



M. Charlotte Shawver
Register of Deeds
Riley County, Kansas
Books 825 Pages 7364
Receipt #: 49748 Total Fees: \$84.00
Pages Recorded: 20
Date Recorded: 9/22/2006 2:30:17 PM

**AGREEMENT CREATING A RESTRICTIVE
COVENANT ON REAL ESTATE**

THIS AGREEMENT is hereby entered into this 21st day of September, 2006, by and between the undersigned (the "Owners") and the City of Manhattan, Kansas, a municipal corporation (the "City").

WHEREAS, Owners are the owners of all Lots in both Unit 1 and Unit 2 of Prairie Lakes Subdivision, Manhattan, Riley County, Kansas and also an unplatted tract described, as follows:

A tract of land in Section 6, Township 10 South, Range 8 East of the Sixth Principal Meridian in Riley County, Kansas, described as follows: Commencing at the Northeast Corner of Lot 1A, Northfield Addition, Unit 4, City of Manhattan, Riley County, Kansas; Thence N18°02'50"E, 31.30 feet to the centerline of Walters Drive; thence S88°49'54"E, 774.77 feet to the east line of Government Lot 3 in said Section 6; thence S00°00'22"E, along said east line, 130.07 feet to the place of beginning; thence continuing S00°00'22"E, 139.03 feet to the southeast corner of said Government Lot 3; thence S88°34'24"E, 1254.59 feet; thence S00°05'10"E, 444.90 feet; thence N88°34'38"W, 271.77 feet; S01°25'22"W, 115.00 feet; thence N88°34'38"W, 215.16 feet; thence N59°32'54"W, 408.37 feet; S06°44'19"W, 184.95 feet; thence S63°21'40"W, 188.32 feet; thence N62°24'14"W, 182.13 feet; thence S61°24'13"W, 92.00 feet; thence N88°33'30"W, 185.75 feet; thence N14°18'58"W, 176.05 feet; thence S48°21'42"W, 409.10 feet; thence S61°46'17"W, 364.00 feet; thence N28°13'43"W, 115.41 feet; thence S64°55'13"W, 9.53 feet; thence N00°00'42"E, 615.74 feet; thence N89°48'06"E, 19.79 feet; thence N18°02'50"E, 311.18 feet; thence S88°49'54"E, 659.29 feet; thence N79°09'15"E, 61.34 feet; thence N89°55'24"E, 102.17 feet to the place of beginning, containing 31.45 acres, more or less. (the "Unplatted Tract") (The Unplatted Tract will eventually be platted as Unit 3 of Prairie Lakes Subdivision.)

WHEREAS, the platted lots of Units 1 & 2 and the Unplatted Tract are hereinafter collectively referred to as the "Subdivision"; and,

WHEREAS, the development of the Subdivision requires the construction of a drainage structure, within the confines of the drainage easement, dedicated to the City, as shown on the plat of the Prairie Lakes, Unit 1, recorded in the records of the Riley County Register of Deeds; and,

WHEREAS, Owners have previously submitted to the City a petition (the "Petition"), pursuant to K.S.A. 12-6a01, et. seq. requesting the construction of the drainage structure (the "Drainage Structure"), as a public improvement; and,

WHEREAS, Owners propose that the Drainage Structure consist of a series of three ponds, within the Subdivision, which are designed to retain water on a permanent basis, but that will also be able to pass water, once it reaches a certain elevation; and,

WHEREAS, the parties hereto recognize that the ponds have a use, and utility, to the Subdivision, in addition to the public use of drainage; and,

WHEREAS, the Petition asks that the apportionment of the cost of constructing the Drainage Structure be 30% to the Subdivision and 70% to the City at large; and,

WHEREAS, the City has determined that the City, at large, benefits from the Drainage Structure, and that the City's participation is also deemed important in order to encourage the development of the Subdivision for the purpose of creating affordable housing; and,

WHEREAS, Owners, in order to encourage the City to accept the Petition, and to participate in the construction of the Drainage Structure have executed this Agreement, creating a restrictive covenant binding upon the Subdivision, and enforceable by the City.

