ORCHARD VALLEY HOMEOWNERS' ASSOCIATION

NOTICE OF PROPOSED AMENDMENT TO DECLARATION

Dear Association Member:

The Board of Directors has proposed an amendment to the Declaration of Covenants, Conditions and Restrictions for Orchard Valley Homeowners' Association (hereinafter referred to as "Declaration"). The proposed First Amendment to the Declaration of Covenants, Conditions and Restrictions for Orchard Valley Homeowners' Association, the text of which is enclosed with this notice, if approved by owners of at least three-fourths (3/4) of the total lots subject to the Declaration, will place certain restrictions on the leasing of homes in the Association community.

Specifically, if the amendment is approved, the maximum number of homes that could be leased at any time would be capped at thirty-four (34). Certain exceptions to this leasing cap are also included in the amendment for leases to immediate family members of owners as well as an exception that would permit the Board to allow leasing in certain hardship situations. The Board urges all owners to take the time to read through the proposed Amendment.

Instead of requiring owners to vote upon the proposed Amendment at a meeting, the Declaration permits owners to approve the proposed Amendment by executing a written document in support thereof. Accordingly, we have enclosed an Owner Approval and Execution Form for you to sign and acknowledge your approval of the proposed Amendment should you so desire. Please note, however, that the Declaration also requires that your signature must be notarized, meaning you must sign this document in front of a notary public, who must then also sign the document. If you wish to approve the proposed Amendment, please sign, date, and fill in your printed name and address on the enclosed Owner Approval and Execution Form in front of a notary public, have the notary public execute the document as well, and return the executed form to the Board of Directors itself by delivering it to: Alpha Management Services, Inc., Attention Patricia Torres, P.O. Box 4482, Aurora, IL 60507

The Board requests that all executed forms be returned as soon as possible.

Thank you for your attention to this matter.

Board of Directors for Orchard Valley Homeowners' Association

FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ORCHARD VALLEY HOMEOWNERS' ASSOCIATION

- 1. Article III "General Restrictions and Duty to Maintain" of the Declaration shall be amended by adding a new Section 3.3 which shall be titled "Restrictions on Leasing" and shall include the following language, which shall constitute the entirety of the language within this Section 3.3:
- "(a) Except as specifically provided in this Section 3.3, each Owner shall occupy and use the Dwelling on his/her Lot as a private dwelling. Rental or leasing of the Dwellings is prohibited, except as otherwise specifically provided in this Section. For purposes of this Section, rentals or leasing to a member of the Owner's immediate family members, including, children, grandchildren, siblings or parents shall not be prohibited or restricted by the Association and shall not be considered a rental for purposes of the cap limitations on renting of Dwellings contained in paragraph (b) of this Section.
- (b) The maximum number of Dwellings that may be leased at any given time shall be thirty-four (34) Dwellings, and no more than thirty-four (34) Dwellings shall be rented or leased at any time. In order to ensure that the maximum allowed number of leased Dwellings is not exceeded, each Owner desiring to lease his/her Dwelling must notify the Board or its authorized agent, in writing, of such desire prior to leasing such Dwelling. The Board shall inform such Owner whether or not his/her desired leasing would exceed the maximum allowed number of leased Dwellings. The Board may also from time to time adopt rules and regulations pertaining to the leasing of Dwellings, including policies and procedures to further the goals and objectives of this Section.
- (c) In the event that an Owner, due to medical or health reasons or other justifiable cause constituting a hardship, in the sole discretion of the Board, shall be unable to occupy his/her Dwelling for a period in excess of four (4) months and based on said hardship desires to lease said Dwelling, the Owner shall make written application to the Board which may, by majority vote and review of the application, grant to the Owner an exception to the above leasing restrictions, upon such conditions as the Board may establish and uniformly apply. Provided, however, that the maximum period of time an Owner that is granted a hardship exception may lease his/her Dwelling is twenty-four (24) months.
- (d) The Association shall be exempt from any lease restrictions provided in this Section, pursuant to the Illinois Forcible Entry and Detainer Act (735 ILCS 5/9-101 et. seq.) for the purposes of collecting delinquent assessments, costs, fees and other properly assessed expenses to the Lot and Dwelling.
- (e) All Owners leasing their Dwellings shall deliver a copy of the signed lease to the Board, or if the lease is oral, a memorandum of lease, no later than the date of occupancy or ten (10) days after the lease is signed, whichever comes first. Any Owner leasing his/her Dwelling shall not lease less than the entire Dwelling on his/her Lot, shall not lease his/her Dwelling for transient or hotel purposes, and shall not lease his/her Dwelling for other than housing or residential purposes. In the event that an Owner fails to comply with any leasing requirements

set forth in the Declaration, By-Laws, or rules and regulations of the Association, the Association may seek to evict a tenant from the Dwelling and Lot under Article IX of the Code of Civil Procedure, as well as pursue any and all other legal and/or equitable remedies available to the Association as to the Owner. Furthermore, all provisions of the Declaration, By-Laws and rules and regulations of the Association shall be applicable to any person leasing a Dwelling and shall be deemed to be incorporated in any lease executed or renewed. The Board may proceed directly against a tenant, at law or in equity under the provisions of Article IX of the Code of Civil Procedure, for any other breach by tenant of any of the provisions of the Declaration, By-Laws or rules and regulations of the Association."

- 2. The terms used herein, if not otherwise defined, shall have the same meaning described to them in the Declaration.
- 3. The language of this Amendment shall govern any conflicts between this document and the prior Declaration and its amendments.
- 4. Except as to the extent expressly set forth herein above, and as amended, the Declaration, By-Laws and Rules and Regulations shall continue in full force and effect without change.

END OF TEXT OF AMENDMENT

ORCHARD VALLEY HOMEOWNERS' ASSOCIATION

OWNER APPROVAL AND EXECUTION FORM

OWNER APPROVAL AND EXECUTION IN SUPPORT of the First Amendment to the Declaration of Covenants, Conditions and Restrictions for Orchard Valley Homeowners' Association. I hereby approve and vote in the affirmative on the First Amendment to the Declaration of Covenants, Conditions and Restrictions for Orchard Valley Homeowners' Association. I understand that if approved by owners of at least three-fourths (3/4) of the total lots subject to the Declaration, the First Amendment to the Declaration of Covenants, Conditions and Restrictions for Orchard Valley Homeowners' Association will amend the Declaration of Covenants, Conditions and Restrictions for Orchard Valley Homeowners' Association, which was recorded as document number 91K31587 with the Recorder of Deeds of Kane County, Illinois.

| | Signature of Owner of Record: |
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| | Date: |
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| | Printed Name: |
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| | Dwelling Address: |
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| | Home Address of Owner if different: |
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| me and ack Association, | , a Notary Public, hereby certify that on the the above individual, which individual is personally known to me, appeared before nowledged that, as the Owner of a Dwelling in Orchard Valley Homeowners' he/she signed this instrument as his/her free and voluntary act for the uses and einabove set forth. |
| | BY: |