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**AMENDED AND RESTATED STALEY FARMS
HOMEOWNERS' ASSOCIATION DECLARATION**

THIS AMENDED AND RESTATED STALEY FARMS HOMEOWNERS' ASSOCIATION DECLARATION ("Declaration") is made as of the 6th day of November, 2003, by Intell Staley Farms LLC, a Missouri limited liability company ("Developer").

WITNESSETH:

WHEREAS, Developer has previously executed and filed with the Recording Office (as herein defined) plats of the Subdivision known as "Staley Farms"; and

WHEREAS, additional plats may be recorded for development of other areas in the vicinity and such additional areas may be annexed hereunder and constitute a part of the Subdivision; and

WHEREAS, Developer has previously filed with the Recording Office the Staley Farms Homeowners' Association Declaration (the "Original Association Declaration") as Exhibit A to the Supplementary Declaration and First Amendment to Declaration of Covenants, Conditions, Restrictions, Easements and Disclosures for Staley Farms, recorded on December 9, 2002, in Book 3891 at Page 738, as Document No. R53711, for the purposes of creating a homeowners' association to protect the value, desirability, attractiveness and maintenance of the Subdivision; and

WHEREAS, Developer desires to amend and restate in its entirety the Original Association Declaration (as amended and restated, the "Declaration") as set forth herein, which Declaration shall apply to the land described on **Exhibit "A"** hereto and to such other lands as Developer may from time to time annex into the Subdivision.

NOW, THEREFORE, in consideration of the premises contained herein, Developer, for itself and for its successors and assigns, and for its future grantees, hereby amends and restates the Declaration as follows:

**ARTICLE I.
DEFINITIONS**

For purposes of this Declaration, the following definitions shall apply:

(a) "Assessments" means any general or special assessment or other fee described in Articles IV and V hereof, any user fee associated with any Common Area, including the Resident's Club, or the Golf Course (it being acknowledged that the Golf Course is not a Common Area); or any other fee or assessment provided for herein or in the Amended and Restated Declaration of Covenants, Conditions, Restrictions, Easements and Disclosures for Staley Farms dated of even date herewith.

(b) "Association" means Staley Farms Homeowners' Association, a Missouri not-for-profit corporation, its successors and assigns.

- (c) "Board" means the Board of Directors of the Association.
- (d) "Bylaws" means the bylaws adopted by the Association, from time to time.
- (e) "City" means the City of Kansas City, Missouri.

(f) "Common Areas" means: (i) the Reserves; (ii) any entrances, monuments, berms, street islands, and other similar ornamental areas and related utilities, lights, sprinkler systems and landscaping constructed or installed by or for the Developer or the Association, at or near the entrance of any street or along any street, and any easements related thereto, in or to the Subdivision; (iii) all platted and other landscape easements that may be granted to the Developer and/or the Association, for the use, benefit and enjoyment of all Owners within the Subdivision, whether or not such easements are in the Subdivision; (iv) all recreational areas, including the Resident's Club, swimming pool, tennis court and playground and related improvements located on land which constitutes Common Areas; and (v) all other similar areas and places, together with all improvements thereon and thereto, expressly intended for the use, benefit or enjoyment of which is intended for all of the Owners within the Subdivision, whether or not "Common Areas" are located on any Lot or on the Townhome Property. **The Golf Course and related amenities, including the clubhouse, are not part of the Common Areas or the Subdivision.**

(g) "Developer" means Intell Staley Farms LLC, a Missouri limited liability company, and its successors and assigns. If Developer assigns less than all of its rights, obligations and interests to one or more entities, the term "Developer" as used herein shall thereafter refer to both the Developer and all successor Developers unless the context clearly means otherwise.

(h) "Development Period" means the period ending upon the date that (i) Developer no longer owns any Lots or Townhome Units, or (ii) Developer voluntarily surrenders such power.

(i) "Golf Course" means the "Staley Farms Golf Course" located adjacent to the Subdivision which is owned and operated by third parties.

(j) "Lot" means any lot as shown on the Master Plan of the Subdivision, as such Master Plan may be amended from time to time, including any lot shown as a separate lot on the Plat of all or part of the Subdivision, excluding, however, any Lot which is expressly designated as part of the Common Areas. If an Owner, other than the Developer, owns adjacent Lots (or parts thereof) upon which only one residence has been, is being, or will be erected, then (i) for purposes of determining the amount of annual and special assessments and other payments due hereunder, payments shall be paid by such Owner for each whole Lot as provided herein and shall be paid as to any partial Lot(s) on a proportionate basis, and (ii) for all other purposes hereunder, such adjacent property under common ownership shall be deemed to constitute only one "Lot."

(k) "Owner" means the record owner(s) of title to any Lot or Townhome Unit, including the Developer, and for all obligations of the Owner hereunder, shall include all purchasers under a contract for deed who are in possession of a Lot or Townhome Unit and exclude contract sellers who are not in possession of a Lot or Townhome Unit.

(l) "Plat" means any plat filed with the City of Kansas City relating to any property located within the Subdivision, together with any additional lands annexed to the Subdivision.

(m) "Recording Office" means the office of the Recorder of Deeds of Clay County, Missouri.

(n) "Reserves" means the Private Open Space designated on any Plat, and all additional areas which may be made subject to this Declaration in the manner provided herein.

(o) "Resident's Club" shall mean the building located at 10301 N. Olive Ave., Kansas City, Missouri 64155.

(p) "Right of Way Amenities" has the meaning set forth in Article XIII below.

(q) "Subdivision" means collectively all of the Lots, all Common Areas, all of the Townhome Property, and all additional property which hereafter may be made subject to this Declaration.

(r) "Townhome Developer" means any developer or builder of the Townhome Property.

