

THE COMMUNITY OF OLD HAWTHORNE

SUMMARY OF DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

All residential property in The Community of Old Hawthorne is subject to mutually beneficial restrictions which establish a procedure for the overall development, administration, maintenance and preservation of the Community. These restrictions are recorded in the Property Records of Boone County, Missouri as the Declaration of Covenants, Conditions and Restrictions for The Community of Old Hawthorne (the "Declaration"). In addition to compliance with the Declaration, all residential property in The Community of Old Hawthorne must meet all applicable building codes and the requirements set forth in the Design Guidelines (the "Guidelines") that govern all phases of home construction.

The following is a summary of the Declaration. This document is provided for informational purposes only and may not be relied on as a basis for a decision to acquire a residential lot in The Community of Old Hawthorne. Persons are advised to obtain and carefully review a complete copy of the Declaration as well as the Guidelines prior to the purchase of residential property.

Association. The provisions of the Declaration are administered and enforced by Old Hawthorne Community Association, Inc., the homeowners association for The Community of Old Hawthorne (referred to as the "Association"). During the period identified in the Declaration as the "Class B Control Period," the Declarant, Old Hawthorne Development, LLC, may appoint a majority of the members of the Association's Board of Directors.

Common Area. Certain areas of the Community have been designated as Common Areas which, subject to rules regulating their use and enjoyment, may be used by lot Owners. Certain Common Areas may be designated as "Exclusive Common Areas," available exclusively to certain Neighborhoods or Unit Owners.

Private Streets. Every lot Owner has a right and nonexclusive easement of use, access, and enjoyment in and to, over and across any private streets and roads, within the Properties ("Private Streets") for the purpose of ingress and egress to public rights-of-way.

View Impairment. No guarantee or representation is made that any view over and across the Common Areas, the lakes, any open space areas, any Private Amenity including the Club Facilities, or any public facilities from Units will be preserved without impairment.

Membership. Every lot Owner is a Member of the Association. There shall be only one (1) Association membership per Unit. If a Unit is owned by more than one (1) Person, all Co-Owners shall share the privileges of such membership, and all such Co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners.

Voting. The Association shall have two (2) classes of membership, Class "A" and Class "B." The sole Class "B" Member is the Declarant. All Owners except the Class "B" Member are Class "A" Members. Class "A" Members shall have one (1) equal vote for each Unit in which they hold the ownership interest required for membership. The Class "B" Member may appoint a Majority of the members of the Association Board of Directors during the Class "B" Control Period which shall continue until the first to occur of the following: (i) when 95% of the total number of Units permitted by the Master Plan have certificates of occupancy issued thereon and have been conveyed to Persons other than Builders; (ii) December 31, 2026; or (iii) when, in its discretion, the Class "B" Member so determines and declares in a recorded instrument.

Neighborhoods. Every Unit is located within a Neighborhood; provided however, unless and until additional Neighborhoods are established, the Properties shall consist of one Neighborhood. The Units within a particular Neighborhood may be subject to additional covenants.

Function of Association. The Association is responsible for management, maintenance, operation and control of the Common Areas. The Association is responsible for enforcement of the Declaration and such reasonable rules regulating use of the Properties as the Board may adopt. The Association is also be responsible for administering and enforcing the architectural standards and controls set forth in the Declaration and in the Design Guidelines.

Enforcement. The Board may impose sanctions for violation of the Governing Documents, as defined in the Declaration, after compliance with the notice and hearing procedures set forth in the Bylaws. Such sanctions may include, without limitation: (a) imposing reasonable monetary fines which shall constitute a lien upon the Unit of the violator; (b) filing liens in the Public Records for nonpayment of any assessments or fees; (c) filing notices of violations in the Public Records; (d) suspending an Owner's right to vote; (e) suspending any Person's right to use any recreational facilities within the Common Areas; (f) suspending any services provided by the Association to an Owner or the Owner's Unit if the Owner is more than thirty (30) days delinquent in paying any assessment or other charge owed to the Association; and (g) levying Specific Assessments to cover costs incurred in bringing a Unit into compliance. In addition, the Board may elect to enforce any provision of the Governing Documents by self-help or by suit at law or in equity to enjoin any violation and/or to recover monetary damages.

