall have the one (1) year term. Upon the expiration of the terms of office of the Board members so elected at the first annual meeting and thereafter, successors shall be elected for a term of two (2) years each, provided, however, Board members may succeed themselves. Members of the Board shall receive no compensation for their services, unless expressly authorized by the Board with the approval of Voting Members having two-thirds (2/3) of the total votes. Vacancies in the Board, including vacancies due to any increase in the number of persons on the Board, shall be filled by the Voting Members present at the next annual meeting or at a special meeting of the Voting Members called for such purpose. Except as otherwise provided in the Declaration, the Property shall be managed by the Board and the Board shall act by majority vote of those present (at its meetings at which a quorum exists.] A majority of the total number of the members of the Board shall constitute a quorum. Meetings of the Board may be called, held and conducted in accordance with such resolutions as the Board may from time to time adopt.

Section 3. Officers. The Board shall elect from among its members a President who shall preside over both its meetings and those of the Voting Members, and who shall be the chief executive officer of the Board and the Association and who shall execute amendments to the Declaration and By-Laws; a Secretary who shall keep the minutes of all meetings of the Board and of the Voting Members, who shall mail and receive all notices, and who shall, in general, perform all the duties incident to the office of Secretary; a Treasurer to keep the financial records and books of account, and such additional officers as the Board shall see fit to elect. Provided, however, no officer shall be elected for a term of more than two (2) years. However, any officer may succeed himself in any office.

Section 4. Removal. Any Board member may be removed from office by affirmative vote of the Voting Members having at least two-thirds (2/3) of the total votes, at any special meeting called for that purpose. A successor to fill the unexpired term of a Board member removed nay be elected by the Voting Members at the same meeting or any subsequent annual meeting or special meeting called for that purpose, such meeting to be held within thirty (30) days after the special meeting which removed the Board-member.

Section 5. Meetings. The Board shall meet at least four (4) times annually, on the first Monday of February, May, August and November and at such other times as

the Board deems necessary. Meetings of the Board shall be open to any Lot Owner, notice of any such meeting shall be received at least forty-eight (48) hours prior thereto, unless a written waiver of such notice is signed by the person or persons entitled to such notice.

Section 6. General Powers of the Board. In addition to the duties and powers inherently charged to and possessed by the Association as an Illinois not-for-profit corporation and the duties and powers enumerated herein and in its Articles of Incorporation and Declaration, or elsewhere provided for, and without limiting the generality of the same, the Association shall have the following duties and powers:

(a) preparation, adoption and distribution of the annual budget for the Property;

(b) levying of assessments;

(c) collection of assessments from members;

(d) owning, conveying, encumbering, leasing and otherwise dealing with Lots conveyed to or purchased by it;

(e) keeping of detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property;

(f) to have access to each Lot from time to time as may be necessary for the maintenance, repair or replacement of the Common Area therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Area or to other Lot or Lots or for inspection of the Lots to ensure compliance with the terms and conditions of this Declaration;

(g) to pay any amount necessary to discharge any mechanic's lien or other encumbrance against the Property or any part thereof which may in the opinion of the Board constitute a lien against the Property or against the Common Area, rather than merely against the interests therein of particular Lot Owners. Where one or more Lot Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred (including attorney's fees, if any) by the Board by reason of said lien or liens shall be specially assessed to said Lot owner or Lot Owners;

(h) to maintain and repair any Lot if such maintenance or repair is necessary, in the discretion of the Board, to protect the Common Area or any other portion of the Property, and a Lot owner of any Lot that has failed or refused to perform said

maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair mailed or delivered by the Board to said Lot Owner, provided that the Board shall levy a special assessment against such Lot Owner for the cost of said maintenance or repair;

(i) The Board shall have the power to seek relief from or in connection with the assessment or levy of any general real estate taxes, special assessments and any other special taxes or charges of the State of Illinois or any political subdivision thereof, or any other lawful assessing body, which are authorized by law to be assessed and levied on the Common Area and to charge all expenses incurred in connection therewith to the Association.