NOW THEREFORE, in consideration for the City of Manhattan accepting the Petition, the Owners hereby covenant with the City, as follows:

1. The public purpose of the Drainage Structure is to facilitate the flow of surface water through the Subdivision. The parties acknowledge that the Subdivision is entitled to use, and control the use of, the Drainage Structure for purposes other than the public purpose, as long as such additional use does not interfere with that public purpose. The City shall have no obligations regarding the use of the Drainage Structure, or the control of that use, other than to enforce the public's right to the flowage of surface water. Nothing contained herein shall be deemed to place any responsibility upon the City, regarding the Drainage Structure, other than the obligations, as may be imposed by law, to enforce, and preserve, the public's right to the flowage of surface water through the easement reserved for that purpose upon the plat of the Subdivision.

2. The Owners shall be responsible to maintain the Drainage Structure so that it is adequately, and appropriately, fulfilling its public purpose and so that it is not in violation of any applicable rule, regulation, statute, law or ordinance. In the event that the Owners shall fail to so maintain the Drainage Structure, the City may serve a written notice (the "Notice of Delinquency") of such failure upon the Owners, setting forth the manner in which the Owners have so failed. Such Notice of Delinquency shall include a statement describing the obligation that has not been fulfilled and shall grant twenty (20) days within which the Owner may fulfill the obligations. If said obligation is not fulfilled within the time specified, the City, in order to insure proper functioning of the Drainage Structure, or to prevent the Drainage Structure from becoming a nuisance, may perform the obligations

listed in the Notice of Delinquency. All costs incurred by the City, in carrying out such obligations, may be assessed against the individual lots, and the Unplatted Tract, in the Subdivision and said assessments may be established as liens upon said Lots and the Unplatted Tract. The assessments shall be apportioned among the Lots, and the Unplatted Tract, in the following manner, to-wit: The lots in Unit 1 will be assessed, on an equal basis per lot, with 22.5% of the total costs incurred; the lots in Unit 2 will be assessed, on an equal basis per lot, with 26% of the total costs incurred; and, the Unplatted Tract will be assessed with 51.5% of the total costs incurred; and, at such time as the Unplatted Tract is platted into lots, those lots will share, on an equal share basis per lot, in the 51.5% assessed against the Unplatted Tract. The exact amount of such assessments shall be determined by the City Commission, and shall be certified by the City Clerk to the County Clerk, at the same time of certifying other city taxes to the County, and the County Clerk shall be permitted to extend the same on the tax roll of the County, against the Lots and the Unplatted Tract, and it shall be collected by the County and paid to the City as other city taxes are collected and paid. The City may attempt to collect such costs from the Owners, or their successors or assigns, prior to such assessments against the individual lots; however, the City shall not be obligated to do so. Should the Owners, their successors or assigns, upon receipt of said Notice of Delinquency believe that the obligations described in said Notice of Delinquency are not proper for any reason, they may, within the twenty-day period, apply for a hearing before the governing body of the City, to appeal such Notice of Delinquency. The decision by the governing body of the City shall be final regarding the obligations set forth in such Notice of Delinquency.

3. The Owners may assign their responsibilities hereunder to a valid Homeowner's Association, created pursuant to the laws of the state of Kansas, and binding the individual lots, and the Unplatted Tract, of the Subdivision. In the event the Owners desire to make such assignment, they shall notify the City of the assignment, and provide the City with the Declaration and Bylaws of such Homeowner's association. Upon such assignment, the Owner shall be released from any further obligations hereunder. Provided, however, such assignment shall not release the individual lots, nor the Unplatted Tract, from the responsibilities set forth herein.
4. The Owners agree not to replat any platted Lots of the Subdivision, without the written consent of the City, as granted by the City Commission. The Owners further agree not to submit any final plat of the Unplatted Tract, which contains lots larger than those shown on the preliminary plat of the Subdivision, without the written consent of the City. The consent provided for herein shall be required in addition to any action required by law, or ordinance, related to the approval of such replats. Such approval by the City shall not be unreasonably withheld; however, the City shall not be required to consent to any replat, or to any final plat, which, in the City Commission's sole judgment, defeats the purpose of the Subdivision to accommodate affordable housing.
5. This covenant shall be deemed to run with the Subdivision and shall be binding upon Owners, their successors and assigns.
6. This covenant shall be enforceable by the City of Manhattan. This covenant shall not be amended, or removed from the Subdivision, without the written consent of the Governing Body of the City of Manhattan.

