

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Twin Lakes Homes Association its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more person or entities, of a free 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 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners. The common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

Refer to Lot 33, PRAIRIE HOMES MANOR NORTH, Phase IV.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to Cornco, Inc., successors and assigns. A successor or assign shall be one who acquires parcel of land from the Declarant for the purpose of Development.

Section 7. "Beneficial Member" shall mean:

(a) Owners of property may have an access easement upon the Common Area of the development; and

(b) The adjoining property may have an access easement upon the Common Area of the development: and

(c) Provided further, the Beneficial Member shall pay the assessment required or levied by the Association; and

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(d) Finally, the Beneficial Member shall execute the documents necessary to join the association and cause the rights and obligations under this Declaration, which pertain to the use of the Common Area, to attach to and run with the contiguous property owned by the Beneficial Members, their successors and assigns. Beneficial Members shall be know as owners for the purpose of the easements of enjoyment and delegation of use.

ARTICLE I I

PROPERTY RIGHTS

Section 1. 'Owners Easements of Enjoyment' Every Owner shall have a right and easement of enjoyment in and to the Common Area 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 charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his 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 Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members.

No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of each class of members has been recorded.

Section 2. "Delegation of Use" Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on his property.

ARTICLE III

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. (Except as provided in Section 3).

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

Class A. Class A membership shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned and one vote for each undeveloped area. 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.

On Jan 15, 1987 Article III Section 2 Class B. membership was amended as Amendment Number One.

Class B. The Class B member (s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned and one (1) vote each undeveloped acre (**Note: Remainder of Section Remains the Same**). 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) On July 1, 1998.

Class B members who own vacant lots shall not be subject to Association Capital or special assessments on the Lots.

Class Beneficial Members.

Section 3. Beneficial Members in good standing shall be allowed to participate in the use of the Common Area of the

development pursuant to the requirements the Association may from time to time establish. The Beneficial Members assessments shall be those portions of the annual assessments that involve the Common Areas of the Development which are or can be used by the Beneficial Members, but in no event shall the assessment of a Beneficial Member exceed that require of a Class A member. A Beneficial Member in good standing shall be a voting member of the Association on those matters which pertain to the Beneficial Members assessment, rights and use of the Common Area.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot (including Beneficial Members) owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) Annual assessments of charges, and (2) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interests, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs 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, in addition a Twenty Five Dollar (\$25.00) per day charge from the date suit is filed shall be recoverable by the Association as provided in Section 8 of this Article. The personal obligation for delinquent assessments shall not pass to his successors in title expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

Section 3. Basis and Maximum of Annual Assessments. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Fifty Dollars (\$50.00) per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum assessment may be increased effective January 1 of each year without a vote of the membership in conformance with the time, if any, of the Consumer Price Index (Published by the

Department of Labor, Washington D.C.) for the preceding month of July.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above that established by the Consumer Price Index formula by a vote of the members, provided that any such changes shall have the assent of one-half (1/2) of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days not more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements.

Article IV Section 4 was amended on January 15, 1987 and reads as follows:

Section 4. Special Assessments for Capital Improvements.

In addition to the annual assessments authorized above, the Association/Directors may levy, in any assessment year, a special assessment applicable to the year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such total assessment in excess of Five Thousand Dollars (\$5,000.00) shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days no more than sixty (60) days in advance of the meeting. At the first such

meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate all Lots and may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the Conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due date shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessment: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of the eighteen percent (18%) per annum. (Or the highest legal rate allowed by law). The association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. If the association brings an action at law against the Owner, the Association in addition to costs and attorney's fee may recover the sum of Twenty Five (\$25.00) per day each day the action has been on file in a Court of proper jurisdiction.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of an Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V

PROTECTIVE RESTRICTIONS

Section 1. Architectural Control. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to 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 to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by any architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, 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.

Note the following: Parts of Article V Section 2 were first amended on Jan 14, 1987. Parts of Article V Section 2 were again amended on March 12, 1987. Parts of Article V Section 2 were again amended on December 16, 1987. Parts of Article V Section 2 were again amended on January 7, 1997. Parts of Article V Section 2 were again amended on January 22, 1998.