Indemnification. The Association shall indemnify every officer, director, and ARB or committee member (the "Indemnified Parties") against damages and expenses, including attorneys fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an Indemnified Party.

Use of the Lakes, Ponds, Streams. No swimming shall be conducted on the lakes, any ponds or streams within the Properties. Neither the Association nor the Declarant shall be held liable for any loss or damage by reason of use of the lakes for any purpose by Owners, their invitees, licensees, and tenants. Each Person assumes all risks of personal injury, and loss or damage to property, including Units, resulting from or associated with authorized or unauthorized use of the lakes, any pond, or streams within the Properties.

Presence of Wildlife. Neither the Association, the Board nor the Declarant shall be liable or responsible for any personal injury, illness or any other loss or damage caused by the presence of such wildlife on the Properties.

Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Properties designed to make the Properties safer than they otherwise might be.

Provision of Services. The Association may provide services and facilities for the Members of the Association and their guests, lessees and invitees. The Association shall be authorized to enter into contracts or other similar agreements with other entities, including Declarant and the Club Owner, to provide such services and facilities. The costs of services and facilities provided by the Association may be funded by the Association as a Common Expense or charged to Owners as Specific Assessments. By way of example, some services and facilities which may be provided include landscape maintenance, garbage collection, cable television service, Internet, intranet and other computer-related services, security, utilities, and similar services and facilities.

Management Agreement. The Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof. All costs and expenses incident to the employment of a manager shall be a Common Expense.

Association's Responsibility. The Association shall maintain and keep in good condition, order and repair the Area of Common Responsibility. Except as otherwise specifically provided in the Declaration, all costs associated with maintenance, repair and replacement of the Area of Common Responsibility shall be a Common Expense to be allocated among all Units as part of the General Assessment

Owner's Responsibility. Each Owner shall maintain his or her Unit, and all structures, parking areas and other improvements comprising the Unit in a manner consistent with the Community-Wide Standard and all applicable covenants. Each Owner shall also maintain the driveway and mailbox serving his or her Unit and all landscaping and street trees located in the right-of-way immediately adjacent to such Owner's Unit. In addition to any other enforcement rights, if an Owner fails properly to perform his or her maintenance responsibility, the Association may perform such maintenance responsibilities and assess all costs incurred by the Association against the Unit and the Owner.

Owners' Insurance. Each Owner shall carry property insurance for the full replacement cost of all insurable improvements on his or her Unit, less a reasonable deductible. In the event of damage to or destruction of structures on or comprising his Unit, each Owner shall agree to proceed promptly to repair

or to reconstruct in a manner consistent with the original construction or such other plans and specifications as are approved by the ARB.

Annexation and Withdrawal of Property. Subject to the terms of the Declaration, Declarant may subject additional property to the Declaration, or may remove any portion of the Properties from the coverage of the Declaration.

Additional Covenants and Easements. The Declarant may unilaterally subject any portion of the Properties to additional covenants and easements, which shall be set forth in a Supplemental Declaration filed either concurrently with or after the annexation of the subject property.

Assessments. There are four types of assessments for Association expenses: (i) General Assessments to fund Common Expenses for the general benefit of all Units; (ii) Neighborhood Assessments for Neighborhood Expenses benefiting only Units within a particular Neighborhood or Neighborhoods; (iii) Special Assessments; and (iv) Specific Assessments. Each Owner is deemed to have notice of liability for these assessments and to covenant and agree to pay these assessments. All assessments and other charges, together with interest, late charges, costs of collection, and reasonable attorneys fees, shall be a charge and continuing lien upon each Unit against which the assessment or charge is made until paid. Except on foreclosure, the sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien for any subsequent assessments.

Architectural Review. Responsibility for administration of the Design Guidelines and review of all applications for construction and modifications are handled by the ARB. The Declarant has the exclusive authority to appoint all members of the ARB until certificates of occupancy have been issued for one hundred percent (100%) of the Units.