(j) the Board's powers hereinabove enumerated and described in the Declaration, shall be limited in that the Board shall have no authority to acquire and pay for any structural alterations, additions to, or improvements of the Lots requiring an expenditure in excess of Twenty Five Thousand Dollars **($25,000.00),** without in each case the prior approval of Voting Members having two-thirds (2/3) of the total votes;

(k) all agreements, contracts, deeds, leases, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the Treasurer and countersigned by the President of the Board;

(1) the Board may adopt such reasonable rules and regulations, not inconsistent herewith, as it may deem advisable for the maintenance, administration, management, operation, use, conservation and beautification of the Property, and for the health, comfort, safety and general welfare of the Lot Owners and occupants of the Property. Written notice of such rules and regulations shall be given to all Lot Owners and Occupants and the Property shall at all times be maintained subject to such rules and regulations;

(m) the Board may engage the services of an agent to manage the Property to the extent deemed advisable by the Board;

(n) nothing hereinabove contained shall be construed to give the Board, Association, or Lot Owners authority to conduct an active business for profit on behalf of all the Lot Owners or any one of them;

ARTICLE III

COMMITTEES

Section 1. The Board, by resolution adopted by a majority of the Board, may designate one (1) or more committees, each of which shall consist of one (1) or more members of the Board; said committees, to the extent consistent with law and as provided in said resolution, shall have and exercise the authority of the Board in the management of the Association; but the designation of such committees and the delegation thereof of authority shall not operate to relieve the Board, or any individual member of the Board, of any responsibility imposed upon it or him by law.

Section 2. Other committees not having and exercising the authority of the Board in the management of the Association may be designated by a resolution adopted by a majority of the members of the Board present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Lot owners, and the President of the Association, shall appoint the members thereof. Any member thereof may be removed whenever in the judgment of the Board the best interests of the Association shall be served by such removal.

Section 3. Each member of a committee shall continue as such until the next annual meeting of the Board or until his successor is appointed and shall have qualified or until the Board shall relieve him from his role as a committee member, unless the committee shall be sooner terminated, or unless such member shall cease to qualify as a member thereof.

Section 4. One (1) member of each committee shall be appointed chairman.

Section 5. Vacancies in the membership of any committee may be filled by appointment made in the same manner as provided in the case of the original appointment.

Section 6. Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Each committee may adopt rules for its own governance not inconsistent with these By-Laws or with rules adopted by the Board.

ARTICLE IV

MEMBERSHIP MEETINGS

A. Meetings of the Lot Owners shall be held at the principal office of the Association or at such other place in the Village of Wonder Lake, Illinois as may be designated in any notice of a Meeting, any Lot owners in writing may waive notice of a meeting or consent to any action of the Association without a Meeting.

B. Special Meetings of the Lot Owners may be called at any time for the purpose of considering matters which, by the terms of the Declaration or these By-Laws, require the approval of all, or some of the Lot Owners, or for any other reasonable purpose. Said Meetings shall be called by written notice, authorized by a majority of the Board or by the Lot Owners having one-fourth (1/4) of the total votes, and delivered not less than five (5) days prior to the date fixed for said Meeting. The Notices shall specify the date, time and place of the Meeting and the matters to be considered.

C. At any Meeting of the Lot Owners, a Lot Owner entitled to vote may either vote in person or by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. go proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy.

ARTICLE V

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Lot owner and their mortgagees. The Articles and the Declaration and By-Laws of the Association shall be available for inspection by any Lot Owner at the principal office of the Association, where copies may be purchased at reasonable cost. The Association shall also provide, upon written request by any holder, insurer or guarantor of any first mortgage that is secured by a Lot within the Property, a copy of an audited financial statement for the preceding fiscal year.

ARTICLE VI

AMENDMENTS

These By-Laws may be amended or modified from time to time by action or approval of the Lot Owners entitled to cast two-thirds (2/3) of the total votes computed as provided in Section 3.1. Such Amendments shall be recorded in the Office of the Recorder of Deeds of McHenry County, Illinois.

