

DECLARATION OF

BOOK 2131 PAGE 374

TRUST, COVENANTS, CONDITIONS AND RESTRICTIONS

OF

COVINGTON

73713

THIS DECLARATION is made and entered into this 17th day of July, 1998 by TAYLOR-MORLEY, INC., a Missouri Corporation (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, the St. Charles City Council by its vote taken on March 3, 1998, has approved a preliminary plat for the development of certain real property, containing approximately eighty-one (81) acres, located in the City of St. Charles, County of St. Charles, State of Missouri; and

WHEREAS, in accordance with the aforesaid approval by the St. Charles City Council, Declarant and others desire to develop on all portions of said property a residential community known as Covington in accordance with the approval by the City of St. Charles referenced above (referred to as the "Site Plan") heretofore submitted to and approved by the City of St. Charles; it being acknowledged, however, that the Site Plan may be amended from time to time upon approval of the governmental authority having jurisdiction over the property; and

WHEREAS, Covington consists of and occupies the tract of land legally described in Exhibit "A" attached hereto; and

WHEREAS, Covington shall be developed by the Declarant; and

WHEREAS, it is the purpose and intention of this Declaration to preserve said tract of land comprising Covington as a restricted neighborhood and to protect same against certain uses by the adoption of a common neighborhood plan and scheme of restrictions, and to apply that plan and restrictions to all of said land and every parcel thereof, and also in favor or against said parcel as against or in favor of all other parcels within said residential area in the hands of the owners thereof; and

WHEREAS, all reservations, limitations, conditions, easements and covenants herein contained, any and all of which are hereafter termed "restrictions" are jointly and severally for the benefit of all persons who may purchase, hold, lease or own from time to time any of the several lots covered by this instrument; and

WHEREAS, Declarant will by separate instrument convey to the Association and establish as "Common Areas," "Common Land" or "Common Ground" the property so designated on the plat of the Development; and

WHEREAS, under said instrument, the Association shall hold said land for the duration of the Development, and thereafter fee simple title thereto shall vest in all the then recorded lot owners of all lots and parcels in the plat of the Development as tenants in common.

NOW, THEREFORE, Declarant hereby declares that all of the property described in Exhibit "A" shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and

desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to the Covington Association, a nonprofit corporation to be formed in accordance under the Nonprofit Corporation Law of the State of Missouri, its successors and assigns.

Section 2. "Common Areas" or "Common Ground" or "Common Land" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners as shall be depicted as "Covington Common Area" on the plat of Covington, as amended from time to time.

Section 3. "Declarant" shall, individually or collectively, mean and refer to Taylor-Morley, Inc., a Missouri Corporation, or its successors and assigns, if such successors or assigns should acquire more than five (5) undeveloped Lots from the Declarant for the purposes of Development.

Section 4. "Development" shall mean and refer to all property located within Covington as described in Exhibit "A" attached hereto, together with any other property which may be subjected to the terms of this Declaration from time to time.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any plat of Covington recorded in the St. Charles County Records, with the exception of the Common Areas.

Section 6. "Owner" shall mean and refer to the record Owner whether one or more persons or entities, of fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Properties" or "Property" shall mean and refer to that certain real property described in Exhibits "A" and "B" attached hereto and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

ARTICLE II

PROPERTY RIGHTS

Section 1. Each Owner shall have a fee simple interest in such Owner's Lot.

Section 2. Every Owner shall have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) the right of the Association to adopt regulations for the use of the Common Areas, to charge reasonable admission and other fees for the use of any recreational facility, if any, situated upon the Common Areas;
- (b) the right of the Association to suspend the voting rights and right to use of the recreational facilities, if any,

by an Owner for any period during which any assessment against his or her Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

- (c) the right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as it may determine.

Section 3. Every Owner shall have an irrevocable license (the "License") to access, enter upon, use and enjoy the Common Areas, which License shall run with the land and shall be appurtenant to each Lot therein, and which right shall not be separately conveyed by any Owner but shall automatically be conveyed on transfer of the fee simple title to any Lot within the Development. Upon conveyance of a Lot by an Owner, such Owner's right to the License shall terminate. Fees paid by the Association for the use of this license, if any, shall be an expense of the Association.

Section 4. Any Owner may delegate his or her right to enjoyment of the Common Areas and facilities to the members of his or her family, his or her tenants, or contract purchasers who reside on such Owner's Lot.

Section 5. The Common Areas, including open spaces, recreational areas, or other common grounds, shall be for the sole benefit, use and enjoyment of the lot owners, present and future, of the Development provided however the Common Areas may also be

used by residents outside of the Development subject to satisfaction of the following conditions:

- (a) No resident of the Development shall be denied the use of the open space, recreational facilities or other common areas for any reason related to the extension of the privilege to nonresidents;
- (b) All rules and regulations promulgated pursuant to this Declaration with respect to lot owners of the Development shall be applied equally to residents and nonresidents;
- (c) All rules and regulations promulgated pursuant to this Declaration with respect to nonresidents of the Development shall be applied equally to nonresidents;
- (d) At any time after the recording of this Declaration, a majority of the residents of the Development, by election duly called, may elect to allow or disallow usage of the open space, recreational facilities or other common grounds by nonresidents of the Development.

ARTICLE III

COMMON AREAS

Section 1. The Declarant shall convey to the Association the Common Areas.

Section 2. The Association shall hold the Common Areas in trust, it being the intent of the Declarant that the Common Areas shall hereunder be held and remain used and maintained for the common benefit of all of the Lot Owners for the duration of the Development, and thereafter title to the Common Areas shall

thereupon vest in the then Lot Owners of the recorded plat of the Development as tenants in common.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant and the Declarant shall be entitled to five (5) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) ten (10) years after the date of the first occupancy of a Lot by an Owner.

ARTICLE V

BOARD OF DIRECTORS; SELECTION; MEMBERSHIP;
MEETING; VOTING; AND TERM OF OFFICE

Section 1. The affairs of the Association shall be managed by a Board of three (3) directors, who need not be members of the Association, who shall serve without compensation, and who shall have the authority to adopt and amend By-laws from time to time.

Section 2. The original Board of Directors shall consist of JAMES G. BRENNAN, TIMOTHY LYSELL and MARK MORLEY, designated herein as "Directors," who, by their signatures to this instrument, consent to serve in that capacity. Whenever any of the original Board members refuses to act, becomes disabled or dies, the Declarant shall appoint a successor or successors. The Directors shall, among themselves, elect a Chairman, Vice-Chairman and Secretary.