(s) "Townhome Property" means all of the real property described in **Exhibit B** attached hereto.

(t) "Townhome Unit" means any Single-Family living unit located upon the Townhome Property.

ARTICLE II.

ASSOCIATION MEMBERSHIP; VOTING RIGHTS AND OTHER MATTERS

2.01 The Association shall have as members only Owners. All Owners shall, upon becoming such, be deemed automatically to become members of the Association and there shall be no other qualification for membership.

2.02 Except as provided below with respect to Developer, each Association member shall have one vote for each Lot or Townhome Unit for which he is the Owner; provided, however, that when more than one person is an Owner of a Lot or Townhome Unit, all such persons shall be members and the one vote for such Lot or Townhome Unit shall be exercised as they, among themselves, shall determine; provided, fractional votes shall be permitted, but in no event shall more than one vote be cast with respect to such Lot or Townhome Unit. Notwithstanding the foregoing, the Developer shall have ten (10) votes for each Lot or Townhome Unit for which it is the Owner. In addition, Developer shall have ten (10) votes for each lot identified on the Master Plan of the Subdivision (as may be amended from time to time) but not yet platted. Votes shall be exercised by the person or persons either shown as Owners on the Association records or appointed by proxy. Any person may be appointed as the proxy of an Owner by written authorization delivered to the Secretary of the Association at least two (2) business days before the date of the vote for which the proxy is exercised. Proxies may be revoked at anytime upon written notice delivered to the Secretary of the Association and shall

not, under any circumstance, be valid for more than three (3) years from the original date. Unless specifically provided herein to the contrary, all matters requiring the vote of the members under this Declaration shall be approved by the affirmative vote by a majority of the members present at an annual meeting or a special meeting duly called where a quorum is present. A quorum shall be the presence of a majority of the members of the Association at a meeting, in person or by proxy. Subject to the foregoing, the Board shall be the sole judge of the qualifications of each Owner to vote and concerning each Owner's rights to participate in its meetings and proceedings. Any member who is in violation of this Declaration (including, but not limited to, the failure to timely pay assessments or other sums due hereunder), as determined by the Board, shall not be entitled to vote during any period in which such violation continues.

2.03 Membership in the Association is appurtenant to, and may not be separated from, ownership of a Lot or Townhome Unit. No Owner may transfer, pledge or alienate membership in the Association in any way except in connection with the sale or encumbrance of the Lot or Townhome Unit and then only to the purchaser or mortgagee of the Lot or Townhome Unit. Upon conveyance of a Lot or Townhome Unit, the membership associated with the Lot or Townhome Unit shall automatically transfer to the transferee of the Lot or Townhome Unit, or the transferee's mortgagee if so designated by the purchaser.

2.04 Developer agrees to convey legal title to the Common Areas to the Association. Developer shall convey the Common Areas to the Association by special warranty deed, and in an "AS IS" condition subject to all easements, rights-of-way, mortgages, encumbrances and liens for nondelinquent ad valorem taxes and special assessments.

ARTICLE III. POWERS AND DUTIES OF THE ASSOCIATION

3.01 In addition to the powers granted by other portions of this Declaration or by law but subject to all of the limitations set forth in this Declaration, the Association shall have the power and authority to do and perform any and all such acts as may be allowed by Missouri law, as such are deemed necessary or appropriate by the Board to carry out and effectuate the purposes of this Declaration, including, without limitation:

(a) To enforce, in the Association's name, any and all building, use or other restrictions, obligations, agreements, reservations or assessments which have been or hereafter may be imposed upon any of the Lots or Townhome Units or other parts of the Subdivision; provided, however, that this right of enforcement shall not serve to prevent written waivers, changes, releases or modifications of restrictions, obligations, agreements or reservations from being made by the Association or other parties having the right to make such waivers, changes, releases or modifications under the terms of the deeds, declarations or the Plat in which such restrictions, obligations, agreements and reservations are set forth. The expense and cost of any such enforcement proceedings by the Association shall be paid out of the funds of the Association. Nothing herein contained shall be deemed or construed to prevent the Developer or any Owner from enforcing any building, use or other restrictions in its or his own name.

(b) To acquire and own title to or interests in, to exercise control over, and to improve and maintain the Common Areas, subject to the rights of any governmental authority, utility or any other similar person or entity therein or thereto.

(c) To maintain public liability, worker's compensation, fidelity, fire and extended coverage, director and officer liability, indemnification and other insurance with respect to the activities of the Association, the Common Areas and the property within the Subdivision.

(d) To levy the Assessments and related charges which are provided for in this Declaration and to take all steps necessary or appropriate to collect such assessments and related charges.

(e) To enter into and perform agreements from time to time with the Developer and other parties regarding the performance of services and matters benefiting both the Developer or other parties and the Association and its members, and the sharing of the expenses associated therewith.

(f) To enter into and perform agreements with the Developer, other developers, other homeowners' associations and other parties relating to the joint use, operation and maintenance of any recreational facilities and other similar Common Areas, whether in or outside the Subdivision, and the sharing of expenses related thereto. The Association acknowledges that irrigation for certain common area has been provided by the golf course and hereby agrees that the maintenance for those areas shall be contract with the golf course so long as that source of irrigation is utilized.

(g) To hire employees and otherwise engage the services of a management company or other person or entity to carry out and perform all or any part of the functions and powers of the Association, including, without limitation, keeping of books and records, operation and maintenance of Common Areas, and planning and coordination of activities.

(h) To engage the services of a security guard or security patrol service.

(i) To provide for the collection and disposal of rubbish and garbage from the Common Areas and to do any other things necessary or desirable in the judgment of the Board to keep the Subdivision neat in appearance and in good order.

(j) To exercise any architectural, aesthetic or other control and authority given and assigned to the Association in this Declaration or in any other deed, declaration or Plat relating to all or any part of the Subdivision.