IN WITNESS WHEREOF, the parties have executed this Agreement this
11th day of September, 2006.

OVERLAY PROPERTIES, INC.

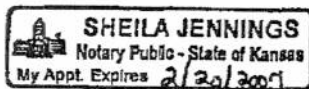
BY: Russel Weisbender
RUSSEL WEISBENDER,
President

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:

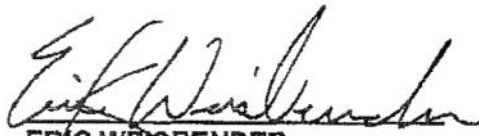
BE IT REMEMBERED that on this 11th day of September, 2006, before
me the undersigned, a notary public in and for the state and county aforesaid, came Russell Weisbender,
President of Overlay Properties, Inc., and who is personally known to me to be the same person who
executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such person duly
acknowledged the execution of the same on behalf of said corporation.

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



Sheila Jennings
NOTARY PUBLIC

My appointment expires: February 29th, 2007


ERIC WEISBENDER

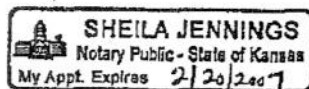

AMY WEISBENDER

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 11th day of September, 2006, before me the undersigned, a notary public in and for the state and county aforesaid, came ERIC WEISBENDER and AMY WEISBENDER, husband and wife, and who are personally known to me to be the same persons who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such persons duly acknowledged the execution of the same.

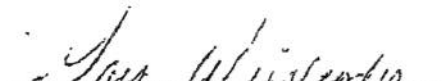
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the day and year last above written.




NOTARY PUBLIC

My appointment expires: February 20th, 2007


TIMOTHY WEISBENDER

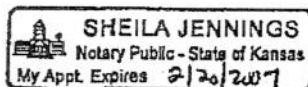

GAY WEISBENDER

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:


BE IT REMEMBERED that on this 11th day of September, 2006, before me the undersigned, a notary public in and for the state and county aforesaid, came TIMOTHY and GAY WEISBENDER, husband and wife, and who are personally known to me to be the same persons who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such persons duly acknowledged the execution of the same.

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




NOTARY PUBLIC

My appointment expires: February, 20th, 2007


NEAL HELMICK

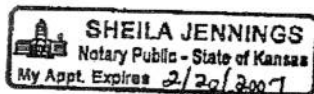

RONDA HELMICK

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 12th day of September, 2006, before me the undersigned, a notary public in and for the state and county aforesaid, came NEAL HELMICK and RONDA HELMICK, husband and wife, and who are personally known to me to be the same persons who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such persons duly acknowledged the execution of the same.

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




NOTARY PUBLIC

My appointment expires: February 20th, 2007

OWNERS OF LOT 11A PRAIRIE LAKES UNIT ONE
501 Brookmont Drive


LOUIS N. POZZUOLI


DONNA K. POZZUOLI


JASON L. POZZUOLI

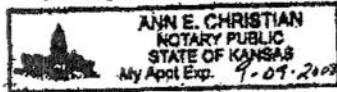

LORI POZZUOLI

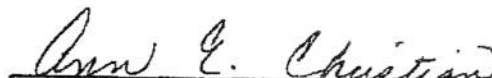
ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS

BE IT REMEMBERED that on this 14th day of September, 2006, before me the undersigned, a notary public in and for the state and county aforesaid, came LOUIS N. and DONNA K. POZZUOLI, husband and wife and JASON L. and LORI POZZUOLI, husband and wife and who are personally known to me to be the same Persons who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such persons duly acknowledged the execution of the same.

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




NOTARY PUBLIC

My appointment expires:

9. 09. 2008

LAKINS METAL & WOOD RESTORATION, INC.

BY: Steve R. Springer, Pres
STEVE SPRINGER,
President

ACKNOWLEDGEMENT

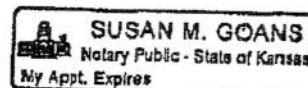
STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 15 day of September, 2006, before me the undersigned, a notary public in and for the state and county aforesaid, came STEVE SPRINGER of LAKINS METAL & WOOD RESTORATION, Inc., and who is personally known to me to be the same person who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such person duly acknowledged the execution of the same on behalf of said corporation.