Section 3. Notwithstanding the provisions of Article IV, at such time as title to all of the Lots has been conveyed to the Class A Members, the Class A membership shall then select three (3) Board members to serve as follows: one for a one (1) year term, one for a two (2) year term and one for a three (3) year term. Thereafter, each Board member shall be elected for terms of three (3) years each, each one to be elected upon the expiration of the individual member's then current term.

Section 4. Meetings of the Association shall be held at the registered office of the Association, or such suitable places

within St. Charles County, Missouri, convenient to the members, as may be designated from time to time by the Board.

Section 5. The members shall meet at least once a year. The annual meeting of the members shall be held on the second Wednesday in July in each year, commencing in 1998 and if such day shall be a legal holiday, then on the next secular day following, at such time and place as is specified by the Directors in the Notice of such meeting; the Board, from time to time, at any regular or Special meeting, may designate a different day for the Annual meeting. Except as otherwise provided in Article V hereof, at each Annual meeting the members shall elect a Board to serve until the Annual meeting and may transact any other business authorized to be transacted by the members.

Section 6. Special meetings of the members may be called at any time by a member of the Board of Directors. Special meetings must be called by any member of the Board upon receipt of a written request for a special meeting signed by at least ten (10) members of the Association. No business shall be transacted at a special meeting except as stated in the Notice thereof. Such Notice shall be in writing, shall be sent by United States mail to the addresses of their respective Lots or to such other addresses as any member may have designated to the President or Secretary, and shall be mailed not less than twenty-one (21) days in advance of the annual or regularly scheduled meeting and at least seven (7) days in advance of any other meeting; provided, however, that such notice may be delivered personally to any member if not prohibited by the

Statutes of the State of Missouri. Proof of such mailing or delivery shall be given by the affidavit of the person mailing or delivering the notice. Notice of the meeting may be waived in writing by any member before or after such meeting.

Section 7. Any mortgagees of a Lot may attend and participate in any general or special meeting, but shall have no vote unless granted by proxy.

Section 8. A quorum at meetings of the members shall consist of members present, in person or by proxy, representing at least thirty percent (30%) of the total votes in the Association.

Section 9. The voting power of members shall be based upon the Lots owned and the vote allocated to such Lots by this Declaration. When more than one person is the Owner of a Lot, the votes for that Lot shall be cast as the Lot Owners shall determine, but in no event shall more than the vote allocated by this Declaration to the Lot be voted. The votes allocated to a Lot shall not be split but shall be voted as a single whole.

Section 10. A vote may be cast in person or by proxy. A proxy must be in writing, be signed by all Owners of the Lot, the vote of which is subject to the proxy, and be filed with the Secretary before the meeting. A proxy shall be valid until revoked in writing by all Owners of such Lot.

Section 11. Any action required by law to be taken at a meeting of the members, may be taken without a meeting if authorization in writing, setting forth the action taken is signed

by two-thirds (2/3) of the members or as may otherwise be required by Missouri Statutes.

Section 12. If a meeting cannot be organized because a quorum is not present in person or by proxy, the meeting shall be reconvened from time to time until a quorum is present.

Section 13. When a quorum is present at a meeting, any question brought before the meeting shall be decided by a majority of the voting power present in person or by proxy, unless express provisions of applicable law, or this Declaration, require a greater vote.

Section 14. At the beginning of each meeting, the Secretary, or other person designated by the presiding officer, shall certify a statement listing all members present in person or by proxy at such meeting, the votes of each, and the total percentage of votes represented at the meeting.

ARTICLE VI

ASSESSMENTS

Section 1. The Declarant, for each Lot owned within the Development, hereby covenants, and each Owner of any Lot by acceptance of a Deed therefor, whether or not it shall be so expressed in such Deed, is deemed to covenant and agree to pay to the Association:

- (a) Annual assessments or charges, which shall be due and payable in monthly installments unless the Board directs otherwise;

- (b) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, late fees and reasonable attorney's fees, shall be a charge on the Lot and all of the foregoing shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs, late fees and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his or her successors in title unless expressly assumed by them;
- (c) All assessments which are levied pursuant to this Declaration;
- (d) All assessments which are levied to pay for the cost of illuminating, maintaining, replacing, insuring and landscaping any entrance monuments which are located in or beyond the boundaries of the Development.

Section 2. Each year on or before December 1, the Board of Directors shall estimate the total amount necessary to pay the cost of wages, materials, insurance, repairs, services, supplies and any other work which will be required during the ensuing calendar year for the rendering of all services and the performance of all of the powers and duties of the Board of Directors, including but not limited to the repair and maintenance of Common Areas and the assessment for the Master Common Areas, together with a reasonable amount considered by the Board of Directors to be necessary for a reserve for contingencies and replacements (hereinafter collectively referred to as the "Estimated Cash Requirement"), and shall on or before December 15, notify each Lot Owner in writing as to the amount of such estimate, with reasonable itemization thereof. The Estimated Cash Requirement shall be assessed to each Lot Owner on a uniform basis. On or before January 15 of the ensuing year, each Owner shall be obligated to pay to the Board of Directors, or as it may direct in such installments as is deemed appropriate by the Board of Directors, the assessment made pursuant to this paragraph. On or before the date of the annual meeting of each calendar year, the Board of Directors shall, if requested, supply to all Owners an itemized accounting of the maintenance expenses for the preceding calendar year, the amounts actually collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus reserves. This annual accounting shall be supplied to first mortgage holders

within ninety (90) days of the fiscal year, if requested by such first mortgagee.

Section 3. The Board of Directors shall build up and maintain a reasonable reserve for contingencies and replacements. Extraordinary expenditures and replacements which are not originally included in the annual estimate and which may become necessary during the year, shall be charged first against such reserve. If said Estimated Cash Requirement proves inadequate for any reason, including nonpayment of any Lot Owner's assessment, which shall be assessed to each Lot Owner, the Board of Directors shall serve notice of such further assessment on all Lot Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective commencing with the monthly maintenance payment which is due next, following the delivery or mailing of such notice of further assessment. All Lot Owners shall be obligated to pay the adjusted monthly amount.

Section 4. When the first Board of Directors elected hereunder takes office, the Board of Directors shall determine the Estimated Cash Requirement for the period commencing sixty (60) days after said election and ending on December 31 of the calendar year in which said election occurs. Assessments shall be levied against the Lot Owners during said period as provided in Sections 1 and 2 of this Article VI.

Section 5. The failure or delay of the Board of Directors to prepare or serve the annual or adjusted estimate on the Lot Owners 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 Lot Owner shall continue to pay the maintenance charge at the then existing rate established for the previous period until the payment is adjusted and ten (10) days notice thereof mailed to the Lot Owners.