(k) To make, amend and revoke reasonable rules, regulations, restrictions and guidelines (including, without limitation, regarding the use of Common Areas, including the Resident's Club, restricting the number of household pets per Lot or Townhome Unit and restricting and/or prohibiting the ownership or keeping of certain breeds or sizes of dogs in the Subdivision) and to provide the means to enforce such rules, regulations and guidelines.

(l) To exercise such other powers as may be set forth in the Articles of Incorporation or Bylaws.

(m) Charge reasonable admission fees, service charges and other amounts for the use of the Common Areas.

(n) Exercise control over easements (including those for water drainage control) that it acquires from time to time or has pursuant to the Plat, this Declaration or as established by any other instrument.

(o) Acquire or own title to such real estate as is reasonably necessary in order to carryout the purposes of the Association and promote the health, safety welfare and recreation of Owners in the Subdivision, pay all taxes and other impositions on real estate improvements and personal property owned by it and pay all taxes and impositions charged against the Common Areas.

(p) If an Owner fails to do so, to perform exterior maintenance, repairs and replacements on such Owner's residence and appurtenant improvements located on such Owner's Lot or Townhome Unit, including without limitation painting, repairing, replacing and caring for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks and other exterior improvements, as well as drainage and grading matters, and the cost thereof, together with other costs as provided in Section 5.02 hereof, shall become a special assessment due from such Owner, to the Association and may be collected and enforced in the same manner as the collection enforcement of other assessments.

(q) Dedicate, sell, subdivide or transfer all, or any part of, the Common Areas, to any public or private agency, authority, person or entity and, from time to time, to convey portions of the Common Areas to adjacent Owners or other third parties when it is determined to be in the best interests of the Association.

(r) Create, grant and convey easements upon, across, over, through, and under the Common Areas for ingress and egress or installation, replacement, repair and maintenance of all utilities in such facilities, including, but not limited to, water, sewers, natural gas, telephones, electricity, television cable systems, and Golf Course infrastructure items.

(s) Establish and publish rules and regulations to regulate and control the Owner's use and enjoyment of the Common Areas, including the Resident's Club, as well as such other activities which affect the members' quiet and peaceful use of the Lots or Townhome Units within the Subdivision.

(t) Borrow money from any persons or entities, including the Developer, for the proper conduct of the Association affairs in the exercise of its powers and authority and the fulfillment of its obligations and collateralize such borrowings by mortgaging all or a portion of the Common Areas, subject to the rights of the members hereunder.

(u) Suspend the voting rights of any member during a period in which such member is in default in payment of any Assessment or other sum due hereunder for a period not to exceed ninety (90) days for infraction of published rules and regulations, unless such infraction is ongoing, in which case the rights may be suspended during the period of the infraction and for up to ninety (90) days thereafter.

(v) Suspend the rights of any Owner (and of other occupants of such Owner's Townhome Unit or of the residence located on such Owner's Lot, or their guests, invitees or assignees) to use the Common Areas, including the Resident's Club, for a period not to exceed ninety (90) days for infraction of published rules and regulations, unless such infraction is ongoing, in which case rights may be suspended during the period of the infraction and for up to ninety (90) days thereafter.

(w) Impose a reasonable fine or charge upon any Owner for the unauthorized use of or any damage to the Common Areas, including the Resident's Club (whether use was authorized or not), by Owner or by any other occupants of such Owner's Townhome Unit or of the residence located on such Owner's Lot, or their guests, invitees or assignees, which fine or charge shall constitute a special assessment against and a lien upon such Owner's Lot or Townhome Unit until paid in full, and shall be enforceable in the same manner as other liens set forth herein.

(x) Impose a reasonable fine upon any Owner for the unauthorized use by the Owner (or by other occupants of such Owner's Townhome Unit or of the residence located on such Owner's Lot, or their guests, invitees or assignees) of the Golf Course, which fine shall constitute a special assessment against and a lien on such Owner's Lot or Townhome Unit until paid in full, and shall be enforceable in the same manner as other liens set forth herein; provided, nothing herein shall be construed to allow any Owner any rights to use the Golf Course.

3.02 In addition to the duties required by other portions of this Declaration and by law, the Association shall have the following duties and obligations with respect to providing services to all Owners within the Subdivision:

(a) The Association shall at all times, from and after its date of formation and at its expense, be responsible for properly repairing, replacing, controlling, maintaining, operating and insuring, as applicable, all Common Areas (except any part thereof that is within any Lot or within the Townhome Property and has not been landscaped or otherwise improved by or for the Developer or the Association), subject to any control thereover maintained by any governmental authority, utility or other similar person or entity; and

(b) The Association shall maintain any Right of Way Amenities and otherwise satisfy its and the Owners' obligations with respect thereto, as contemplated in Article XIII.

3.03 The Association shall elect a Board of Directors annually in accordance with the Bylaws. Until the end of the Development Period, Developer shall have the right to appoint the members of the Board.

ARTICLE IV.
GENERAL ASSESSMENTS

4.01 For the purpose of providing a general fund to enable the Association to exercise the powers, render the services and perform the duties provided for herein, all Lots and Townhome Units in the Subdivision, subject to the exemptions provided herein, shall be subject to a general assessment to be paid to the Association by the respective Owners thereof as provided in this Article IV. The per Lot or Townhome Unit general assessment shall initially be \$75.00 for each month and shall be paid in advance in one lump sum for each calendar year quarterly period. The Board may change the general assessment payment schedule from a quarterly basis to such other basis as it deems appropriate.