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

Susan M. Goans
NOTARY PUBLIC

My appointment expires: 7/14/2009



William H. Von Elling Jr.

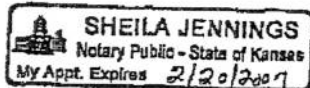
BY: William H. Von Elling Jr.
William H. Von Elling, Jr.,
A Single Person

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 21st day of September, 2006, before me the undersigned, a notary public in and for the state and county aforesaid, came William H. Von Elling Jr., and who is personally known to me to be the same person who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the day and year last above written,



Sheila Jennings
NOTARY PUBLIC

My appointment expires February 20th, 2007

J & M REAL ESTATE, LLC

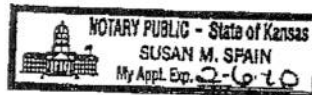
BY: *Michael R. Marks*
MIKE MARKS,
Member

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 14 day of September, 2008, before me the undersigned, a notary public in and for the state and county aforesaid, came MIKE MARKS, Member of J & M Real Estate, LLC, and who is personally known to me to be the same person who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such person duly acknowledged the execution of the same on behalf of said LLC.

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



Susan M. Spain
NOTARY PUBLIC

My appointment expires: 2-6-10

HAVEN INVESTMENT PROPERTIES, INC.

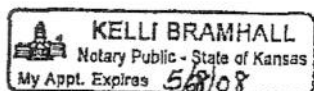
BY: Steven C. Wilkinson
STEVEN C. WILKINSON,
Member/Chairman

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 18th day of September, 2006, before me the undersigned, a notary public in and for the state and county aforesaid, came STEVEN C. WILKINSON, Member/Chairman of Haven Investment Properties, Inc., and who is personally known to me to be the same person who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such person duly acknowledged the execution of the same on behalf of said corporation.

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



Kelli Bramhall
NOTARY PUBLIC

My appointment expires:
5/28/08

BY: *William Troy Dillon*
WILLIAM TROY DILLON
Husband

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 21st day of September, 2006, before me the undersigned, a notary public in and for the state and county aforesaid, came WILLIAM TROY DILLON, and who is personally known to me to be the same person who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the day and year last above written,



Joseph G. Sexton
NOTARY PUBLIC

My appointment expires: Jan. 25, 2007

BY: Ricciann Dillon
RICCIANN DILLON
wife

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 21st day of September, 2006, before me the undersigned, a notary public in and for the state and county aforesaid, came RICCIANN DILLON, and who is personally known to me to be the same person who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the day and year last above written,



Joseph G. Sexton
NOTARY PUBLIC

My appointment expires: JAN. 25, 2007

BY: Walter Proudfoot
WALTER PROUDFOOT
Husband

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 21st day of September, 2006, before me the undersigned, a notary public in and for the state and county aforesaid, came WALTER PROUDFOOT, and who is personally known to me to be the same person who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such person duly acknowledged the execution of the same.

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



Joseph G. Sexton
NOTARY PUBLIC

My appointment expires: Jan. 21, 2007

BY: Doris Proudfoot
DORIS PROUDFOOT
Wife

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 21st day of September, 2006, before me the undersigned, a notary public in and for the state and county aforesaid, came DORIS PROUDFOOT, and who is personally known to me to be the same person who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such person duly acknowledged the execution of the same.


IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the day and year last above written,



Joseph G. Sexton
NOTARY PUBLIC

My appointment expires: Jan. 25, 2007

RWA CONSTRUCTION, INC.

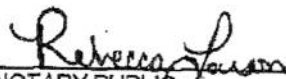
BY: 
LUTHER W. PENNELL, JR.
President

ACKNOWLEDGEMENT

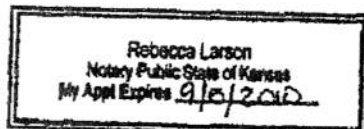
STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 12th day of September, 2006, before me the undersigned, a notary public in and for the state and county aforesaid, came LUTHER W. PENNELL, JR. of RWA Construction, Inc., and who is personally known to me to be the same person who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such person duly acknowledged the execution of the same on behalf of said corporation.