Section 6. The Board of Directors shall keep full and correct books of account and the same shall be open for inspection by any Lot Owner or any representative of a Lot Owner or any mortgagee thereof at such reasonable time or time during normal business hours as may be requested by any Lot Owner, its representative or mortgagee.

Section 7. All funds collected hereunder shall be held and expended for the purposes designated herein. All checks, drafts or other forms of payment shall require the signature of one (1) member of the Board of Directors, or its designated agent.

Section 8. If any Lot Owner fails or refuses to make any payment of any assessment when due, the amount thereof, together with interest at the rate of nine percent (9%) per annum, a late charge equal to twenty-five percent (25%) of the amount due, and all court costs, reasonable attorney's fees, and expenses of collection or enforcement, all shall constitute a lien on the interest of such Lot Owner in the property, and upon the recording of notice thereof by the Board of Directors, shall be a lien upon such Lot Owner's interest in the property prior to all other liens

and encumbrances, recorded or unrecorded, except only first deeds of trust due to mortgagees, taxes, special assessments and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of this State and other state or federal taxes which by law are a lien on the interest of such Lot Owner prior to pre-existing recorded encumbrances thereon, and encumbrances on the interest of such Lot Owner recorded prior to the date such notice is recorded, including prior recorded deeds of trust, which by law would be a lien thereon prior to subsequently recorded encumbrances. Any encumbrancer whose lien is junior to the lien of the common expenses herein provided, may from time to time request in writing a written statement from the Board of Directors setting forth the unpaid common expenses with respect to the Lot covered by these encumbrances and unless the request is complied with within twenty (20) days, all unpaid common expenses which become due prior to the date of the making of such request shall be subordinate to the lien of such encumbrance. Any encumbrancer holding a lien on a Lot may pay any unpaid common expenses payable with respect to such Lot and upon such payment such encumbrancer shall have a lien on such Lot for the amounts paid at the same rank as the lien of his or her encumbrance. Any late charge imposed by reason of this Article may be abated in whole or in part by the Board of Directors for good cause shown. The Board of Directors shall give notice of any Lot Owner's default to the holder of this first mortgage on said Lot if such default is not cured within thirty (30) days.

Section 9. The lien to secure payment of common expenses shall be in favor of the Association and shall be for the benefit of all Lot Owners, and may be foreclosed by an action brought in the name of the Board, in like manner as a mortgage or real property, as provided in Sections 443.190-443.440 V.A.M.S.

Section 10. Suit to recover unpaid common expenses, interest thereon and attorney's fees and costs, plus late charges, may be brought by the Board of Directors without foreclosing or waiving the lien securing same, and such action shall not constitute a waiver of the Board of Directors' right to invoke any other remedy provided for herein, or otherwise available of law or in equity.

Section 11. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his or her Lot.

Section 12. In addition to the annual assessment provided above, each non-exempt Lot shall be subject to a one time assessment equal to twenty percent (20%) of the annual assessment for such Lot during the fiscal year such Lot is conveyed to a Lot Owner. The assessment levied pursuant to this Section shall constitute a contribution to the working capital fund of the Association and shall not constitute an advance payment of any regular annual assessment pursuant to this Article or any special assessment pursuant to Article VI, Section 13.

Section 13. In addition to the annual assessments authorized above, the Board of Directors may levy, in any assessment year, a special assessment applicable to that year only for the purpose of

defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvements upon the Properties or Common Areas or to any Lot or Lots, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of Class A membership who are voting in person or by proxy at a meeting called for this purpose, and the consent of the Declarant as long as the Declarant owns a Lot within the Properties.

Section 14. In addition to the annual assessments authorized in this Article VI, the Board of Directors shall make an annual assessment in accordance with the procedures set forth in this Article VI for the repair, operation and maintenance of storm water control easements, including all underground and aboveground facilities and pipes used in connection therewith and access easements to such storm water control easements. The maximum amount of such assessment shall be set by the Board of Directors. The assessment herein provided shall be made until such easements shall be accepted for maintenance by the City of St. Charles.

ARTICLE VII

EXEMPT LOTS

Section 1. In order that those Lots upon which dwellings are constructed and occupied may with reasonable promptness receive the benefits of maintenance by the Association for the enjoyment of the residents therein, and also be subject to assessments therefor, and so as not to discourage the Declarant from voting for such assessments at such times as when the Declarant may own a

substantial number of Lots in the Development upon which there may be no construction at all or where there may be construction in progress with no occupants residing thereon, and the assessments for which would impose a burden on the Declarant without the Declarant requiring, desiring or receiving the benefits of such maintenance, it is therefore expressly provided that each of the Lots in the Development prior to the time a dwelling is constructed thereon by Declarant and conveyed by the Declarant or owned by the Declarant but occupied for residency purposes, shall be exempt lots from the assessments, charges and liens created herein for any amounts, anything in these covenants and restrictions to the contrary notwithstanding.

It is understood that upon the conveyance by Declarant of a Lot following completion of a dwelling thereon by Declarant or upon the occupancy of any dwelling on a Lot owned by Declarant which was theretofore entitled to the above exemptions, or upon the conveyance of an unimproved Lot by Declarant to any third person or entity, any such Lot shall have no further exemption and shall be subject to the full amount of the assessments as elsewhere set forth in Article VI. Prior to conveyance or occupancy of Lots upon which Declarant's construction of dwellings has been completed and for which certificates of occupancy have been issued, but which Lots are not yet sold and conveyed or occupied, such as display models, the Declarant shall be responsible for the maintenance of such Lots in a manner typical of the average maintenance of the Lots and dwellings in the Development.

ARTICLE VIII

EXTERIOR MAINTENANCE

Section 1. In the event an Owner of any Lot shall fail to maintain the premises and the improvements situated thereon, in a manner satisfactory to the Board of Directors, the Board of Directors shall have the right and easement, through its agents and employees, to enter upon said Lot and to repair, maintain, replace, restore and landscape said Lot and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject.

ARTICLE IX

RESTRICTIONS

The use of Lots and Common Areas is restricted as follows:

Section 1. No part of any Lot shall be used for a purpose other than single-family dwellings and uses accessory thereto. The term "single-family dwelling" shall mean a building occupied as a residence.

Section 2. No Lot Owner shall place or cause any obstruction on any portions of the Common Areas nor any storage in the Common Areas. No clothes, laundry, bicycles or other articles shall be hung, exposed or stored in any portion of the exterior or yard area of any Lot or on or about the exteriors of any buildings, or in the Common Areas.

