DECLARATION OF COVENANTS AND RESTRICTIONS PLAT OF HEATHERFIELD ESTATES SUBDIVISION

THIS DECLARATION is made this 20th day of December, 2006 by First 173 Development Corporation. Where no distinction is required by the context, First 173 Development Corporation will be referred to in the Declaration as the "Declarant".

Declarant is the owner of fee simple title in and to that certain real property situated in Boone County, Illinois, known as Plat of Heatherfield Estates Subdivision, as shown on the plat (the "Plat") of subdivision recorded as Plat of Subdivision in the office of the Recorder of Deeds of Boone County, Illinois, on October 4, 2006, and recorded as Document No. 2006R11000 in Envelope No. 359-A and which is referred to in this Declaration as the "Subdivision".

The Subdivision consists of Twelve (12) residential lots numbering 1-12 inclusively as shown on the Plat. It is the intention and desire of Declarant that the Subdivision be developed into a first class, protected community of homes, and it is the present purpose of Declarant in executing this Declaration to subject the Subdivision to the restrictions, conditions and covenants set forth below, each and all of which are for the benefit of each current and subsequent owner of any parcel in the Subdivision.

NOW, THEREFORE, in consideration of the recitals set forth above, Declarant declares and agrees that:

1. Restrictions. Until December 31, 2026, each lot in the Subdivision shall be held, sold and conveyed subject to the following restrictions and conditions, which shall be construed as covenants running with the land, binding on all parties having any right title or interest in the Subdivision or any part of the Subdivision and on their heirs, successors and assigns (all of whom are collectively referred to as "Lot Owners" and individually referred to as "Lot Owner") and shall inure to the benefit of each Lot Owner. After December 31, 2026, the restrictions and conditions shall continue to run with and bind the land after that date until and unless the fee owner or owners

of at least two-thirds (2/3) in number of the lots in the Subdivision agree in writing to modify or terminate any one or all of the restrictions and conditions. The modification or termination may be made at any time after December 31, 2026, by a written agreement stating the manner and extent of any modification or the date of termination, signed and acknowledged by the fee owner or owners of at least two-thirds (2/3) in number of the lots of the Subdivision and filed in the Office of the Recorder of Deeds of Boone County, Illinois. The Subdivision shall be subject to the following covenants, restrictions, and conditions:

a) No building shall be erected, maintained or used on any lot for manufacturing, commercial industrial or business purposes and no noxious or offensive activity shall be carried upon any lot nor shall anything be done thereon which may be or become an annoyance or nuisance;

b) No building shall be erected or maintained on any lot unless it is a single-family dwelling house with a 2 or 3 car attached garage designed and equipped for occupancy only as a private residence for a single-family. No more than one single-family dwelling shall be maintained on any one lot at the same time. No outbuildings or detached garages shall be approved unless they are of the same architectural style and constructed of the same grade of materials as the dwelling located on the lot. A blacktop, concrete or other mat surface driveway shall be installed and maintained in accordance with the applicable standards. The restrictions set forth in this paragraph shall not apply to any temporary facility used by a contractor during the course of construction which temporary facility is removed at the completion of construction;

c) In-ground swimming pools may be constructed or maintained on any lot. Above ground swimming pools are prohibited.

d) Each Lot Owner shall comply with all applicable requirements of the governmental bodies having jurisdiction over the property;

e) No visible tank for the storage of oil, gas, or any other material shall be erected or maintained on any lot;

f) Only automobiles, passenger vehicles and trucks not exceeding 8,000 pounds Gross Vehicle Weight (GVW) are permitted to be parked on the driveway surface of the lot. Recreational vehicles may be stored on the lot provided they are within a fully enclosed building. Commercial vehicles and vehicles over 8,000 pounds GVW are prohibited from being parked or stored on any lot.

g) No stables, kennels, or other quarters shall be erected, maintained or used on any lot for stabling or accommodating any horses, dogs, cattle, swine, goats, sheep, bees, fowl, or any other animals;

h) Each single-family dwelling constructed in the Subdivision shall comply with the following minimum area requirements (exclusive of the area of any open porches, garage or basement): (1) 1,900 square feet finished on the main floor for any ranch or exposed ranch; and (2) 2,400 square feet finished for any two-story residence. In addition, each single-family dwelling shall have a minimum of 50 percent brick or stone on the front facade of the residence;

i) With the exception of houses constructed by Three Hammer Construction, Inc., no dwelling house, outbuilding or detached garage shall be erected or placed on any lot until and unless the plans and specifications for the same have been first submitted to and approved in writing by the Declarant before the construction building permit is issued. Declarant, in its sole discretion, shall determine whether or not the nature, shape, color, height, exterior elevations and building materials are appropriate and acceptable for the Subdivision;

j) A wood, iron or vinyl fence not exceeding six (6) feet in height may be constructed and maintained in the rear yard of any lot, provided such fence is properly maintained, is located on the property line, complies with any applicable governmental codes and no portion of the fence shall be further from the rear lot line of such lot than the rearmost corner portion of the house on such lot. Chain link or wire fencing is prohibited;

k) With the exception of improvements constructed by Three Hammer Construction, Inc., all plans and specifications for any improvements must be submitted in writing by the Lot Owner and approved by Declarant before commencement of any construction. If the Declarant fails to approve or reject any plans or specifications within thirty (30) days after its submission, the plans and specifications in question shall be deemed not to be approved;

l) No advertising sign or billboard, other than a single temporary "For Sale" or "For Rent" advertising sign of not greater than four (4) square feet in size shall be erected or maintained on any lot. A sign displaying the name of the general contractor and/or architect of the house may be erected during construction of said home provided that the sign does not exceed eight (8) square feet in area and is removed immediately after the completion of the construction; and

2. Covenants Run With The Land. Each grantee of Declarant, by acceptance of a deed of conveyance, accepts the same subject to all the restrictions, conditions, covenants and reservations set forth in this Declaration, and to the jurisdiction, rights and powers of the Declaration. All of the impositions and obligations imposed under this Declaration shall run with the land and bind every Lot Owner of any interest in each lot or part of a lot in the Subdivision and inure to the benefit of every owner in like manner. Each Lot Owner in the Subdivision and the Declarant shall be entitled to enforce any provision of this Declaration by proceedings at law or in equity against any person or persons violating or attempting to violate any of the provisions either to restrain violations, to remove violations, or to recover damages.

3. Waivers. No restrictions imposed under this Declaration shall be abrogated or waived by any failure to enforce any of the provisions, no matter how many violations or breaches may occur.

4. Partial Invalidity. The invalidity of any restriction or of any provision of this Declaration, or of any part of any restriction or provision, shall not impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration.

5. Assignment. The rights, privileges and power retained by Declarant shall be assignable to, and shall inure to the benefit of, its successors and assigns.

The Declarant has executed this Declaration on the date set forth above.

First 173 Development Corporation
By: First Stateline Development Corporation

By: _____
Sunil Puri, its President

STATE OF ILLINOIS)
)
COUNTY OF WINNEBAGO)

I, the undersigned, a Notary Public in and for the Winnebago County and State of Illinois, and residing in Winnebago County, do certify that Sunil Puri personally known to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act for the uses and purposes hereinabove set forth.

Given under my hand and notarial seal this 20th day of December, 2006.

OFFICIAL SEAL
MARVIN KEYS
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES 07/01/07

_____
Notary Public

Document Prepared by and Return to:

First 173 Development Corporation
6801 Spring Creek Rd.
Rockford, IL 61114
815-229-3000