Design Guidelines. The Declarant has prepared the initial Design Guidelines for the Properties. The Design Guidelines are intended to provide guidance to Owners and Builders regarding matters of particular concern to the Declarant and the ARB in considering applications hereunder. The Design Guidelines are not the exclusive basis for decisions of the ARB and compliance with the Design Guidelines does not guarantee approval of any application.

Review Procedures. Plans and specifications showing the nature, kind, shape, color, size, materials, and location of all proposed structures and improvements must be submitted to the ARB for review. In reviewing each submission, the ARB may consider the quality of workmanship and design, harmony of external design with existing structures, and location in relation to surrounding structures, topography, and finish grade elevation, among other considerations. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that opinions on aesthetic matters are subjective and may vary over time.

Exterior Structures and Improvements. Plans and specifications shall be submitted for approval for all exterior structures and improvements which shall include, but shall not be limited to, staking, clearing, excavation, grading and other site work; initial construction of any dwelling or accessory building; exterior alteration of existing improvements; installation or replacement of mailboxes; basketball hoops; swing sets and similar sports and play equipment; clotheslines; garbage cans; wood piles; swimming pools; gazebos or playhouses; window air-conditioning units or fans; hot tubs; solar panels; antennas; satellite dishes or any other apparatus for the transmission or reception of television, radio, satellite, or other signals of any kind; hedges, walls, dog runs, animal pens, or fences of any kind; and artificial vegetation or sculpture; and planting or removal of landscaping materials.

Specific Guidelines. In addition to the foregoing activities requiring prior approval, the following items are strictly regulated, and the ARB shall have the right, in its sole discretion, to prohibit or restrict these items within the Properties: (i) tree pruning and removal; (ii) exterior lighting; (iii) temporary or detached structures, including mobile homes, trailer homes, travel trailers, campers or vehicles commonly known as "recreational vehicles"; (iv) overhead utility lines; and (v) signs. The Design Guidelines may establish a minimum square footage of enclosed, heated and cooled living space for residential dwellings, which minimum may vary from one Neighborhood to another. The Design Guidelines may establish requirements regarding the exterior appearance of residential dwellings, and requirements regarding fencing.

Building Restrictions. All improvements and other structures shall be constructed in compliance with any and all applicable state, county and municipal zoning and building restrictions and any applicable regulations and restrictions set forth in the Design Guidelines.

Construction Period. The initial construction of all structures under 3,000 square feet must be completed within 12 months after the issuance of a building permit, unless extended by the ARB in its sole discretion. The initial construction of all structures over 3,000 square feet must be completed within 18 months after the issuance of a building permit, unless extended by the ARB in its sole discretion.

Builder's Responsibility. In the event that a Builder ceases construction on a dwelling for more than 30 days, Declarant or the Board of Directors shall have the right, but not the obligation, to finish the exterior of the dwelling in a workmanlike manner and maintain the Unit, keeping it free of trash and debris to prevent devaluation of other Units in the Properties. Costs incurred for finishing the exterior of the dwelling, as well as maintenance costs, shall be charged by the Declarant or the Association to said Builder. Should said Builder fail to reimburse Declarant or the Association for costs incurred, said costs shall become a lien against such Unit or dwelling.

Variance. The ARB may authorize variances from compliance with any guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (i) be effective unless in writing; (ii) be contrary to the Declaration; or (iii) estop the ARB from denying a variance in other circumstances.

Enforcement of the Declaration and Design Guidelines. The Declarant, any member of the ARB or the Board, or the representatives of each shall have the right, during reasonable hours and after reasonable notice, to enter upon any Unit to inspect for the purpose of ascertaining whether any structure or improvement is in violation of the Declaration or Design Guidelines. Any structure or improvement placed or made in violation of the Declaration or Design Guidelines shall be deemed to be nonconforming. Upon written request from the Declarant, the ARB or the Board, Owners shall, at their own cost and expense, remove such structure or improvement and restore the property to substantially the same condition as existed prior to the nonconforming work.