4.02 The rate of general assessment for each Lot or Townhome Unit in the Subdivision may be increased:

(a) By the Board from time to time, without a vote of the members, by an amount not to exceed up to 15% over the rate of general assessment in effect for the preceding year; or

(b) At any time by a majority vote of the Association members at an annual meeting or a special meeting of the members duly called and held for that purpose in accordance with the Bylaws.

4.03 The first general assessment to be paid for each Lot or Townhome Unit shall be due and payable only upon a transfer of title to a party which is not exempt from assessments hereunder and shall be prorated as of the date thereof.

4.04 Within five (5) days following the initial occupancy of the residence on each Lot, or of each Townhome Unit, the Owner of the Lot or Townhome Unit shall pay to the Association a one-time initiation fee in the amount of \$200.00, which initiation fee shall be for the general funds of the Association. The initiation fee shall be in addition to the general assessments (as it may be prorated) payable hereunder. This fee, together with all Association assessments through the end of the applicable calendar year quarter in which Closing occurs, the cost of a mailbox, the cost of the installation of a mailbox and the cost of the house number/plaque for such residence, shall be payable to the Association at the closing of an Owner's purchase of such Lot or Townhome Unit.

4.05 Upon the sale of any Lot or Townhome Unit, the Owner shall pay the Association a transfer fee of \$150.00 (subject to reasonable increases by the Board to cover actual expenses of the Association in connection with such sale). The transfer fee may be paid at the closing of such sale or may be paid by the selling Owner prior to Closing. Such fee shall constitute a special assessment against and lien on such Lot or Townhome Unit until paid in full and shall be enforceable in the same manner as other liens set forth herein.

4.06 In view of the substantial expenditures incurred by Developer in connection with the Common Areas, Developer, and any licensed general contractor owning a Lot for the purpose of constructing a residence thereon and offering the same for sale, shall be exempt from imposition of any general assessments and initiation fee with respect to such Lot so long as

Developer or such contractor holds title thereto. Similarly, any Townhome Developer shall be exempt from imposition of any general assessments or initiation fees with respect to a Townhome Unit so long as such Townhome Developer is constructing such Townhome Unit for the purposes of offering it for sale. Such exemption shall not apply to any such contractor or Townhome Developer residing in a residence on a Lot or in a Townhome Unit.

4.07 As of the date Developer conveys the Common Areas to the Association, Developer will own most of the Lots. It is in the Developer's interest, as well as the Association's interest, that sufficient revenues be generated from assessments under Article IV of the Declaration, so that the Common Areas owned by the Association, including improvements thereon, street rights-of-way, and Right of Way Amenities (as defined in Section 13.01 below) may be maintained and operated in a reasonable fashion for the use and benefit of the members of the Association. Developer hereby agrees to supplement the Association revenues by paying, upon reasonable notice, an amount equal to the difference between (a) the amount of the revenue required by the Approved Budget then in effect for the maintenance and operation of the Common Areas, the street rights-of-way and Right of Way Amenities for the applicable period ("Operation Costs"), and (b) the aggregate amount of revenues to be received by the Association due to the timely payment of general assessments by all non-exempt Owners during the applicable time period, plus the amount of revenue reasonably expected to be received during such time period as initiation fees under Section 4.04 of the Declaration ("Revenues"). The Association shall propose to Developer on or before December 1 of each year a budget for the next ensuing calendar year. The intent of Developer and the Association is that the "Approved Budget" (herein so called) shall be adequate, in all respects, for the reasonable maintenance and operation of the Common Areas, as well as the ability to provide debt service for payment of any mortgage financing established by Developer for construction of improvements within the Common Areas. Developer shall respond as soon as reasonably possible to the budget proposed by the Association, and, thereafter, the Association and Developer shall endeavor in good faith to mutually agree upon the Approved Budget for such year; provided, if such parties are unable to so agree by January 30 following submission of the proposed budget to Developer, the Approved Budget in effect for the immediately preceding calendar year shall be the Approved Budget for the new year. Notwithstanding anything appearing herein, Developer shall have no obligation to pay any portion of the costs incurred by the Association for the construction of improvements within the Common Areas, street rights-of-way or Right of Way Amenities or for hiring or engaging third parties to manage or otherwise render services to the Association, other than for maintaining the lawn and landscaping, and maintaining and operating the water sprinkler system. Developer and the Association hereby agree that Developer's obligation to supplement Association revenues as provided in this Section shall discontinue as of the date within the calendar year during which the amount of revenues required by the Approved Budget will be generated due to the timely payment of general assessments by non-exempt Owners during such calendar year, together with the reasonably anticipated initiation fees referred to above. Provided, however, the Developer may waive the requirement of an Approved Budget for any year, so long as Developer agrees in writing to pay to the Association the amount of the Operation Costs for such year less the Revenues for such year.

ARTICLE V. SPECIAL ASSESSMENTS

5.01 In addition to the general assessments provided for herein, but subject to the exemptions provided below, the Board (a) shall have the authority to levy from time to time a special assessment against any Lot or Townhome Unit and its Owner to the extent the Association has, or will, incur expenditures (for services, materials, and legal fees and expenses) to correct or eliminate any breach by such Owner of any agreement, obligation, reservation or restriction contained in any deed, this Declaration or any other declaration or Plat covering such Lot or Townhome Unit (including, without limitation, to maintain any Lot or Townhome Unit and/or maintain, repair or replace the improvements thereon) and (b) shall levy from time to time special assessments against each and every Lot and Townhome Unit in an equal amount that is sufficient, when aggregated, to enable the Association to perform its duties as specified herein that require any expenditure during any period in an amount in excess of the general and reserve funds of the Association available therefore, together with any other funds to be received from Developer pursuant to Section 4.06 above.