Section 2. Specific Restrictions. Notwithstanding the generality of the foregoing provisions as set out in Section 1, this Article will be deemed to have been fully complied with, provided that:

(a) No trailer, basement, tent, shack, garage, or any out-building shall at any time be constructed or located within the Development or used as a residence, temporarily or permanently, nor shall any residence of temporary character be permitted within the Development except as may be necessitated by the Association, Declarant, its employees and designees.

(b) All exterior surfaces, except roofs/or those surfaces which the Board or Architectural Committee hereafter exempts, shall be covered with paint or stain and the quality, texture and color of such paint or stain shall be approved in writing by the

Committee. No additions, changes or alterations shall be made to the exterior of any Unit or Tract until and unless it is approved in writing by the Committee. In the event of fire, windstorm or other damage or casualty, repair or construction shall commence forthwith and be completed with all due haste.

(c) No fuel storage tank other than for the purpose of home heating shall be erected above or below the surface of the ground, without meeting county, state or federal safety requirements and said tank shall be approved by the Board of Directors.

(d) Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat of the Development, or as reflected in the records of the Recorder of Deeds of Clay County, Missouri, or as may be subsequently be approved by the Committee and upon and within these easements, no structure, planting or other material shall be placed or permitted to remain 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 easements.

(e) No noxious or offensive activity (except as may be necessitated by the Association or Declarant in carrying out their duties hereunder) shall be carried on upon or within any Unit or Tract or within the Common Areas or Common Properties nor shall anything be done thereon which may be or may become a public annoyance or nuisance of substantially or unnecessarily increase the sound or noise level to and within the neighborhood and/or residents of the Development.

(f) No business structure shall be erected or business or profession of any nature whatsoever shall be conducted within or within the Development, nor shall any activity be conducted on and in the Development which may in the opinion of the Committee or the Board constitute or be deemed to be a public nuisance; provided, however, that the Declarant, its successors and assigns, shall be permitted to maintain a place of business within the Development for the purposes of sales and management within and in respect to the Project.

(g) Except as the Board of Directors may from time to time grant permission, which permission may, at all times, be

revocable:

1 (a) No mobile homes shall be parked on or around home sites except in garage, or locations approved by the Board of Directors.

1 (b) No commercial vehicles in excess of one ton capacity or of body style other than van or pickup truck shall be parked on or around home sites except in garage or on locations approved by the Board of Directors.

1 (c) No motor homes, campers, boats or trailers shall be parked on or around home sites except in garage, or locations approved by the Architectural Committee.

1 (d) Motor homes, campers, boats, trailers, lawn and garden tractors and commercial vehicles not exceeding limits as outlined in items b and c of this section may be parked on or around home sites provided the following conditions are met:

(1) said item or vehicle must be functional,

(2) with the exception of garden tractors and commercial vehicles, any motor homes, campers or trailers must be registered and currently licensed to the owner/resident of the property the item is to be parked on,

(3) All grounds/property around said item are to be maintained so as to not allow grass, hedges, weeds, etc. to grow wildly or untrimmed,

(4) every effort should be made by the owner to park said item behind house, garage, hedge, or fencing so as to as much as possible block view of said item from roadways and adjoining property;

2. No wheeled vehicles shall be parked overnight in the common property;

3. No vehicle shall be repaired, serviced, rebuilt, dismantled or painted anywhere within the Development, unless said operation is for the noncommercial use of the property owner or dependents and that the actions are done within a structure on the premises, with the exception of routine maintenance and that said actions comply with all state, county and federal

requirements;

4. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any lot except that dogs, cats or other household pets and one horse per acre of land may be kept provided that they are not kept, bred or maintained for any commercial purpose. The raising of livestock in conjunction with youth agriculture programs may be permitted on a case by case basis with the temporary approval of the Board or Architectural Committee;

5. No aerial or antenna with the exception of a satellite dish; for transmission or reception of radio or television or other electronic signals shall be maintained on the exterior of any Unit or tract or in or on any part of the Common property, except as approved by the Board of Directors. The placement of one satellite dish on the homeowner's property is approved. Only satellite dishes 24" or smaller in diameter may be mounted on any unit.