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


NOTARY PUBLIC

My appointment expires:



CITY OF MANHATTAN, KANSAS

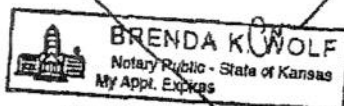
BY: 
BRUCE SNEAD, MAYOR

ACKNOWLEDGEMENT

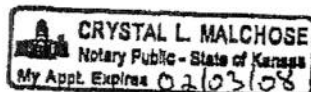
STATE OF KANSAS, COUNTY OF RILEY, SS:

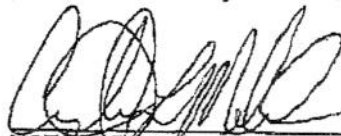
BE IT REMEMBERED that on this 21st day of September, 2006, before me the undersigned, a notary public in and for the state and county aforesaid, came BRUCE SNEAD, Mayor of the City of Manhattan, and who is personally known to me to be the same person who executed the foregoing Agreement Creating Restrictive Covenant on Real Estate and such person duly acknowledged the execution of the same on behalf of said City.

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



My appointment expires:




NOTARY PUBLIC



M. Charlotte Shawyer
Register of Deeds
Riley County, Kansas
Book: 828 Page: 4261
Receipt #: 56644
Pages Recorded: 4
Date Recorded: 4/25/2007 4:01:24 PM
Total Fees: \$20.00

COVENANT ON REAL ESTATE

THIS COVENANT is hereby granted to the City of Manhattan, Kansas (the "City") this 6th day of April, 2007, by the undersigned (the "Owners").

WHEREAS, Linda J. Conderman, Trustee of the Linda J. Conderman Trust, dated May 31, 2000 (the "Conderman Trust"); and, G. Douglas DeMonbrun, Trustee of the G. Douglas DeMonbrun Trust, dated May 31, 2000 (the "DeMonbrun Trust") are the owners of Lots 1-7 in Unit 4 of Prairie Lakes Subdivision, Manhattan, Riley County, Kansas; and,

WHEREAS, Overlay Properties, Inc., a Kansas Corporation, ("Overlay Properties") is the owner of Tract A in Unit 1 of Prairie Lakes Subdivision; and,

WHEREAS, The Conderman Trust, the DeMonbrun Trust and Overlay Properties are collectively hereinafter referred to as the "Owners"; and,

WHEREAS, the platted lots of Units 1 & 2 of Prairie Lakes Subdivision, Manhattan, Riley County, Kansas, and also an unplatted tract were the subject of an Agreement Creating a Restrictive Covenant on Real Estate (the "Original Covenant"), which is filed at Book 825, Page 7364 of the records of the Riley County Register of Deeds; and,

WHEREAS, at the time of filing of the Original Covenant, Lots 1-7, now located in Unit 4, were Lots 32A, 32B, 33A, 33B, 34A, 34B, 35A and 35B in Unit 1 of Prairie Lakes Subdivision and a small portion of Tract A in Unit 1 of Prairie Lakes Subdivision; and,

WHEREAS, Owners desire to replat the above mentioned Lots of Unit 1, along with the small portion of Tract A, into Lots 1-7 of Unit 4; and,

WHEREAS, Owners, in order to encourage the City to accept the replat, have executed this Covenant, making it clear that the Original Covenant is applicable to all of Unit 4.

NOW THEREFORE, in consideration for the City of Manhattan accepting the replat, the Owners hereby covenant with the City, as follows:

1. All of Unit 4 of Prairie Lakes Subdivision of Manhattan, Riley County, Kansas is hereby made subject to the Original Covenant, to the same extent as if set forth specifically therein. The Lots within Unit 4 shall be assessed, if necessary, under the terms of the Original Covenant as though they continued to be located in Unit 1.

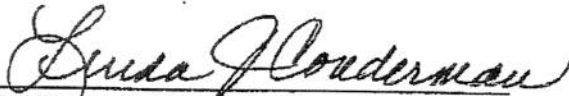
2. This covenant shall be deemed to run with the real estate described herein and shall be binding upon Owners, their successors and assigns.

3. This covenant shall be enforceable by the City of Manhattan. This covenant shall not be amended, or removed from the subject property, without the written consent of the Governing Body of the City of Manhattan.

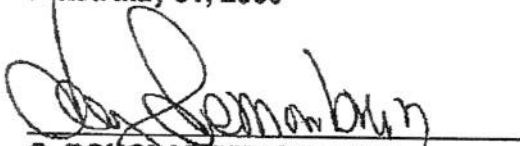
(The balance of this page is left blank intentionally.)