5.02 In the event an Owner fails to properly maintain, repair, repaint, and replace any improvements on the Owner's Lot or Townhome Unit, the Association, acting through the Board and after giving adequate notice to the Owner of the need for the maintenance, repair, repainting, or replacement, may enter onto the Lot or Townhome Unit to perform such maintenance, repair, repainting, or replacement. The Association's costs thereof, plus a reasonable overhead and supervisory fee (which shall not in any event be less than 20% of the aggregate costs and expenses), shall be payable by the Owner of the Lot or Townhome Unit and shall be a special assessment against and lien upon the Lot or Townhome Unit until paid by the Owner.

5.03 If any Owner commences an arbitration proceeding or other claim or a counterclaim against the Association, the Board, any Association committee, or any individual director, officer or committee member of the Association, or Developer, and such Owner fails to prevail in such proceeding, claim or counterclaim, the Association, Board, and the individual director, officer or committee member and Developer involved in such matter shall be entitled to recover from such Owner all costs and expenses incurred in defending such proceeding, claim or counterclaim, including reasonable attorneys' fees. Such recovery right shall constitute a special assessment against the Owner's Lot or Townhome Unit and shall be enforceable against such Lot or Townhome Unit as provided herein and shall be a binding personal obligation of such Owner.

5.04 Each special assessment shall be due and payable upon the date and in such manner as is specified by the Association.

ARTICLE VI. DELINQUENT ASSESSMENTS

6.01 Subject to the exemptions provided herein, each Assessment, whether general, special or in the nature of a user, transfer, invitation fee or otherwise, shall be a charge against the Owner and automatically shall become a lien in favor of the Association on the Lot or Townhome Unit against which it is levied as soon as the Assessment becomes due. Should any Owner fail to pay any Assessment in full within 30 days after the due date thereof, then such Assessment shall be delinquent, the Owner shall be charged a late fee of 5% of the unpaid

amount and the unpaid amount shall bear interest at the rate of 12% per annum (or such other rate as the Board shall establish from time to time but in no event at a rate that is usurious under applicable law) from the delinquency date until paid, which late fee and interest shall become part of the delinquent Assessment and the lien on the Lot or Townhome Unit. Should the Board engage the services of an attorney to collect any Assessment hereunder, all costs of collecting such Assessment, including court costs and reasonable attorneys' fees and expenses, shall, to the extent permitted by applicable law, be added to the amount of the Assessment being collected and the lien on the Lot or Townhome Unit. The Board may evidence the lien by causing a Certificate of Lien to be filed with the Recording Office. The Certificate of Lien, which shall be signed and acknowledged by an officer of the Association, shall set forth (a) the name and address of the Association; (b) the amount of the delinquent Assessment or other payment due hereunder; (c) the amount of accrued interest, late fee or other payments due; and (d) the name of the Owner and identity of the Lot or Townhome Unit. A copy of the Certificate of Lien shall be mailed to the Owner at the address of the Lot or Townhome Unit or such other address as Association has in its files for the Owner. At anytime after thirty (30) days following the filing of the Certificate of Lien, the Board may institute on behalf of the Association foreclosure proceedings against the affected Lot or Townhome Unit in the manner for foreclosing a mortgage or deed of trust by private sale on the real property under the laws of the State of Missouri. Each current and future Owner of a Lot or Townhome Unit hereby consents to such foreclosure mechanism. In the event of such foreclosure, the Owner shall be liable for the amount of all unpaid Assessments and other sums due hereunder, the costs and expenses of such proceeding, the costs and expenses for filing the notice of the claim and lien and, to the extent allowed by law, all reasonable attorneys' fees incurred in connection with such enforcement of the lien. The Developer and/or the Association shall have the right to bid on a Lot or Townhome Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

Each Assessment and other sums due hereunder, together with late fees, interest thereon and collection costs, shall also be the personal obligation of the Owner of the Lot or Townhome Unit at the time when the Assessment or other payment became due. No Owner may exempt themselves from liability for any Assessment or other sum due hereunder by abandonment of his Lot or Townhome Unit or by waiver of the use of enjoyment of all, or part of, the Common Areas. All successors to the fee simple title of a Lot or Townhome Unit shall be jointly and severally liable for all unpaid Assessments, other sums due hereunder, interest, late charges, costs and expenses and attorneys' fees against such Lot or Townhome Unit with the Owner who owned the Lot or Townhome Unit at the time of the unpaid Assessment or other sum first became due. Nothing contained herein shall prejudice any such successor's rights to recover from any prior Owner amounts paid by such successor. A successor Owner may rely upon the statement of status of Assessments by, or on behalf of, the Association as provided elsewhere in this Declaration. The Association may initiate a proceeding against the Owner, or any successor, as permitted hereunder to recover unpaid Assessments or other sums due hereunder, any late fees or interest thereon, the costs and expenses of such proceeding, and to the extent allowed by law, all reasonable attorneys' fees in connection therewith, without foreclosing or waiving the lien in favor of the Association as provided for herein.

6.02 All liens on any Lot or Townhome Unit for Assessments and other sums provided for herein shall be inferior and subordinate to the lien of any valid purchase money first mortgage now existing or which may hereafter be placed upon such Lot or Townhome Unit, as

provided below. A foreclosure sale or deed in lieu of foreclosure thereunder shall automatically extinguish the lien hereunder for such Assessments or other sums to the extent applicable to periods prior to the entry of the order allowing such foreclosure or the execution of a deed in lieu thereof but shall not release such Lot or Townhome Unit from liability for any Assessment or other sums applicable to periods thereafter. If the Owner subsequently redeems the Lot or Townhome Unit from the foreclosure sale, the lien hereunder shall automatically be reinstated retroactively in full.