For ground mounted satellite dishes in excess of 24 inches in diameter, the home owner should make every effort to install such dish behind the Unit, garage, hedges or fencing so as to as much as possible minimize the appearance of the satellite receiving dish;

6. All residential units shall have at least Thirteen hundred (1300) square feet of living area exclusive of the units basement and garage area if said unit is located in that property plated as Phase 3 of Twin Lakes, however, all subsequent phases in the development identified by the property described in the original declarations shall remain as established in the original declaration which was: All residential units shall have at least One thousand one hundred (1,100) square feet of living area exclusive of the units basement and garage area;

7. No article or material of any type shall be stored within the Development except within a Unit where it is not visible from the Common Property except as may be necessary for the Association to carry out its duties hereunder and the Declarant to carry out its intentions in respect to the Project;

8. No signs may be displayed on or from any Unit or Tract except by and for the Declarant or the Association provided

that the names of residents and their street numbers may be displayed on their mailboxes or Units; provided however, real estate sale signs shall be allowed upon the property of the owners;

9. No flat roofs will be allowed. All roofs shall have a minimum pitch of 20% except when approved by the Architectural Committee;

10. All fencing on any portion of the property shall be approved by the Architectural Committee.

(h) The lakes that are in the Common Area of Development are restricted as follows:

1. Docks built in the lakes shall be approved by the Board of Directors and only those owners of lots abutting the lakes and the Association will have the right or permission to build docks.

2. Only the Association, and owners of abutting property shall be allowed with the Board of Directors approval to construct or place a dock upon the lakes in the Common Area of the Development, however, this restriction upon docks in no way shall abate or limit any members access to lakes in the Common Area of development.

3. No motorized boat (except electric trolling motors) shall be allowed upon or used upon the lakes.

4. No cleaning of fish shall take place on or near the lake.

Section 3. Exterior Maintenance of Lots and Residences. In addition to maintenance upon the Common Areas, the Association shall have the right to perform maintenance upon Lots and Homes situated thereupon subject to assessment hereunder, as follows: paint and repaint of exterior building surfaces, trees, shrubs, grass, walks and other exterior improvements. Provided, however, that no maintenance can be performed by the Association until by a two-thirds (2/3) vote of the Board of Directors it shall be determined that the lot and home thereupon are not maintained in a manner satisfactory to the Associations. Upon said determination, the Associations repair, maintain, and restore the

lot and exterior of the building and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which the lot is subject. Furthermore, no maintenance by the Association shall be undertaken until thirty (30) day notice has been given to the owner at their last know address and by publication in a newspaper published in the county at least twenty (20) days prior to said maintenance.

Section 4. General Restrictions. There shall be additional restrictions as hereinafter set forth:

(a) Septic Systems: Every property owner shall be responsible for the maintenance of the sewage system on the lot in accordance with the standards adopted by the Clay County Health Department, or, if within their jurisdiction, the Smithville Lake Wastewater Agency.

In the event that a sewage system does meet these standards and is not improved so as to meet these standards within thirty (30) days of receiving a notice of such deficiency from the appropriate jurisdiction, the property owner shall be required to pay all costs of maintaining such system to the public agency which corrects such deficiencies.

The costs for such corrections or improvements shall be determined by the Health Department or the Wastewater Agency, whichever has jurisdiction, and shall include all required parts and labor expended to remedy the sewage problems on that lot plus the administrative costs incurred by the correcting jurisdiction.

This covenant, as it applies to sewer maintenance , shall become null and void as such time that the voters of Clay County approve a fee which may be charged by the Clay County Sewer District to provided for maintenance and inspections of individual and shared sewage systems.

In addition, all restrictions contained herein shall operate as covenants running with the land as described in the subdivision plat and shall inure to the benefit of all grantees of said land, their heirs, successors, and assigns and shall apply to the grantees of any and all parcels of the property, their heirs, successors, or assigns.

(b) Development Sign Installation and Maintenance.