IN WITNESS WHEREOF, the Owners have executed this Covenant this

6th day of April, 2007.



LINDA J. CONDERMAN,
TRUSTEE of the Linda J. Conderman Trust,
Dated May 31, 2000



G. DOUGLAS DEMONBRUN,
TRUSTEE of the G. Douglas DeMonbrun Trust,
Dated May 31, 2000

OVERLAY PROPERTIES, INC.

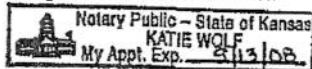
BY: 
RUSSEL WEISBENDER,
President

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 6th day of April, 2007, before me the undersigned, a notary public in and for the state and county aforesaid, came Linda J. Conderman, Trustee of the Linda J. Conderman Trust, dated May 31, 2000, and who is personally known to me to be the same person who executed the foregoing Covenant on Real Estate and such person duly acknowledged the execution of the same on behalf of said Trust.

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



Katie Wolf
NOTARY PUBLIC

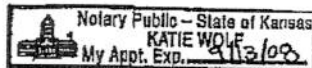
My appointment expires: 9/13/08

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 6th day of April, 2007, before me the undersigned, a notary public in and for the state and county aforesaid, came G. Douglas DeMonbrun, Trustee of the G. Douglas DeMonbrun Trust, dated May 31, 2000, and who is personally known to me to be the same person who executed the foregoing Covenant on Real Estate and such person duly acknowledged the execution of the same on behalf of said Trust.

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



Katie Wolf
NOTARY PUBLIC

My appointment expires: 9/13/08

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED that on this 6th day of April, 2007, before me the undersigned, a notary public in and for the state and county aforesaid, came Russell Weisbender, President of Overlay Properties, Inc., and who is personally known to me to be the same person who executed the foregoing Covenant on Real Estate and such person duly acknowledged the execution of the same on behalf of said corporation.

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



Katie Wolf
NOTARY PUBLIC

My appointment expires: 9/13/08



M. Charlotte Shawver
Register of Deeds
Riley County, Kansas
Book: 830 Page: 4540
Receipt #: 63484 Total Fees: \$28.00
Pages Recorded: 6
Date Recorded: 9/5/2007 4:40:46 PM

FIRST AMENDMENT TO PRAIRIE LAKES HOMES ASSOCIATION DECLARATION

This First Amendment to Prairie Lakes Homes Association Declaration is made this 4th day of September by Overlay Properties, Inc.

WITNESSETH:

WHEREAS, Overlay Properties, Inc., as Developer, caused to be recorded the Prairie Lakes Homes Association Declaration, which Declaration was recorded with the Register of Deeds of Riley County, Kansas on August 12, 2005, in Book 819 at Page 4722, et seq, covering real estate described in the plat of land known as Prairie Lakes Unit 1, filed with the Riley County Register of Deeds in Book K, page 502, and Prairie Lakes Unit 2, filed with the Riley County Register of Deeds at Book K, page 503, an addition to the City of Manhattan, Riley County, Kansas; and

WHEREAS, pursuant to Paragraph 15 of said Prairie Lakes Homes Association Declaration (hereinafter sometimes called the "Declaration"), the Developer was given the absolute and uncontroverted right to amend said Declaration; and

WHEREAS, the Declarant now desires to amend said Declaration by amending Paragraphs 7 and 8 of the Declaration;

NOW THEREFORE, Declarant hereby amends the Prairie Lakes Homes Association Declaration by amending Paragraphs 7 and 8 of said Declaration to read as follows:

"SECTION 7. POWERS AND DUTIES OF THE ASSOCIATION:

1. The Association shall have the following powers and duties which may be implemented by the Association at its discretion:

(a) To care for, spray, trim, mow, protect, replace and replant trees, shrubbery, bushes, flowers, and grass in the Common Areas within the Development.

(b) To provide for the maintenance and/or repair of the lake retention structures and maintain the drainage and retention structures to ensure proper flowage of surface water, as more fully set forth in the Agreement Creating a Restrictive Covenant on Real

Estate, filed September 22, 2006 in Book 825 at page 7364, et seq, in the Office of the Register of Deeds of Riley County, Kansas. Additionally, the Association shall provide for the maintenance of any improvements, ponds, streams or natural water-courses which now exist or which may hereafter be included, created or erected in any Common Area within the Development.