Residential Use. All Units shall be used exclusively for residential purposes and shall not be used to conduct business or trade, except for home occupations incidental to the use of the Unit. Please refer to the Declaration for the applicable definition of "business or trade" and the criteria for incidental home occupations. Up to two (2) garage sales, rummage sales, moving sales, yard sales or similar activities may be conducted upon a Unit per calendar year without the prior written consent of the Board.

Leasing. Units may be leased for residential purposes only. All leases shall be in writing and shall require, without limitation, that the tenant acknowledge receipt of a copy of the Declaration, Bylaws, use restrictions, and rules and regulations of the Association. The lease shall also obligate the tenant to comply with the foregoing.

Rules and Regulations. In addition to the rules and regulations stated in the Declaration, the Board may, from time to time, without consent of the Members, promulgate, modify, or delete rules and regulations applicable to the Properties.

Vehicles. All vehicles shall be subject to such reasonable rules and regulations as the Association may adopt. The Association is authorized to promulgate, administer, and enforce reasonable rules and regulations governing vehicular and pedestrian traffic, including reasonable safety measures and speed limits within the Properties. Automobiles and non-commercial trucks and vans shall be parked only in the garages or in the driveways serving the Units unless otherwise approved by the Board; provided however, the Declarant and/or the Association may designate certain on-street parking areas for visitors or guests subject to reasonable rules. No automobile or non-commercial truck or van may be left upon any portion of the Properties, except in a garage, if it is unlicensed or if it is in a condition such that it is incapable of being operated upon the public highways. Such vehicle shall be considered a nuisance and may be removed from the Properties. When not in use, all garage doors shall be kept closed. Recreational vehicles shall be parked only in closed garages with doors serving the Units. Please refer to the Declaration for the applicable definition of "recreational vehicles."

Nuisance. It shall be the responsibility of each Owner and occupant to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her property.

Storage of Materials, Trash, Garbage, Dumping, Etc. No lumber, metals, bulk materials, refuse, trash or other similar materials shall be kept, stored, or allowed to accumulate outside the buildings on any Unit, except during the initial construction period of the improvements to the Unit. All garbage cans shall be located within the enclosed garage of a Unit except during hours of collection. Roads and sidewalks shall be kept free of obstruction at all times. All gas and electricity meters as well as air conditioning equipment shall be located or screened so as to be concealed from view of neighboring streets and property.

Animals and Pets. No animals, livestock, or poultry of any kind may be raised, bred, kept, or permitted on any Unit, with the exception of dogs, cats, or other usual and common household pets in reasonable number, as determined by the Board. No animals shall be kept, bred or maintained for any commercial purpose. All pets shall be reasonably controlled by the owner whenever outside a Unit and shall be kept in such a manner as to not become a nuisance by barking or other acts. All pets shall be retained by a leash whenever not located on a Unit. The owners of the pet shall be responsible for all of the pet's actions.

Hunting and Guns. Hunting, trapping or the discharge of firearms within any portion of the Properties is strictly prohibited. The term "firearms" includes without limitation "B-B" guns, pellet guns, and firearms of all types.

Combustible Liquid. Storage of gasoline, heating or other fuels on any Unit is strictly prohibited, provided that a reasonable amount of fuel may be stored on each Unit for emergency purposes and for operation of lawn mowers and similar tools or equipment. Propane or L.P. tanks greater than five (5) gallons in size may only be stored or operated on a Unit with the express written consent of the ARB.

Water Wells and Septic Tanks. Except those initially installed by the Declarant or a Builder, no private water wells may be drilled or maintained and no additional septic tanks or similar sewerage facilities may be installed or maintained on any Unit, except for wells maintained solely for irrigation purposes or as approved by the ARB.

Water and Sewer Service Charges. Each residence within the Properties is required to connect to and be serviced by the Utility Company for water service and sanitary sewer.

Subdivision or Replatting of Unit. Generally, no Unit shall be subdivided or its boundary lines changed after a subdivision plat including such Unit has been approved and filed in the Public Records.

Occupancy of Unfinished Units. No dwelling erected upon any Unit shall be occupied in any manner before commencement of construction or while in the course of construction, nor at any time prior to the dwelling being fully completed.