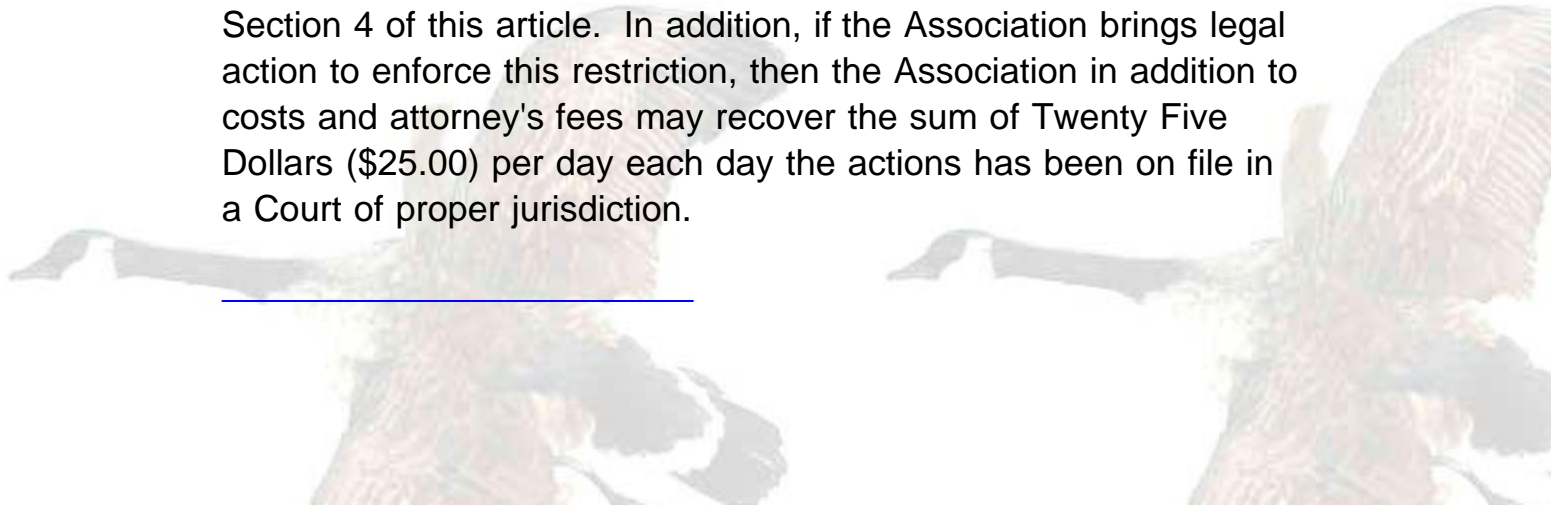
Cornco, Inc., shall, at its expense, install a sign signifying "Twin Lakes" on the Southwest Corner of Lot Number 54, in Prairie Home Manor North - Phase VI. Said sign shall be located within the thirty (30) foot utility easement as shown on the recorded plat. Cornco, Inc., herewith reserves an easement of ingress and egress to install said sign on said Lot Number 54 in Prairie Home Manor - Phase VI.

Upon completion of the installation of the said aforementioned sign, the Twin Lake Homeowners' Association, shall maintain and make annual (ual added to original wording by webmaster) necessary repairs on said sign at its expense. The said Twin Lakes Homeowners' Association, shall further be granted an easement of ingress and egress on said Lot Number 54 in Prairie Home Manor North - Phase VI to comply with provision of this Declaration of Restrictions and Covenants.

Section 5. Covenants run with the land. The protective covenants as set forth in this Article V shall run with the land within the Development and bind the Declarant, its successors and assigns, and all parties claiming by, through or under it, shall be taken to hold, agree and covenant with Declarant, its successors and assigns, and with each of them to conform to and observe said restrictions as to the use of said land within the Development, and the construction of improvements thereon, but no restrictions herein set forth shall be personally binding on any corporation, person or persons except in respect of breaches committed during its, his or their seisin of, or title to, said land within the Development, and the Owner or Owners of any such land shall have the right to sue for, and obtain an injunction, prohibitive or mandatory, to prevent the breach of, or to enforce the observance of the restrictions above set forth, in addition to ordinary legal action for damages, and the failure of the Declarant, its successors and assigns or the Owner or Owners of any such land, to enforce any of the restrictions as set forth herein at the time of its violation, shall, in no event be deemed to be a waiver of the right to do so thereafter. In addition, Beneficial Members whose property is affected by this Declaration shall have all rights set forth in this section.

Section 6. Association Enforcement of Restrictions. The

Association shall have all the rights and remedies set forth in Section 4 of this article. In addition, if the Association brings legal action to enforce this restriction, then the Association in addition to costs and attorney's fees may recover the sum of Twenty Five Dollars (\$25.00) per day each day the actions has been on file in a Court of proper jurisdiction.



ARTICLE VI

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way effect any other provision which shall remain in full force and effect.

Article VI, Section 3 was amended on January 17, 1996.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time she shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by an instrument signed by not less than seventy (70%) of Lot Owners. Any amendment must be recorded.