Section 3. No attached single-family residence shall be erected on any Lot nearer the front Lot line, or side Lot line if the Lot is a corner Lot, than the building line shown on the recorded plat, unless a variance from the building line is granted by the City of St. Charles, Missouri or its successor. For the purposes of this covenant, eaves, steps and open porches shall not be considered as part of the building, except that no portion of any building, including its eaves, steps or porches shall encroach upon an adjoining Lot.

Section 4. Unless erected by the Declarant, no fence, radio or television antenna or satellite dish shall be affixed to or placed upon any building or on any Lot without prior written consent of the Board of Directors. Permission may be granted if, subsequent to a review of the size, appearance, location and method of installation, the Board of Directors agree that the item requested will result in no possible adverse effect to other Lot Owners or Common Areas. The request to install such item shall be given in writing to the Board of Directors, which shall have thirty (30) days to reject any written request, and if not rejected in that time, said request shall be deemed to have been approved. All requests shall be in writing, shall state the size of the proposed item, and the place of location of the item. If as a result of the installation of the item, the Association is unable to maintain a portion of the Lot, the one affected Lot Owner shall become solely responsible for such maintenance in the affected area.

Section 5. No animals, reptiles, birds, rabbits, livestock, fowl or poultry of any kind shall be kept, raised or bred in any portion of the Development except that two: dogs, cats, birds or other household animals may be kept as pets in any dwelling. Notwithstanding the foregoing, no household pets shall be kept, bred or maintained for commercial purposes, and no household pet shall be permitted to create a nuisance or annoyance to surrounding Lot Owners.

Section 6. No noxious or offensive activity shall be carried on in any dwelling or on the Common Areas nor shall anything be done which will become an annoyance or a nuisance to the other Owners or occupants.

Section 7. No billboards, "For Sale" signs in excess of two (2) square feet in area, above-ground swimming pools, objects of unsightly appearance, or nuisances shall be erected, placed or permitted to remain on any Lot, nor shall any Lot be used in any way or for any purpose which may endanger the health or unreasonably disturb the residents of the Development. No commercial activities of any kind shall be conducted in any building or on any portion of the Development except activities intended primarily to serve residents thereof. The foregoing restrictions shall not apply to the commercial activities, signs and billboards, if any, of the Declarant during the construction and sales period, or by the Association in furtherance of its powers and purposes set forth in this Declaration as the same may be amended from time to time.

Section 8. All equipment and garbage cans shall be kept or stored in courtyards or garages so as to conceal them from view of neighboring dwellings. Woodpiles shall be kept in backyards to conceal them from view of neighboring dwellings. No bicycles, toys or similar objects shall be stored or regularly be permitted to be left outside so as to be visible from the front street.

Section 9. No motorcycle, boat, trailer, recreational vehicles, off road vehicle, or other motor vehicle, except an automobile or non-commercial pick-up truck which is used as a passenger vehicle, shall be stored or parked overnight in any parking area, street, driveway or in any other place or location within the Development, except an enclosed garage, without the written approval of the Board of Directors. Requests for permission for such exterior storage shall be submitted in writing to the Board of Directors and approved by them, and shall include details as to the method by which such equipment will be screened from view of other Lot Owners. The Board of Directors shall have the right to have any such vehicle which is improperly parked or stored towed away, at the expense of such violator, and with no liability to the Board of Directors. The foregoing restriction shall not apply to the Declarant, its agents or contractors during the construction period.

In the event the Board of Directors fails to approve or disapprove said request within thirty (30) days of submission, approval will not be required and this restriction shall be deemed to have been fully complied with.

Section 10. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in clean and sanitary conditions.

Section 11. Easements, installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot except for those improvements for which a public authority or utility company is responsible.

Section 12. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Lot nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designated for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 13. No tent, shack, barn, or other outbuilding shall be permitted in the subdivision, nor shall any residence of a temporary character be permitted.

Section 14. No above-ground structure, other than required street lights, may be erected within a cul-de-sac, divided street entry islands, or median strips, without the written approval, if required, of the City of St. Charles, Missouri, and the Board of Directors of the Association.

Section 15. No residence shall be used directly or indirectly for business of any character or for any purpose other than that of an exclusive private residence for one family, without the consent of the Board of Directors, which consent shall not be unreasonably withheld.

Section 16. All single-story residences shall be at least 1,700 square feet in size, excluding basement and garage. All 1½-story residences shall be at least 2,500 square feet in size, excluding basement and garage. All two-story residences shall be at least 2,800 square feet in size, excluding basement and garage.

ARTICLE X

EASEMENTS

The rights and duties of the Owners of Lots within the subdivision with respect to sewer, water, electricity, gas and telephone and connections thereto shall be governed by the following:

Section 1. Wherever connections of sanitary and storm sewer, water, electrical, gas or telephone lines are installed within the Development and the connections, or any portion thereof, lie in or upon Lots, buildings or structures thereon owned by others than the Owner served by said connections, the Association, the utility companies and the Owners of any Lots served by said connections shall have the right to, and are hereby granted easements to the full extent necessary to construct, reconstruct, repair, replace and maintain said connections, and to enter upon Lots or to have the utility companies or repairmen enter upon Lots within the Development in or upon which said connections, or any portion thereof, lie to repair, replace and generally maintain said connections as and when the same may be necessary as set forth below, and further, if the Association deems the repair, replacement or maintenance of any such connection to be an emergency, the Association shall have the right to repair, replace or maintain such connection and assess the costs thereof against the Lots served by such connection in the amounts the Owners would otherwise be responsible for under this Article X, and each Owner, for himself, herself or itself, his, her or its heirs, successors and assigns, covenants that said Owners will pay the Association (or its collecting agent) said assessment upon demand or in such periodic payments as may be determined by the Board of Directors, and that said assessment, if not so paid on the date when due, shall become a continuing lien on the property and the personal obligation of the Owner, and shall be subject to collection,

enforceability, foreclosure and remedies of the Association in the manner set forth in Article VI hereof for other assessments by the Association.

Section 2. Wherever joint house connections of storm and sanitary sewer, water, electrical, gas, telephone or television aerial lines are installed within the Development and the connections serve more than one Lot, the Owners of each Lot served by said connection shall be entitled to the full use and enjoyment of such portions of said connection as services their respective Lots.

Section 3. In the event any portion of any connection or line is obstructed, damaged or destroyed through the act of any Owner of a Lot being served by said connection, or any of his or her agents, guests, or members of his or her family, whether or not such act is negligent or otherwise culpable, so as to deprive the other Owners being served by said connection of the full use and enjoyment of said connection, then the first of such Owners shall forthwith proceed to replace or repair the same to as good condition as formerly without cost to the other Owners served by said connection.