6.03 Payment of a delinquent Assessment or other sum due hereunder may be enforced by proceedings as permitted hereunder against the Owner personally and/or against the Lot or Townhome Unit, including through lien foreclosure proceedings in any court having jurisdiction or suits for the enforcement of such liens. For each Certificate of Lien filed by the Association, the Owner of the Lot or Townhome Unit described therein shall pay the Association a fee of \$200.00, which fee shall be added to the amount of the delinquent Assessment and the lien on the Lot or Townhome Unit.

6.04 Liens established hereunder shall continue for a period of fifteen (15) years from the date of delinquency and no longer, unless within such period suit shall have been instituted for collection of the Assessment, in which case the lien shall continue until payment in full or termination of the suit and sale of the property under the execution of judgment establishing the same.

6.05 The Association may cease to provide any or all of the services, inclusive of, but not limited to, the use of the Common Areas, that are provided by or through the Association with respect to any Lot or Townhome Unit during any period that the Lot or Townhome Unit is delinquent on the payment of an Assessment or other sums due under this Declaration, or if a violation exists as to the rules, regulations and policies that govern the Common Areas; no such cessation of services shall result in a reduction of any amount due from the Owner before, during or after such cessation. No Owner may waive or otherwise avoid liability for any Assessment by not using any Common Areas or declining any services provided through the Association.

6.06 No claim of the Association for Assessments and charges shall be subject to setoffs or counterclaims made by any Owner.

ARTICLE VII. NOTICES

7.01 The Association shall designate from time to time the place where payment of Assessments shall be made and other business in connection with the Association may be transacted.

7.02 All notices required or permitted under this Declaration shall be deemed given if deposited in the United States Mail, postage prepaid, and addressed to the person or last known person entitled to such notice at the address of the Lot or Townhome Unit. Notice to one co-Owner shall constitute notice to all co-Owners.

**ARTICLE VIII.
EXTENSION OF SUBDIVISION**

The Developer shall have, and expressly reserves, the right (but not the obligation), from time to time, to add to the existing Subdivision and to the operation of the provisions of this Declaration other adjacent or nearby lands (without reference to any street, park or right of way) regardless of whether the additional property is platted as or is known by a name other than "Staley Farms" by executing, acknowledging and recording in the Recording Office a written instrument subjecting such additional property to all of the provisions hereof as though such land had been originally described herein and subjected to the provisions hereof; provided, however, that such written instrument adding additional lands may contain such deletions, additions and modifications of the provisions of this Declaration applicable solely to such additional property as may be necessary or desirable, as solely determined by the Developer in its absolute discretion.

**ARTICLE IX.
TERM, AMENDMENT AND TERMINATION**

9.01 The provisions of this Declaration shall run with the land and bind with the Subdivision until December 31, 2036, after which time the same shall be automatically extended for successive periods of ten (10) years each unless terminated or the term hereof is amended or modified as provided herein. This Declaration may be terminated, amended or modified, in whole or in part, at any time by a duly acknowledged and recorded written agreement (in one or more counterparts) signed by (a) the Owners of at least two-thirds (2/3) of the Lots and Townhome Units within the Subdivision as then constituted and (b) during the Development Period, the Developer; provided, however, the written consent of the City shall be required for the termination of this Declaration in its entirety or to any amendment, modification or termination of any provision of this Declaration regarding the Right of Way Amenities. If such consent of the City is requested, it shall be made in writing to the City Clerk. The City shall have 60 days, after receipt of the request, to rule on the request.

9.02 Anything set forth in Section 9.01 of this Article to the contrary notwithstanding, except the provision relating to the requirement of the City's consent, Developer shall have the absolute, unilateral right, power and authority to modify, revise, amend or change any of the terms and provisions of this Declaration, as from time to time amended or supplemented, by executing, acknowledging and recording in the Recording Office a written instrument for such purpose. No such amendment by the Developer shall require the consent of any Owner.

9.03 If the rule against perpetuities is applicable to any right, restriction or other provision of this Declaration, such right, restriction or other provision shall terminate (if not earlier terminated) upon the lapse of 20 years after the death of the last survivor of the now-living children and grandchildren of any of the persons who are members of the Developer as of the date hereof.

ARTICLE X. ASSIGNMENT

10.01 The Developer shall have the right and authority, by written agreement made expressly for that purpose, to assign, convey, transfer and set over to any persons or entity, all or any part of the rights, benefits, powers, reservations, privileges, duties and responsibilities herein reserved by or granted to the Developer, and upon such assignment the assignee shall then for any or all such purposes be the Developer hereunder with respect to the rights, benefits, powers, reservations, privileges, duties and responsibilities so assigned. Such assignee and its successors and assigns shall have the right and authority to further assign, convey, transfer and set over the rights, benefits, powers, reservations, privileges, duties and responsibilities hereunder. Upon recording of such assignment in the Recording Office, Developer's rights and obligations under this Declaration shall cease and terminate to the extent provided in such document.

10.02 The Association shall have no right, without the written consent of the Developer, to assign, convey, or transfer all or any part of its rights, benefits, powers, reservations, privileges, duties and responsibilities hereunder.

ARTICLE XI. COVENANTS RUNNING WITH THE LAND

11.01 All provisions of this Declaration shall be deemed to be covenants running with the land and shall be binding upon all subsequent grantees of all parts of the Subdivision. By accepting a deed to any of the Lots or Townhome Units, each future grantee of any of the Lots or Townhome Units shall be deemed to have personally consented and agreed to the provisions of this Declaration as applied to the Lot or Townhome Unit owned by such Owner. The provisions of this Declaration shall not benefit or be enforceable by any creditor of the Association (other than the Developer) in such capacity as a creditor.

11.02 No delay or failure by any person or entity to exercise any of its rights or remedies with respect to a violation of or default under this Declaration shall impair any of such rights or remedies; nor shall any such delay or failure be construed as a waiver of that or any other violation or default.