(c) To provide for the maintenance and repair of any gateways, entrances, ornamental features, pedestrian bridges or walkways, now existing or which may hereafter be erected or created in said Development on any Common Area within the Development.

(d) To acquire and own the title to such real estate as may be reasonably necessary in order to carry out the purposes of the Association, and to pay taxes and other liabilities on such real estate as may be owned by it.

(e) To enforce, either in its own name or in the name of any Owner within the Development, any or all building restrictions which may have been heretofore, or may hereafter be, imposed upon any of the land in such Development, either in the form as originally placed thereon or as modified subsequently thereto; provided, however, that this right of enforcement shall not serve to prevent such changes, releases or modifications as are permissible in the deeds, declaration, plats or certificate of survey in which such restrictions or reservations are set forth, nor shall it serve to prevent the assignment of those rights by the proper parties, wherever and whenever such rights of assignment exist. The expenses and costs of any enforcement proceedings shall be paid out of the general fund of the Association as provided for herein. Nothing herein contained shall be deemed or construed to prevent any Owner having the contractual right to do so from enforcing in his own name any such restrictions.

(f) To manage and control as trustee for its members all improvements located upon any Common Area within the Development, provided that such management and control of said improvements shall at all times be subject to that had and exercised by the city, county and state, or any one of them, in which the lands within the Development are located.

(g) To mow, care for, maintain and remove rubbish from vacant and unimproved lots and to do any other things necessary or desirable in the judgment of the officers of

the Association to keep any vacant and unimproved lot and the parking in front of any such lot in the Development neat in appearance and in good order; and to assess against and collect from the Owner of any such lot the costs and expenses thereof.

(h) To exercise control over such easements as it may acquire from time to time.

(i) To provide for the collection and disposal of rubbish and garbage, when adequate services of that type are not available from any public source.

(j) To exercise such rights to amend the Declaration of Restrictions recorded on August 12, 2005 in Book 819 at page 4718 in the Office of the Register of Deeds of Riley County, Kansas, as are assigned to it by Developer pursuant to Paragraph 16 of said Declaration of Restrictions.

(k) To levy and collect the assessments and fines which are provided for in this Declaration.

2. The Association shall have the following additional powers and duties which it may exercise and perform whenever in its discretion it may deem it necessary or desirable, to-wit:

(a) To provide such lights as the Association may deem advisable on gateways, entrances or other features, and in other public or semi-public places, when such facilities are not available from any public source.

(b) To build and maintain such pedestrian bridge and picnic areas on the Common Area as the Association may deem advisable.

(c) To contract for duly qualified security services for the purpose of providing such security and protection as the Association may deem necessary or desirable in addition to that rendered by public authorities.

SECTION 8. METHOD OF PROVIDING GENERAL FUNDS:

1. For the purpose of providing a general fund to enable said Association to exercise the powers and maintain the improvements and render the services herein provided for, each lot within the Development upon which a dwelling has been constructed and at any time theretofore occupied as a residence, shall be subject to an annual general fund assessment which may be levied by the Association from year to year, which assessment shall be paid to the Association annually, or at such other times as the Association may

determine, in advance by each respective Class A member. The Association may from year to year fix and determine the total amount required in this general fund and may levy and collect an annual assessment, the initial amount of which shall not exceed Three Hundred Dollars (\$300.00), for each lot owned by a Class A member, except that there shall be no assessment owed as to lots owned by the permitted assignees of Developer. For purposes of this paragraph, "permitted assignee of Developer" shall be defined as the trustees of any inter vivos trust created by shareholders of Developer, and any corporation in which a shareholder of Developer owns 51% or more of the corporation. The assessment owed by a Class A member shall be prorated to the first day of the month in which the Class A member takes title to the lot, or in the case of an installment contract, the first day of the month in which the closing of the installment contract occurs.

2. The maximum annual assessment upon each Lot as aforesaid may be increased on all the lots in the Development from one year to the next to an amount not exceeding one hundred ten percent (110%) of the amount of the annual assessment for the previous year; provided, however, that at a meeting of members specially called for that purpose, in advance of the first day of any assessment year, a greater increase may be approved by affirmative vote of a majority vote of the total combined votes of all Class A and Class B members present in person or by proxy at such meeting.