Section 4. In the event any portion of any connection or line is obstructed, damaged or destroyed by some cause other than the act of any of the Owners being served by said connection, his or her agents, guests, or members of his or her family (including ordinary wear and tear and deterioration from lapse of time), then in such event, if said obstruction, damage or destruction shall

prevent the full use and enjoyment of said connection by the Owner of any Lot served by said connection, all such Owners who are thereby deprived of said use and enjoyment shall proceed forthwith to replace or repair said connection to as good condition as formerly at their joint and equal expense.

Section 5. In conjunction with any repair, replacement or maintenance of any connection the premises thereby affected shall be restored to their condition prior to such repair, replacement and maintenance and the cost thereof borne as provided for the cost of repairs.

Section 6. The Association, its directors, officers, agents and employees, all policemen, firemen, ambulance personnel, and all similar persons are hereby granted an easement to enter upon the Property including any portion thereof and including the Lots and Common Areas in the exercise of the functions provided by this Declaration, in the event of emergencies, to provide for exterior maintenance, and in the performance of proper governmental functions. Except in the case of any emergency, when access shall be immediate, the right of entry created by this Section 6 shall be exercised only during reasonable daylight hours and then, whenever practicable, only after advance notice to, and with the permission of, any Owner or tenant directly affected by such entry.

Section 7. Declarant, its agents and employees, and the Lot Owners shall have a right of ingress and egress over and the right of access to the Common Areas and the right to such other temporary uses of the Common Areas and any Common Areas as may be required or

reasonably desirable (as determined by Declarant) in connection with the construction, development, and operation of the Property including an easement to install, repair and replace utility lines and connections.

Section 8. To the extent that any portion of any improvement which is part of the initial improvements constructed by Declarant on a Lot (or repairs, restorations, or replacements of such improvements) encroaches on any other Lot, or Common Areas, whether by roof or building projection or overhang, a valid easement for such encroachment shall exist. The Association shall have the right to enter upon a reasonable portion of such other Lot, or Common Areas at reasonable times for the purpose of performing repairs and maintenance to his or her Lot; provided that following such entering the Association so entering promptly restores such other Lot, or Common Areas to its condition immediately prior to such entry.

Section 9. Declarant, its agents and employees, any Developer and the Association shall have a right of ingress and egress over the Lots, and Common Areas and the right to such other temporary uses of the Common Areas as may be required or reasonably desirable (as determined by Declarant) in connection with the construction, maintenance and development of the Property. The Board of Directors have the right and easement to enter upon any Lot to perform normal maintenance and landscaping work, including but not limited to the watering of any lawns if any Lot Owner shall fail to landscape or care for his or her Lot or water his or her lawn.

Section 10. At any time while this Declaration is in effect, the Association shall have the authority for itself and on behalf of the Lot Owners to enter into and to enforce any terms and conditions expressed in any easement, access easement, maintenance agreement, easement for the use and maintenance of any entrance monument, whether the same is within the property or is located on property which is beyond the Development, or other instrument to allow any Lot Owner, their tenants, guests, family, invitees or employees who may now or hereafter by Owners of or tenants upon any developed property which abuts the Development and who have a need to use the roads located within the Development for said right of access, provided that said easements, maintenance agreement or other instrument shall require that said adjacent Lot Owner shall pay a pro rata share of the cost of operating, maintaining and replacing any easement or road located in or leading to the Development.

Section 11. At all times while this Declaration is in effect, the Board of Directors, or its agent are hereby granted an easement to: (a) enter upon any Lot or property in order to maintain, repair, replace all entrance monuments, (b) to landscape about and around any such monuments; and (c) to repair, maintain, replace and restore the exterior walls (stone, masonry or tie) located on any of the Lots, which exterior walls were installed by the Declarant, and are shown on the Covington Record plat. Exterior walls installed by any Lot Owner for ornamental purposes shall be maintained by said Lot Owner, and not by the Association.

The costs for doing all of this work, except for ornamental exterior wall maintenance, shall be an expense of and shall be paid by the Association.

Section 12. Declarant makes no warranties or claims in regard to the health hazards of certain utility lines or oil pipelines. Owners assume any and all risks inherent with the existence of utility lines and oil pipelines, including but not limited to electrical lines or oil pipelines, over, under or in any Lot or Common Area.

Section 13. At any time while this Declaration is in effect, the Association shall have a perpetual fifteen foot (15') easement for purposes of installing, maintaining, repairing and replacing landscape buffers on the side and rear portions of any affected lots within the Development. The costs of such installation, maintenance, repair and replacement of said landscape buffers shall be borne by the Association.

ARTICLE XI

ARCHITECTURAL CONTROL

Section 1. No building, home, fence, wall or other structure shall be commenced, erected or maintained upon any Lot, nor shall any exterior addition to or removal of all or any part thereof, or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted and approved in writing as to harmony of external design with structures, abutting the proposed improvement and location in relation to surrounding

structures and topography by the Board of Directors of the Association. In the event said Board of Directors fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. In the event plans and specifications are approved by the Board of Directors, then, in that event, the applicant shall obtain the consent of the City of St. Charles Building Department prior to the commencement of work.

ARTICLE XII

DEVELOPMENT RIGHTS

Section 1. Notwithstanding any provision in this Declaration to the contrary, each person or entity acquiring a Lot within the Development, and its mortgagees, shall be conclusively deemed to have appointed the Declarant as the Lot Owners' attorney-in-fact for a period of time expiring ten (10) years from the date of recording of this Declaration for the following purposes. During this period, Declarant reserves the right, but not the obligation, and shall have full power and authority to amend the Declaration and plat to: a) subject any additional property which had not been subjected to this Declaration to the covenants, conditions and restrictions of this Declaration; b) to delete any property still owned by Declarant from the plat and from the covenants and restrictions hereof; c) to extend or expand the subdivision, including roads, Lots and Common Areas; d) to convert unsold Lots into Common Areas; and e) to amend this Declaration unilaterally to