11.03 No waiver of any violation or default shall be effective unless in writing and signed and delivered by the person or entity entitled to give such waiver, and no such waiver shall extend to or affect any other violation or situation, whether or not similar to the waived violation. No waiver by one person or entity shall affect any rights or remedies that any other person or entity may have.

ARTICLE XII. INSURANCE LOSS; CONDEMNATION

Each Owner hereby irrevocably appoints the Board as the Owner's true and lawful attorney-in-fact for the purposes of dealing with any damage or other loss in connection with the Common Areas which is covered by insurance written in the name of the Association or a complete or partial taking of the Common Areas in condemnation, or conveyance in lieu thereof. Acceptance by a grantee of a deed or other instrument of conveyance from the Developer or any

other Owner conveying any portion of the Subdivision shall constitute appointment of the Association as the grantee's attorney-in-fact for such purposes. The Board shall have full authorization, right and power to make, execute and deliver any contract, assignment, deed, waiver, settlement or other instrument on behalf of the Association with respect to the interest of any Owner which may be necessary to exercise the powers granted hereby to the Board as attorney-in-fact.

ARTICLE XIII. RIGHT OF WAY AMENITIES

13.01 Pursuant to the terms and conditions of Committee Substitute for Ordinance No. 020576 (the "Ordinance"), the City Council of Kansas City, Missouri, has allowed the Developer to construct certain Common Areas improvements within certain public right-of-ways associated with streets in the Subdivision (the "Right of Way Amenities"). The following provisions of this Article are included pursuant to the Ordinance.

13.02 The Right of Way Amenities, although located within the City right-of-way, are the sole responsibility of the Owners, which responsibilities the Owners shall satisfy and fulfill through the management of the Association. Such delegation shall not, however, relieve the Owners of their responsibilities under this Article.

13.03 The City is hereby released from any and all past, present or future liability for any damage that may be caused at any time to any person or to any real or personal property resulting from or related to, directly or indirectly, the City allowing the Right of Way Amenities to be located in its right-of-way, or otherwise acting or failing to act with respect to the maintenance of the Right of Way Amenities. The City is hereby further released from any and all past, present or future obligations to expend any public funds or to take any other action to maintain or improve the Right of Way Amenities.

13.04 The Association, or upon its failure, the Owners, will indemnify and hold harmless the City, its Mayor, the members of the City Council and the employees and agents of the City from and against any and all losses, damages, costs and expenses, including reasonable attorneys fees, that may be incurred or suffered by any of them as a result of or in connection with any claims that may be asserted against any of them in connection with the Right of Way Amenities. The Association, or upon its failure, the Owners, will further be required to promptly reimburse the City for any public funds the City may expend with respect to maintenance of the Right of Way Amenities in the event the Association fails to maintain the same, although the City is under absolutely no obligation to so maintain.

13.05 The Developer, the Association and the Owners understand and agree, if the City or the City's designee damages the Right of Way Amenities, repair or replacement of the same shall not be the responsibility of the City or the City's designee unless the City or its designee has been grossly negligent in its actions.

13.06 The Developer, the Association and the Owners understand and agree, should the City determine that the Right of Way Amenities are endangering the public health, safety or welfare or have become unsightly or a nuisance, or interfere in any way with the City's use of the right-of-way, that upon request of the City, the Association will remove or cause to be

removed any or all Right of Way Amenities from the City's right-of-way. Should the Association fail to comply with the City's removal request, the City may remove the same and the Association, or upon its failure, the Owners, shall be obligated to reimburse the City for the removal.

13.07 The Association, or upon its failure, the Owners shall maintain adequate liability insurance to cover all reasonably insurable risks associated with the maintenance of the Right of Way Amenities and the covenants contained in this Article.

13.08 The Developer and the City shall be third-party beneficiaries of all provisions of this Declaration relating to the Right of Way Amenities, and the Developer and the City shall have the right to enforce all restrictions, obligations and other provisions regarding the Right of Way Amenities.

ARTICLE XIV. TOWNHOME ASSOCIATION

14.01 Townhome Association.

(a) Any Townhome Developer may establish and organize a Townhome Association for all or any portion of the Townhome Property by recording a Townhome Association Declaration. The Townhome Association that is established by a Townhome Developer shall be subject in all respects to this Declaration and the approvals of the Developer as required hereby.

(b) The Townhome Units within a particular Townhome Association may be subject to additional easements, covenants, conditions and restrictions as set forth in the Townhome Association Declaration. The Owners within a Townhome Association may all be members of the Townhome Association in addition to the Association.

(c) A Townhome Association may provide a higher level of service or special services for the benefit of the Townhome Units in such Townhome Association. The cost of such services, which may include a reasonable administrative charge in such amount as the Townhome Association deems appropriate, shall be assessed against the Townhome Units within the Townhome Association as a Special Assessment pursuant to the Townhome Association Declaration.

(d) A Townhome Association may request that the Association provide a higher level of service or special services for the benefit of the Townhome Units within the Townhome Association and the Association may, in its sole discretion, provide the requested services. The cost of such services, which may include a reasonable administrative charge in such amount as the Board deems appropriate, shall be assessed against the Townhome Units within such Townhome Association as a Special Assessment pursuant to Article V of this Declaration.

(e) To the extent of any conflict between this Section and the remaining provisions of the Declaration, this Section shall control.

ARTICLE XV. GENERAL PROVISIONS

15.01 Failure of the Association or the Board to enforce any provision contained herein shall not be deemed a waiver of the right to do so at a subsequent time. If the Association successfully enforces any terms of this Declaration, it shall, in the discretion of a court of competent jurisdiction, be entitled to recover its reasonable attorneys' fees and costs from the person against whom this Declaration was enforced.