ARTICLE VII

INTERPRETATION

In the case of any conflict between the Articles of Incorporation of the Association and these By-Laws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

EXHIBIT "D"

LEGAL DESCRIPTION FOR ADDITIONAL PROPERTY

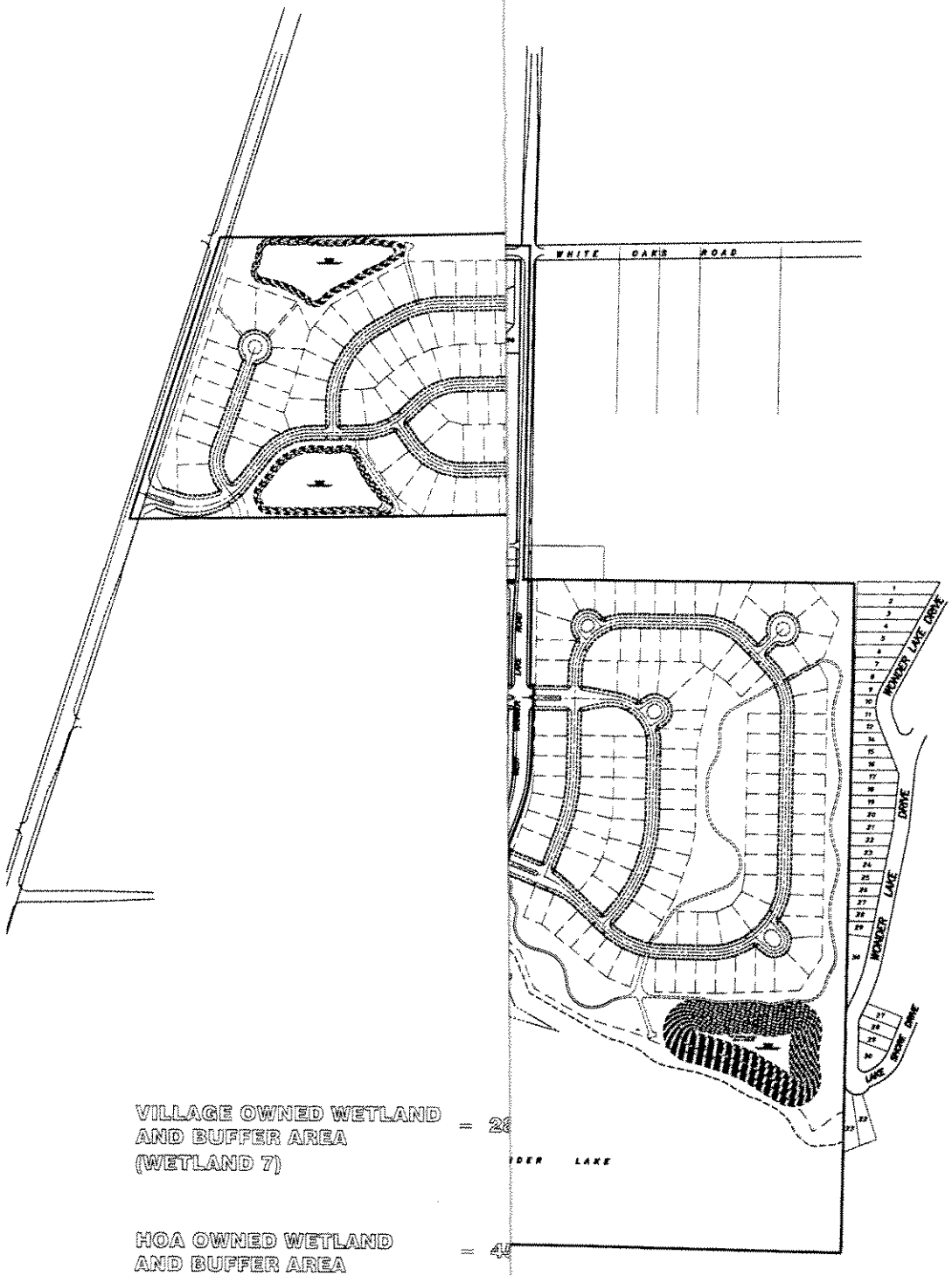
[See attached]

EXHIBIT E

INCIDENTAL TAKE PERMIT PER ARTICLE 9.17

EXHIBIT F

WETLAND AND BUFFER MAP PER ARTICLE 10



VILLAGE OWNED WETLAND AND BUFFER AREA (WETLAND 7) = 28

HOA OWNED WETLAND AND BUFFER AREA = 4

D AND BUFFER EXHIBIT

POINTE SHORES
WONDERLAKE, IL

HAEGER ENGINEERING
consulting engineers • land surveyors
1911a rohlwing road rolling meadows, IL 60008 - tel: 847.394.6600 fax: 847.394.6608
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Designed: M T M	Drawn: M T M	Checked: W J C	
Scale: 1"=300'		Sheet 1 of 1	
Date: 06-16-05		Project No. 03-084.01	