make its terms comply with applicable ordinances, statutes or laws, or make corrections of any errors or to facilitate its development of the Property. Declarant reserves the right, but not the obligation, to create, or to modify Lots and Common Areas and to subdivide with respect to any property added pursuant to the terms of this Section. Said development rights may be exercised with respect to different property added to or deleted from this Section at different times. Declarant reserves the right, and is hereby granted a license, but not the obligation, to create, reserve, or grant easements for development purposes as for utilities including, but not limited to, gas, electric, water, sewer, cable television, and access to such easements (including any Lot) for the benefit of the property. All Lot Owners and the Association hereby consent and grant unto Declarant the power and authority to grant temporary easements over, under and through any of the Property to any entity or person so that Declarant shall have the ability to exercise its development rights. Declarant shall be obligated to have fully exercised its development rights within ten (10) years from the date this Declaration is recorded. Declarant reserves the right but not the obligation, to improve a total of one hundred seventy (170) residences on the Development property described more particularly in Exhibit "A" unless the governmental authority having jurisdiction shall authorize Declarant to develop additional Lots, whereupon the Declarant shall have the right to develop additional Lots. In order to subject any property reserved for future development to this Declaration, Declarant shall execute

an amendment to this Declaration, along with a plat designating whether the property shall be a Lot, or Common Areas or area to be dedicated for public use, and said property designated on the plat shall contain a sufficient legal description. Said amendment and plat shall be recorded in the St. Charles County Recorder of Deeds. Improvements located on or in property which will be subjected to this Declaration will be substantially completed in accordance with and subject to the covenants, conditions and restrictions of this Declaration. All future improvements will be consistent with initial improvements in terms of quality of construction.

Section 2. Notwithstanding any provision of this Declaration to the contrary, at all times and from time to time, during the time Declarant owns any Lot in the Development, Declarant (and its successors, assigns and mortgagees) shall have the right and privilege (i) to erect and maintain advertising signs (illuminated or non-illuminated), sales flags, other sales devices and banners for the purpose of aiding the sale of Lots in this Development, (ii) to maintain Lots as sales, model, management, business and construction offices, (iii) to maintain and locate construction trailers and construction tools and equipment within the Property and (iv) to grant easements on, over and in the Property at all times while the Declarant shall be in control of the Association. The construction of improvements by Declarant shall not be considered a nuisance and Declarant hereby reserves the right and privilege for itself (and its successors, assigns and mortgagees) to conduct the activities enumerated in this Section until all

present and future Lots of the Property have been completed and conveyed to third parties. All rights afforded Declarant under this section shall inure to the benefit of any mortgage holder acquiring title to any Lot hereunder.

Section 3. Notwithstanding any provision of this Declaration to the contrary, each grantee of Declarant, by the acceptance of a deed of conveyance, and each subsequent purchaser, by the acceptance of a deed of conveyance and each deed of trust holder by acceptance of a deed of trust shall be deemed to have consented to any amendments to this Declaration and By-Laws as may be filed by the Declarant or its successors or assigns, to qualify the Property or the Lots thereof, and to meet the requirements for Federal Housing Administration (FHA), Veteran's Administration (VA), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Association (FHLMA) or any other governmental financing agency. Without limiting the generality of the foregoing, each Lot Owner and holder of a deed of trust shall by taking title to a Lot or accepting the Deed of Trust, be conclusively deemed to have appointed the Declarant as such Lot Owner's and deed of trust holder's agent and attorney-in-fact for a period of ten (10) years from the date of recording of this Declaration, and for such Owner to acknowledge the consent of such Lot Owner to an amendment or amendments to comply with the requirements of FHA, VA, FNMA, FHLMA or other governmental agency for financing. During this ten (10) year period, no Lot Owner or deed of trust holder shall have the authority to revoke said attorney-in-fact, and for the foregoing

purposes, the Declarant is hereby constituted the attorney-in-fact for each Lot Owner and deed of trust holder to execute any instrument to carry out the terms and provisions as provided for herein.

Section 4. All Lot Owners in property which is annexed as provided in Section 1 of this Article shall have such voting rights and assessment obligations as are contained in the Declaration as of the date title to the Lot is conveyed to such Owner. All assessments shall be prorated so that a Lot Owner's obligation for assessments shall commence on the date title to the Lot is conveyed to such Owner.

ARTICLE XIII

POWERS AND DUTIES OF THE ASSOCIATION

The Association shall have the following rights, powers, duties and obligations:

Section 1. To acquire and hold the Common Areas hereinabove described which said Common Areas is set forth and shown on the plat of the Development, all in accordance with and pursuant to the aforesaid orders of the City of St. Charles and in accordance with and subject to the provisions of this instrument, and to deal with any Common Areas so acquired under the provisions hereinafter set forth.

Section 2. To exercise such control over the easements, streets, cul-de-sacs (including the designation of parking areas) lakes, ponds, retention basins, and roads (except for those easements, streets and roads which are now or may hereafter be dedicated to public bodies or agencies), entrances, lights, street lights, gates, sidewalks, Common Areas, park areas, shrubbery, storm water sewers, sanitary sewer trunks and lateral lines, lift stations, pipes and disposal and treatment facilities as may be shown on any recorded plat of the Development as is necessary to maintain, repair, rebuild, supervise and insure the proper use of said easements, streets and roads, and all Common Areas by the necessary public utilities and others, including the right (to itself and others to whom it may grant permission) to construct, operate and maintain on, under and over said easements and streets, sewers, street lights, pipes, poles, wires and other facilities and public utilities for service to the Lots shown on said plats, and the right to establish traffic rules and regulations for the usage of driveways, streets, sidewalks and parking lots in the Development.

Section 3. To exercise control over and provide continued maintenance upon the cul-de-sacs and Common Areas shown on any plat of the Development or on those areas which have been dedicated to the City of St. Charles, or its successors, but for which the Association has an obligation to maintain (e.g. cul-de-sacs, roads, etc.); to pay real estate taxes and assessments on said Common Areas out of the general assessment herein provided; to maintain

and improve same to promote the health, welfare, safety, morale, recreation, entertainment, education and for the general use of the Owners of Lots in the Development, all in conformity with applicable laws; to adopt and amend by-laws, to prescribe by reasonable rules and regulations the terms and conditions of the use of Common Areas, all for the benefit and use of the Lot Owners of the Development and according to the discretion of the Association.

Section 4. To dedicate to public use any private streets constructed or to be constructed within the Development, whenever such dedication would be accepted by a public agency, in the event the recorded plat does not provide for public use and maintenance.

Section 5. To purchase and maintain in force liability insurance, protecting the Association, its Board of Directors, officers and agents and Lot Owners from any and all claims for personal injuries and property damage arising from use of Common Areas and facilities and guide wires located in this Development, and to purchase and maintain in force fire and other casualty insurance and any other insurance deemed necessary or appropriate to protect against damage to the Common Areas and improvements thereto.

Section 6. To provide, maintain and replace any street lights, entrance monuments bearing the name of Covington, and any cul-de-sacs located within the Development, including cost of utility services therefor.