15.02 If any provision of this Declaration, or the application hereof to any circumstance, is held to be invalid or unenforceable to any extent, the remainder of this Agreement and its application to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

15.03 If this Declaration conflicts, in any way, with the Amended and Restated Declaration, Covenants, Conditions, Restrictions And Disclosures For Staley Farms, the Amended and Restated Declaration, Covenants, Conditions, Restrictions And Disclosures For Staley Farms shall control. If this Declaration conflicts, in any way, with the Articles of Incorporation for the Association or the Bylaws, this Declaration shall control.

15.04 THIS DECLARATION CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PERSONS REFERENCED HEREIN. The Developer, the Owner or Owners of any of the Lots or Townhome Units and the Association shall have the right to seek enforcement of and/or to prevent the breach of the terms and conditions set forth herein and any rules or regulations established as permitted herein and any guidelines, rules or regulations established as permitted herein. Any action relating to any rights and obligations arising under, or in connection with, (a) this Declaration, including, but not limited to, an action to seek enforcement of and/or to prevent the breach of any of the covenants and restrictions contained herein, (b) pertaining to a Lot or Townhome Unit, or all or any portion of the Common Areas, or the condition thereof, and (c) any claim asserted by the Association, an Owner or Owners, former Owner(s), contract purchasers, any real estate broker, agent or sales person participating in the sale of a Lot or Townhome Unit, against Developer for any reason shall be resolved solely and exclusively by arbitration in accordance with the Missouri Uniform Arbitration Act (the "Act"), as modified from time to time, in accordance with the procedure set out below. However, the provisions of this Section 15.04 shall not either prevent a party from obtaining a temporary injunction from a court of general jurisdiction pending designation of the arbitrators, from foreclosure or enforcement of any liens established pursuant to this Declaration or from enforcement of any order or decision of the arbitrators as provided herein. After the arbitrators have been selected and accepted such appointment, any temporary injunction order by the court of general jurisdiction shall be dissolved, and the arbitrators shall have exclusive power to resolve the subject matter of such injunction. The arbitration procedure is as follows:

(a) Any of the aforementioned parties may request arbitration of any matter in dispute. The party requesting arbitration shall do so by giving written notice to the other party/parties, specifying in the notice the name and address of the person designated to act as arbitrator on the first party's behalf. Within ten (10) days after the service of this notice, the other party/parties shall give notice to the first party, specifying the name and address of the person designated to act as arbitrator on the second party's/parties' behalf.

If the second party/parties fails to notify the first party of the appointment of such party's arbitrator within the time specified, then the first arbitrator appointed shall appoint the second arbitrator. The two arbitrators so chosen shall meet within ten (10) days after the second arbitrator is appointed and the two arbitrators shall together appoint a third arbitrator. If the two arbitrators are unable to agree upon that appointment within twenty (20) days after the appointment of the second arbitrator, then the parties to such dispute may apply, upon notice to the other party, to the Missouri Circuit Court located in the County in which the Property is located for the appointment of the third arbitrator. In rendering their award, the arbitrators shall have no power to modify any of the covenants, conditions and restrictions contained herein.

(b) The arbitrators so selected must be at least thirty-five (35) years old; may not be an Owner or occupant of a Lot or Townhome Unit; and shall have a minimum of five (5) years of experience in the residential real estate business, as either a sales agent, a residential developer or home builder.

(c) Each party to an arbitration proceeding hereunder may be represented by an attorney, seek subpoenas, may be heard, present evidence and cross-examine witnesses and shall have the right to adjournment for good cause.

(d) The arbitrators may grant any remedy or relief the arbitrators deem just and equitable and within the scope of the agreement of the parties. The arbitrators shall specifically have the power to order equitable relief, including, but not limited to, injunctions or specific performance. The award resulting from any arbitration hereunder shall be final and binding on the parties and judgment may be entered on the award and shall be enforced in accordance with the laws of the State of Missouri. If as part of any award any party is ordered to pay another party money, the amount to be so paid shall accrue interest at the rate of 15% per annum from 15 days following the date of the award until the same is paid in full.

(e) The losing party in any such arbitration proceeding, as determined by the arbitrators, shall pay the prevailing party's costs and expenses of such arbitration, including, without limitation, reasonable attorneys' fees and costs. If no party is determined to have prevailed in such arbitration proceeding, then each party shall pay the fees and expenses of the original arbitrator appointed by that party; the fees and expenses of the other arbitrator and all other expenses of the arbitration shall be borne equally by the parties; and each party shall bear the expense of his own counsel, experts, and preparation and presentation of proof, and the costs and expenses related thereto.

15.05 None of the Developer, the Association, the Board, any Association committee, nor their respective officers, directors, stockholders, members, employees or agents, shall be liable to any person for any discretionary action taken or not taken under the terms hereof, including without limitation, approval, disapproval or failure to approve of any application or enforcement or non-enforcement of the terms hereof.

15.06 Invalidation of any of the provisions set forth herein, or any part thereof, by an order, judgment or decree of any court, or otherwise, shall not invalidate or affect any of the other provisions or parts.

IN WITNESS WHEREOF, the Developer has caused this Declaration to be duly executed the day and year first above written.

DEVELOPER:

**Intell Staley Farms LLC, a Missouri
Limited Liability Company**

By: _____
Name: Gary Barnett
Title: Authorized Member

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

BE IT REMEMBERED, that on this _____ day of November, 2003, before me a Notary Public in and for the County and State aforesaid, personally appeared Gary Barnett, as Authorized Member of Intell Staley Farms LLC, a Missouri limited liability company, personally known to me to be the same person who executed as such, the above and foregoing instrument in writing on behalf of said limited liability company and such person duly acknowledged the execution of the same to be the act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My appointment expires:

NOTARY PUBLIC

Exhibit A

Legal Description

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