Club Facilities. Owners, as well as their families, tenants, guests, invitees, and pets, shall refrain from any actions which would distract from the playing qualities of the golf course adjacent to the Properties, or which would distract from the use of the Club Facilities. Such prohibited activities shall include, but shall not be limited to, burning materials where the smoke will cross the golf course or other Club Facilities Property, maintenance of dogs or other pets which interfere with golf course play or use of the other Club Facilities due to their loud barking or other actions, playing of loud radios, televisions, stereos or musical instruments, running, bicycling, skateboarding, walking or trespassing in any way on the golf course or other Club Facilities Property, picking up balls or similar interference with play. No Person shall have any right to use any portion of any golf cart path system, including any portion thereof which may be situated upon Common Area, without the prior written approval of the owner of such golf course. The lot Owners' right to use the Club Facilities Property, if any, shall be solely by separate contract between the Owner and the Club Owner.

Easements for Utilities, Etc. The Declarant and the Association, and their designees (which may include, without limitation, any governmental or quasi-governmental entity and any utility company whether public or private) have perpetual non-exclusive easements upon, across, over, and under all of the Properties to the extent reasonably necessary for the purpose of installing, constructing, monitoring, replacing, repairing, maintaining, operating and removing cable television systems, master television antenna systems, and other devices for, sending or receiving data and/or other electronic signals; security and similar systems; roads, walkways, pathways and trails; ponds, holding ponds, wetlands, irrigation, and drainage systems; street lights and signage; and all utilities, including, but not limited to, water, sewer,

telephone, gas, and electricity, and utility meters; and an easement for access of vehicular and pedestrian traffic over, across, and through the Properties, as necessary, to exercise the easements described above.

Easements for Entry. The Association shall have the right, but not the obligation to enter all portions of the Properties, including each Unit, for emergency, security, and safety reasons. All police officers, fire fighters, ambulance personnel, and similar emergency personnel in the performance of their duties have a perpetual easement for entry.

Easements for Maintenance and Enforcement. A perpetual easement has been granted to the Association to enter all portions of the Properties, including each Unit to (i) perform its maintenance responsibilities under the Declaration; (ii) make inspections to ensure compliance with the Declaration, any Supplemental Declaration, Bylaws, Design Guidelines and rules; and (iii) to abate or remove, using such measures as may be reasonably necessary, any structure, thing or condition which violates the Declaration, any Supplemental Declaration, the Bylaws, the Design Guidelines, or the rules.

Easements for Landscaping. A nonexclusive easement for landscaping maintenance purposes has been granted to Declarant for the benefit of itself and the Association, over that portion of the Units fronting the streets, roads, rights-of-way and Common Areas within the Properties.

Easements for Walks, Trails, Signs and Perimeter Walls. A nonexclusive easement has been granted to Declarant for the benefit of Declarant, the Association, and their respective successors and assigns, across those strips of land ten feet in width located along and adjacent to the exterior boundaries of all Units, such strips to be bounded by the exterior boundaries adjacent to streets and roads and by lines in the interior of such Units which are ten feet from and parallel to such exterior boundaries, for the installation, maintenance, and use of sidewalks, traffic directional signs, entrance monuments and related improvements, provided that Declarant shall have no obligation to construct any such improvements. The Declarant further reserves for benefit of Declarant, the Association and their respective successors and assigns, a nonexclusive easement across those strips of land fifteen feet in width located along those boundaries of all Units that constitute part of the perimeter boundary of the Properties, such easement to be for the purpose of constructing, installing, replacing, repairing and maintaining a perimeter wall or fence around the perimeter boundary of the Properties, provided that neither Declarant nor the Association shall have any obligation to construct any such perimeter wall or fence.

Easement for Special Events. A perpetual, non-exclusive easement over the Common Area has been established for Declarant, its successors, assigns and designees for the purpose of conducting educational, cultural, entertainment, or sporting events, and other activities of general community interest, at such locations and times as Declarant, in its sole discretion, deems appropriate. Each Owner acknowledges and agrees that the exercise of this easement may result in a temporary increase in traffic, noise, gathering of crowds, and related inconveniences, and each Owner agrees on behalf of itself and the occupants of its Unit to take no action, legal or otherwise, which would interfere with the exercise of such easement or to recover damages for or as the result of any such activities.