Section 7. The Association may, but is not obligated to provide water service as required for the Common Areas and for lawn maintenance as authorized herein and to include the cost thereof in the assessments herein provided.

Section 8. To maintain, repair and replace all streets, sidewalks and Common Areas, and do exterior maintenance upon each Lot as set forth in above Article VIII.

Section 9. The Association may, but is not obligated to provide security service for the Development, including individual Lots and improvements thereon, and Common Areas, the exact nature and scope of such service and the time of commencement thereof to be determined solely by the Association.

Section 10. Notwithstanding any other condition herein, it shall make suitable provision for compliance with all subdivision and other ordinances, rules and regulations of the City of St. Charles, St. Charles County or any municipality of which the Development may become a part, and for such purposes it shall not be limited to any maximum assessment.

Section 11. In exercising the rights, powers and privileges granted to it and in discharging the duties imposed upon it by the provisions of this Declaration, from time to time to enter into contracts, employ agents, servants and labor as it may deem necessary, to employ legal counsel to institute and prosecute such suits as it may deem necessary or advisable and to defend suits brought against it.

Section 12. Any action authorized by the Association hereunder shall be undertaken by Association officers and agents as authorized and directed by the Board of Directors of the Association, except those matters specifically calling for vote of the membership.

Section 13. At such time as the then Lot Owners of the Development become Owners of part or all of the Common Areas theretofore conveyed to and held by the Association, the Association shall continue to exercise all the same rights and authorities and have the same duties and responsibilities with respect to such Common Areas as hereinbefore set forth, and particularly the Association shall continue to collect for and make payment of the real estate taxes which may be levied on the Common Areas by St. Charles County or by any other governmental body or agency.

Section 14. The Association shall repair, maintain, replace and restore the stone walls, masonry walls and tie walls, if any, installed by the Declarant and depicted on the Record Plat of the Property whether located on Lots or Common Areas, and an easement for access to any Lots on which or adjacent to which such a wall is situated is hereby granted and reserved to complete any of the foregoing.

Section 15. The Association shall be responsible for the maintenance, repair, removal and replacement of sanitary and storm sewers, retention or detention facilities, lift stations and any other sanitary or storm sewers, swales or other drainage facilities

located on or servicing any Common Areas, to the extent that any of the same are private or have not been accepted for dedication. Each Lot Owner hereby grants the Association and its designated agents the right and easement to enter upon any lot for the purposes of discharging this responsibility. Notwithstanding the foregoing, each Owner shall be responsible for the maintenance, repair, replacement and removal of the lateral sewage line or lines servicing such Owner's Lot.

ARTICLE XIV

GENERAL PROVISIONS

Section 1. The captions of the various Articles are for purposes of reference only and are not deemed to have any substantive effect.

Section 2. In the event any Mortgagee is required to pay taxes or other charges that are in default and that may or have become a charge against the Common Areas, including the payment of any overdue insurance premium covering the Common Areas, upon the lapse of said insurance policy, the Mortgagee making such payment shall have the right of immediate reimbursement from the Association.

Section 3. The Board of Directors shall notify, in writing, the Mortgagee of any Lot Owner of any default in the performance of any obligation by the said Lot Owner under the terms and conditions of this Declaration that shall not have been cured within sixty (60) days after the default by the Lot Owner, provided the Board of Directors has actual notice of the existence of the mortgage.

Section 4. Any agreement for professional management of the Properties or any other contract providing for the services of the Declarant shall not exceed three (3) years. Further, any such agreement must provide for termination by either party, without cause and without payment of a termination fee, upon ninety (90) days or less written notice.

Section 5. Upon written request to the Board of Directors, the holder of any duly recorded mortgage or deed of trust against any Lot shall thereafter be given copies of any and all notices permitted or required by this Declaration to be given to the Lot Owner or Owners whose Lot ownership is subject to such mortgage or deed of trust.

Section 6. Notices required to be given to the Board of Directors may be delivered to any member of the Board of Directors either personally or by Certified Mail Return Receipt Requested addressed to such Director at his or her Lot or address.

Section 7. Notices required to be given any devisee or personal representative of a deceased Lot Owner may be delivered either personally or by mail to such party at the address appearing in the records of the Court wherein the estate of such deceased Lot Owner is being administered.

Section 8. Each grantee of Declarant by the acceptance of a deed of conveyance, or each subsequent purchaser, accepts the same subject to all restrictions, conditions, covenants, reservations, options, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration, and all rights, benefits

and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said property, and shall insure to the benefit of such Lot Owner in like manner as though the provisions of these Declarations were recited and stipulated at length in each and every deed of conveyance.

Section 9. No covenants, restrictions, conditions, obligations or provisions contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 10. The invalidity of any covenants, restrictions, conditions, limitations or any other provision of this Declaration or of any part of the same, shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration.

Section 11. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Development. The use of personal pronouns shall be construed to apply to masculine, feminine or neuter gender as the context may require. Should any provision of this instrument be deemed to violate the Rule Against Perpetuities and be not subject to the laws of this State and all its political subdivisions, then such provision shall not be

stricken but shall be deemed to continue in force and effect for the longest time permitted under Missouri Law, or for the life or lives in being plus twenty-one years thereafter. If any provision is deemed to be invalid, then the elimination of such provision shall not affect the remaining provisions.

Section 12. Before any person shall become a member of and serve on the Board of Directors, he shall be able to be bonded. The Board of Directors shall procure a blanket fidelity bond on themselves individually and collectively for the benefit of all Lot Owners in the sum of at least One Hundred Fifty Percent (150%) of the estimated annual operating expenses of the Association, a similar bond shall be required for any person or entity handling funds of the Association including but not limited to employees of a professional manager. The bond shall be written only by a bonding company approved to write fidelity bonds by the St. Charles County Circuit Court Probate Division for Personal Representatives and Administrators. The cost of premiums for such blanket bond shall be paid out of funds of the Association as a general charge and shall not be borne by the individual members of the Board of Directors.

Section 13. Whenever Board of Directors are authorized or directed to acquire, hold, lease, mortgage or convey any part of or interest in the Development, or to acquire any lien thereon or to acquire or receive the proceeds of any policy of insurance or other monies, goods or chattels, with respect to the Properties, such actions shall be carried out in the names of the members of the

Board of Directors and their successors in office from time to time, as trustees, on behalf of some or all of the Lot Owners, as the case may be.