3. Unless the amount of any annual assessment is specifically limited by the resolution in which it has been established, the resolution establishing that assessment shall continue to be effective until rescinded or superseded by a subsequent resolution which specifically establishes a new annual assessment amount effective upon the first day of the next succeeding assessment year.

4. It is recognized that during the period of time this Declaration may be in effect, that circumstances may exist in which it may become appropriate for the benefit of all members of the Association that the Association levy and collect a special assessment against each aforesaid lot and from each member of the Association. It is, therefore, provided that at a meeting of the members specifically called for that purpose, in advance of the first day of any assessment year, that the association may, by resolution approved by affirmative vote of sixty percent (60%) of the total combined votes of all Class A and Class B members present in person or by proxy at such meeting, levy and collect a

special assessment in the amount, for the specific purpose and for the specific period of time stated in such a resolution, payable in one or more installments at the time or times provided within such resolution. Any such special assessment may be for any Association purpose, including without limitation a deficit (actual or projected) in the general funds of the Association, extraordinary damage or catastrophe to any Common Area, for anticipated liabilities that exceed the general funds, or for capital improvements upon any Common Area.

5. Whenever the Association may deem it advisable to submit to the members a proposal under either Paragraphs 2 or 4 of this Section, it shall notify the members of the Association of such meeting, giving the time and place at which it is to be held and describing generally the annual or special assessment proposed to be voted upon at such meeting; and such notice must be given not less than thirty (30) days preceding the date established for such meeting.

6. Within fifteen (15) days from the levying of each assessment, the Association shall notify all Owners of assessable lots of the amount of such assessment. Failure of the Association to levy a new or amended assessment prior to January 1st of any assessment year shall constitute an automatic levy on December 1st of the preceding year of the amount of the general assessment levied for that assessment year or the most recent assessment year for which the Association last by appropriate resolution established such a levy amount. In no event shall the failure to levy a new or amended assessment for any year affect the right of the Association to do so for any subsequent year. In the event that an assessment is levied subsequent to the 1st day of December which precedes any assessment year, then such assessment shall not become due and payable earlier than thirty (30) days from the date of levying the assessment. The Association may elect to permit collections of assessments in quarterly or semi-annual payments in lieu of the annual payments provided for herein.

7. A written or printed notice, deposited with the United States postal service, with first class postage prepaid thereon, and addressed to the respective Owners entitled to notice, at the last address therefor shown in the records of the Association, shall be deemed to be sufficient and proper notice for these purposes, or for any other purpose under this Declaration for which notice may be required, unless otherwise provided

herein.

8. The Owner of each lot subject to assessment under this Declaration shall, by acceptance of a deed of conveyance to such lot, be deemed to have agreed and does hereby agree to pay to the Association all assessments placed against such lot in accordance herewith, and said Association is hereby granted the power and right to proceed against such Owner personally for the collection of said assessments; and said right shall be in addition to and not to be construed as a limitation upon the remedies and rights of said Association otherwise herein granted."

The Developer hereby ratifies and confirms the remaining terms and conditions of the Prairie Lakes Homes Association Declaration, except as herein amended.

Overlay Properties, Inc.

By: Russel Weisbender
Russel Weisbender, President

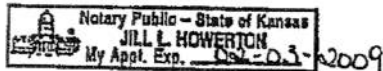
STATE OF KANSAS, RILEY COUNTY: ss.

BE IT REMEMBERED, that on this 4th day of September, 2007, before me, a Notary Public in and for said County and State, came Russel Weisbender, President of Overlay Properties, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Kansas, who is personally known to me to be the same person who executed the within instrument on behalf of said corporation, and such person duly acknowledged the execution of the same to be the act and deed of said corporation.

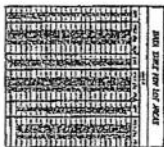
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Jill L. Howerton
Notary Public

My appointment expires:



Phase 1



SHEET 2 OF 2



Rueda & Polini, P.A.
Engineering, Surveying, Land Planning
111 North 10th
Miami, Florida 33133
Phone 305-462-2200
Fax 305-462-2211
E-mail: rpa@earthlink.net