Easements for Private Amenities. The owners of any Private Amenity have been granted the following non-exclusive, perpetual, reciprocal, appurtenant easements which shall benefit the Private Amenity: (i) permitting of errant golf balls to unintentionally come onto any Unit; (ii) retrieval of golf balls from unfenced, unenclosed areas of any Unit; (iii) operation of lighting facilities for operation of the Club and other recreational facilities during hours of darkness; (iv) creation of usual and common noise levels associated with such recreational activities; (v) operation of golf carts and maintenance vehicles; (vi) creation of noise related to the normal maintenance and operation of the Club Facilities, including, but not limited to, the operation of mowing and spraying equipment; (vii) creation of the usual and common noise level associated with the playing of the game of golf; (viii) an easement for the spray of herbicides, fungicides, pesticides, fertilizers, chemicals and water over the Club Facilities Property; and (ix) all such other common and usual activities associated with the game of golf and all such other normal and usual activities associated with the operation and maintenance of the Club Facilities Property and the Club Easement Area.

Mandatory Club Membership. No later than the first to occur of (i) sixty (60) days after signing the purchase agreement, or (ii) closing on the Unit, every Owner who is a natural person, other than the Declarant or a Builder, is required to submit an application for a social membership in the Club ("Social Membership") and, upon acceptance for membership by the Club Owner, must submit a membership

agreement and pay the then current initiation fee or deposit for a Social Membership to the Club Owner. The Club Owner may accept or reject any Owner's application for membership in its sole discretion, and the decision of the Club Owner on any application shall be final. The purchase of a Unit is not a guarantee that an application for membership in the Club will be accepted.

Mandatory Club Membership Dues. Pursuant to each Owner's Club Membership, the Club shall be entitled to charge and collect from each Owner dues on a monthly basis ("Club Membership Dues").

Upgraded Club Membership. The Club will offer a variety of memberships over and above the mandatory Social Membership. Owners shall be entitled to upgrade their mandatory Social Membership pursuant to the membership plan, bylaws and rules and regulations of the Club, as amended from time to time. Provided the Owner is paying dues on the upgraded Membership, an Owner who upgrades his or her Social Membership shall be excused from paying Club Membership Dues on a Social Membership.

Lien for Club Membership Dues. The Club Owner shall have a lien against each Unit to secure payment of delinquent Club Membership Dues and other charges, as well as interest at a rate to be set by the Club (subject to the maximum interest rate limitations of Missouri law), costs of collection and reasonable attorneys fees. The Club Owner may sue for unpaid Club Membership Dues and other charges authorized hereunder without foreclosing or waiving the lien securing the same. Except for foreclosure, the sale or transfer of any Unit shall not affect the Club Membership Dues lien or relieve such Unit from the lien for any subsequent Club Membership Dues.

Golf Course and Private Amenity Risks. Each Owner of property adjacent to a Private Amenity, including, but not limited to the golf course, acknowledges that the detriments of such property ownership include: (a) the risk of damage to property or injury to persons and animals from golf balls which are hit onto an Owner's Unit; (b) the entry by golfers onto an Owner's Unit to retrieve golf balls; (c) overspray in connection with the watering of the roughs, fairways and greens on the golf course; (d) noise from golf course maintenance and operation equipment (including, without limitation, compressors, blowers, mulches, tractors, utility vehicles and pumps, all of which may be operated at all times of the day and night and/or continuously); (e) odors arising from irrigation and fertilization of the turf situated on the golf course; (f) disturbance and loss of privacy resulting from motorized golf car traffic and golfers; and (g) the existence of water hazards, ponds, and/or lakes on the golf course. Additionally each Owner acknowledges that pesticides, herbicides, fungicides, chemicals and fertilizers may be applied to the golf course throughout the year and that reclaimed water, treated waste water or other sources of non-potable water or "grey water" may be used for irrigation of the golf course.