Section 14. Wherever the state, a political subdivision, or any other corporation, agency, or authority having the power of eminent domain shall seek to acquire any of the Common Areas, such authority may conduct negotiations with the Board of Directors as representatives of all Lot Owners, and the said Board of Directors may execute and deliver the appropriate conveyance on behalf of all Owners in return for the agreed consideration. The Board of Directors must give written notice to holders of first mortgages at the commencement of such proceedings. In the event negotiations shall fail, the condemning authority may join the Association as party defendant in lieu of naming all Lot Owners; and such proceedings shall bind all Lot Owners.

Section 15. This Declaration, and the restrictions, limitations, conditions and covenants herein contained, shall be and remain in force and effect for the duration of the Development.

Section 16. Except as otherwise expressly provided for in this Declaration, no modification or amendment of the Declaration herein shall be valid unless such modification or written amendment has the written assent of seventy-five percent (75%) of the Class A membership, and the written assent of the named Declarant (and any successor) if such amendment is made while the Declarant still has an interest in one or more of the Lots or until all Lots have been constructed and sold, and until such modification or amendment has

been approved by the City of St. Charles or its successor in interest, and is duly recorded in the office of the Recorder of Deeds of St. Charles County, Missouri. No such amendment, modification or change shall relieve or modify the obligations or rights granted to or imposed upon the Association or to eliminate the requirement that there should be Trustees, unless some person or entities are substituted for the Trustees, with the same responsibilities or duties in a manner approved by the Director of Planning of St. Charles County or its successor in interest.

Section 17. The Association and its Board of Directors, its heirs and agents shall comply with all lawful ordinances, rules and regulations of the City of St. Charles, St. Charles County, Missouri, or any municipality of which the Development may subsequently become a part, including, but not limited to, those affecting maintenance of private roadways, islands, sidewalks, street lights, open areas and recreational facilities and drainage facilities. The Declarant reserves the right to receive and retain any monetary consideration which may be refunded or allowed on account of any sum previously expended or subsequently provided by them for sewers, gas, pipes, conduits, poles, wires, street lights, roads, streets, recording fees, subdivision fees, consultation fees, or fees, charges and expenses incurred with respect to the creation of any subdivision and the tract described in Exhibit "A" attached hereto and made a part hereof.

Section 18. The rights of the Lot Owners shall only be exercisable appurtenant to and in conjunction with their ownership of a Lot. Any conveyance or change of ownership in any Lot shall convey with it ownership in the Common Areas and the license, and no interest in the Common Areas or in the license shall be conveyed by a Lot Owner except in conjunction with the sale of a Lot. The sale of any Lot shall carry with it all the incidents of ownership of the Common Areas and rights to enjoy the license although such is not expressly mentioned in the deed; provided, however, that no right or power conferred upon the Association shall be abrogated.

Section 19. In the event that the provisions of the Declaration cannot be fulfilled by reason of unfilled vacancies among the Board of Directors, the St. Charles City Council or its successor may, upon the petition of any concerned resident or Lot Owner of the Development, appoint one or more Directors to fill vacancies until such time as Directors are selected in accordance with the Declaration. Any person so appointed who is not a resident or Lot Owner within the Development shall be allowed a reasonable fee for his or her services by the order of appointment, which fee shall be realized as a special assessment against the Property of the Development and which shall not be subject to any limitations on special assessments contained in the Declaration, By-laws or elsewhere.

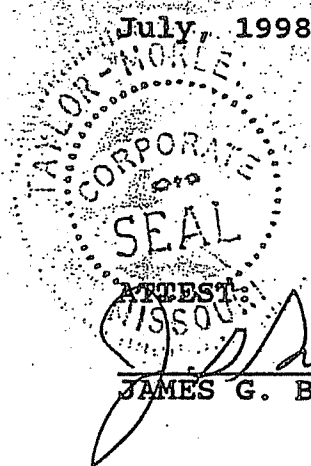
Section 20. In the event that the provisions of the Declaration are not enforced by the Association, any Lot Owner

within the Development may take any reasonable actions necessary to enforce the terms of the Declaration.

IN WITNESS WHEREOF, the Declarant, by its duly authorized officers, has executed this Declaration this 17th day of July, 1998.

TAYLOR-MORLEY, INC.

By: *William Taylor*
William Taylor, President



James G. Brennan
JAMES G. BRENNAN, Secretary

BOARD OF DIRECTORS

James G. Brennan
JAMES G. BRENNAN
Timothy Lyell
TIMOTHY LYSELL
Mark Morley
MARK MORLEY

STATE OF MISSOURI)
) SS.
COUNTY OF ST. LOUIS)

On this 17th day of July, 1998, before me appeared WILLIAM TAYLOR to me personally known, who, being by me duly sworn, did say that he is the President of Taylor-Morley, Inc, a Missouri corporation, and that said instrument was signed in behalf of said corporation, by authority of its Board of Directors; and said President acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

Lietta B Haenel
Notary Public

STATE OF MISSOURI)
)
COUNTY OF ST. LOUIS)

BOOK 2131 PAGE 422

SS.

On this 17th day of July, 1998 before me appeared JAMES G. BRENNAN, TIMOTHY LYSELL and MARK MORLEY, to me personally known, who, being by me duly sworn, did say that they are members of the Board of Directors described in and who executed the foregoing instrument, and acknowledged said instrument was signed on behalf of the Board of Directors and JAMES G. BRENNAN, TIMOTHY LYSELL and MARK MORLEY acknowledged said instrument to be the free act and deed of said Board of Directors.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year last above written.

Lietta B. Haenel
Notary Public

LIETTA B. HAENEL
Notary Public — Notary Seal
STATE OF MISSOURI
St. Louis County
My Commission Expires: June 23, 2001

EXHIBIT "A"

All of the property depicted on Plat One Covington, according to the plat thereof, which has been filed for record in Plat Book 35, Page(s) 167 of the St. Charles County, Missouri Records.

EXHIBIT "B"

All of the property designated as "Common Ground," "Common Land" or "Common Area" as depicted on Plat One Covington, according to the plat thereof filed for record in Plat Book 35, Pages 167 and 168, of the St. Charles County, Missouri Records.

STATE OF MISSOURI
COUNTY OF ST. CHARLES
RECORDER OF DEEDS
FILED FOR RECORD

SEP 17 1998

By Barbara J. Hall
Time 4:05 Pm

END OF DOCUMENT

State of Missouri }
County of St. Charles }

I hereby certify that this instrument was FILED FOR RECORD and is RECORDED on the Date and Time and in the Book and Page as Stamped hereon

Barbara J. Hall
BARBARA J. HALL
Recorder of St. Charles County

By Gita Schalk
Deputy