

STONEBROOK ESTATES HOMEOWNER'S ASSOCIATION

HOMEOWNER'S MESSAGE

January 5, 2001

Dear fellow homeowner:

Attached is a copy of the long overdue "Homeowner's Manual" for the STONEBROOK ESTATES HOMEOWNER'S ASSOCIATION. Please keep this manual with your important papers so it will be accessible and safe. We'd like to suggest that you put this manual in its own three-ring binder. This will make it easier to add or change pages you receive and protect the manual from damage.

The Association Board decided to produce this manual because many homeowners seem to have misplaced relevant information about the Association they're part of- STONEBROOK ESTATES. Having this manual should help reduce questions about the area, its covenants, by-laws, and newsletter. This manual is copyrighted. This manual will be given to each new owner of a home in our subdivision. The Association's Management Company will give the manual to the new homeowner.

When you sell your home please return this manual to one of the Association Board members. Their names can be found in the Appendix of this manual.

Should you have a question concerning the manual please put it in writing and give it to one of the Association Board members. You will receive an answer within two weeks.

The Association Board hopes this manual will prove valuable to you.

Sincerely,

Your Association Board of Directors

STONEBROOK ESTATES
HOMEOWNER'S ASSOCIATION

HOMEOWNER'S MANUAL

JANUARY 2001

-FIRST EDITION-
-COPYRIGHT PENDING-

Please keep this manual for future reference.

Please pass this manual to the party/parties you sell your home to.

Replacement of this manual will cost \$20.00, payable to the Stonebrook Estates Homeowner's Association via its present management company.

Should you have any questions concerning the contents of this manual please contact the present management company.

CURRENT INFORMATION

PLEASE USE THIS PAGE TO RECORD NEW OR CHANGED TELEPHONE NUMBERS AND DATES OF REVISED MANUAL PAGES

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SECTION 1, INTRODUCTION

If you're new to Stonebrook Estates your neighbors welcome you! If you've been here for a while, the Board says "Hello!" Stonebrook Estates is one of the more unique areas in Gurnee, Illinois. Unique because of the people who live here, because of how these very same people take care of their homes, and because of the Common Grounds that enhance the beauty of the area.

Stonebrook Estates has been in existence since 1993. It was developed by Westfield Homes, Incorporated and watched over by the Association Board. Our area has five freshwater ponds and about four acres of open land that is referred to as the "Common Grounds." The Association is responsible for maintaining these grounds. We've been fortunate to have very caring and responsible Association Board members who watch over the area.

Stonebrook Estate's early years were somewhat troubled because of the Management Company it inherited from the developer. During 1998 the picture changed from gloomy to bright with its current Management Company. The Association Board's goal has always been to have a Management Company who will be responsive to the Association needs. Needs such as managing the Association moneys with input and consent of the Association Board.

Stonebrook Estates works because the individual homeowners who make up the Association cooperate with, and respect, each other. These individual owners are required to be members of the Association and must abide by the Association By-Laws and Covenants as well as the Ordinances of the Village. Each Association member has a financial stake in his or her area. By not adhering to the covenants and "doing their own thing" they could contribute to area degeneration. To coin a trite, but appropriate phrase, "The bottom line is..." the member's home resale value. A tacky looking and behaving area will unfortunately be correspondingly devalued.

Stonebrook Estates is a great place to live and raise a family. The Association board hopes you'll find this to be the case and be willing to contribute to its greatness.

Warm personal regards,

Your Association Board of Directors

SECTION 2, GOALS

The goals of the Association Board are relatively simple:

1. Ensure that all the Association homes are in compliance with the covenants.
2. Ensure that the Common Grounds are maintained to the highest quality consistent with the Moneys available.
3. Ensure that each Association member see the benefit of the first two goals.
4. Make every effort to have Stonebrook Estates stand out as the premier subdivision in Gurnee, Illinois.
5. Maintain positive communications with each Association member and the Association's management company.

SECTION 3, MANAGEMENT STRUCTURE

Your Association's management structure is typical in today's society. The Association Board (Board) is comprised of five members whose terms range between one and three years. This was done so that there would be member's term overlapping with new members. Overlapping helps with the operational transition between the outgoing and incoming Board members. The term for a Board member ends on the date of the Association's annual meeting. Any Association member, who is a homeowner, can run for a position on the Board.

Each year the Association Board decides upon a Management Company who will, by direction of the Board, take care of the legal and financial aspects of the Association. The Board's decision on which Management Company will watch over these aspects is based upon a number of factors that are, but not limited to:

1. The Management Company's service with other homeowner associations.
2. The basic intelligence and experience of the Management Company's personnel.
3. The number of years the company has provided this type service.
4. The history between the Stonebrook Estates Homeowner's Association and specific Management Company.
5. The Management Company's ability to do what it is asked to do by the Board in a timely fashion.
6. The Management Company's aggressiveness in looking out for Stonebrook Estates interests.

Association members should contact any Board member if there is a Covenant or By-Law problem that needs addressing in their opinion. Please do not call the Management Company. One way you can see how the Management Company fits into the Association's day to day operations is by reviewing the contracts found in this manual's appendix. These are examples of contracts your Association enters into with various service organizations and also found in the appendix.

**SECTION 4, FINANCIAL STRUCTURE, OBLIGATIONS
AND FEES**

The Association's financial structure is relatively simple. Business is done on a cash basis only. Each year the Association assesses each member \$150.00. This fee has remained the same since the Association's inception. The Association Board handles its money in a very frugal manner and has managed to keep assessments low because of this and volunteer work. The volunteer work has been done on a number of Common Grounds areas, such as the Hunt Club Road fountain pump and related equipment.

Each year the Association member receives its annual fee notice and sends that fee to the Management Company. The money is placed into a checking account managed by the Management Company. These moneys pay for Common Grounds maintenance, pond maintenance, Management Company's annual fee, etc. Your Association Board receives a monthly accounting statement from the Management Company that allows it to know where the Association stands financially. This monthly statement allows the Board to plan, approve, and execute landscape and pond improvements that are suggested by Association members and/or a board member.

At times the Board has managed to keep costs lower than expected for the fiscal year. At the end of the year any funds remaining are placed into either a short-term certificate of deposit or interest bearing savings account. In the past this procedure has allowed the Association to pay for rather heavy expenses without having to assess members for special repair projects.

As stated earlier, the Association Board's goal is to not only ensure the quality of the Association's area, but also to manage its funds in a frugal manner. Early history found that this was not being done due to the then existing Board not receiving the necessary information from the previous Management Company. Because of this, the Association was paying extremely high prices for services. *This is no longer the case.*