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Sharon K. Cherry, Recorder, Hamilton County, Ind.

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DECLARATION OF COVENANTS,
EASEMENTS AND RESTRICTIONS

FOR

BRIDLEBOURNE SUBDIVISION
SECTION ONE

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BRIDLEBOURNE DEVELOPMENT COMPANY
DECLARANT

INSTR. #87 11400

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DECLARATION OF COVENANTS,
EASEMENTS AND RESTRICTIONS
FOR BRIDLEBOURNE SUBDIVISION, SECTION ONE

THIS DECLARATION OF COVENANTS, EASEMENTS AND RESTRICTIONS FOR BRIDLEBOURNE SUBDIVISION ("Declaration"), made this 30th day of April, 1987, by Bridlebourne Development Company, an Indiana Partnership, (hereinafter called "Declarant"),

WITNESSETH THAT:

WHEREAS, the Declarant is the owner in fee simple of certain real estate located in Marion County, Indiana, more particularly described in the attached Exhibit A ("Real Estate"); and,

WHEREAS, the Declarant is developing the Real Estate and certain surrounding lands within the tract described in the attached Exhibit B as a residential subdivision consisting of detached, one-family dwellings located on separate lots, to be known as "Bridlebourne Subdivision", which shall be platted by Declarant in sections from time to time; and,

WHEREAS, the Real Estate will be platted by Declarant as Section One (1) of Bridlebourne Subdivision, in phases consisting of one (1) or more Lots from time to time to be recorded in the office of the Recorder of Hamilton County, Indiana; and,

WHEREAS, Declarant desires to subject the Real Estate to certain covenants in order to provide appropriate easements and restrictions with respect to the use and enjoyment of common structures as between attached dwellings and to ensure that the development and use of the various lots on the Real Estate are harmonious with and do not adversely affect the value of surrounding lots on the Real Estate or within Bridlebourne Subdivision; and

WHEREAS, the Declarant desires to provide for the maintenance and repair of the Common Property (as herein defined) located or to be located in Bridlebourne Subdivision, which is of common benefit to the Owners of the various lots within said subdivision, and to that end desires to establish certain obligations on said Owners and a system of assessments and charges upon said Owners for certain maintenance and other costs in connection with the operation of Bridlebourne Subdivision;

NOW, THEREFORE, the Declarant imposes upon the Real Estate the following covenants, which shall run with the Real Estate and be binding upon Declarant and upon all successors to and assigns of all or any part of Declarant's interest in the Real Estate:

ARTICLE I.

General Purpose Of This Declaration

The Real Estate is hereby subjected to the covenants herein declared to preserve the value of the Real Estate, to provide for appropriate reciprocal rights and obligations between Owners with respect to Common Property (as herein defined) shared by them, to ensure proper use and appropriate improvement of the Real Estate, to encourage the construction of attractive buildings and other attractive improvements at appropriate locations on the Real Estate, to prevent haphazard development thereof which may be inharmonious with other improvements on the Real Estate or within Bridlebourne Subdivision, to preserve and maintain proper setbacks from streets and adequate free space between structures, to provide for adequate and proper maintenance of the Real Estate

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so as to ensure a high quality appearance and condition of the Real Estate, all for the purpose of preserving the values of all Lots within Bridlebourne Subdivision and to ensure desired high standards of maintenance of the Real Estate, to the benefit of all Owners within Bridlebourne Subdivision.

ARTICLE II.

Definitions For All Purposes Of This Declaration

The following terms, whenever used in this Declaration, shall have the meanings assigned to them by this Article II:

Section 1. Assessment. "Assessment" means the share of the Common Expenses imposed upon each Lot, as determined and levied pursuant to the provisions of Article VI.

Section 2. Association. "Association" means Bridlebourne Homeowners' Association, Inc., an Indiana not-for-profit corporation, formed or to be formed for the purpose of determining and collecting the Assessments and overseeing and enforcing the terms of this Declaration.

Section 3. Architectural Committee. "Architectural Committee" means the Declarant so long as any Lots remain unsold by Declarant and so long as Bridlebourne is still subject to expansion, and thereafter shall mean the Board of Directors of the Association, or any group of not less than three (3) persons designated as the Architectural Committee by resolution of the Board of Directors, when and to the extent exercising any rights of consent pursuant to this Declaration. The term Architectural Committee shall be the same committee as the Bridlebourne Development Control Committee as set out in the Plat Restrictions.

Section 4. Bridlebourne Subdivision. The term "Bridlebourne Subdivision" means and includes all sections thereof as shall have been platted and recorded from time to time by Declarant in accordance with the provisions of this Declaration.

Section 5. Common Areas. "Common Areas" means certain open spaces or recreational or community facilities which may be designated by Declarant as Common Area on the plat or plats of Bridlebourne Subdivision, as the same may be recorded from time to time, and which is intended for the common benefit of all Lots.

Section 6. Common Expense. "Common Expense" means the actual and estimated cost to the Association for maintenance, management, operation, repair, improvement, and replacement of Common Property, real estate taxes or personal property taxes assessed against any Common Property, and any other cost or expense incurred by the Association for the benefit of the Common Property, and shall also include the cost of maintaining the landscaping upon the Lots if so desired by the Board of Directors of the Association, and any other cost or expense incurred by the Association pursuant to this Declaration or in the course of performance of its duties under this Declaration. Common Expenses shall not include any costs or expenses incurred in connection with the initial installation or completion of the Common Roads, utility lines and mains, street lights, or other improvements constructed by Declarant.

Section 7. Common Property. "Common Property" means all real and personal property which is in the nature of common or public improvements or areas, and which is located in, upon, or under the Common Areas, Easements, or Common Roads within

Bridlebourne Subdivision, other than such as may have been dedicated to the public and accepted for maintenance by the appropriate public agencies. Without limiting the generality thereof, Common Property shall include, to the extent not publicly dedicated, all Common Roads, curbs, water mains, fire hydrants, the Drainage System, the Sewage System, street lights and street signs, paths and sidewalks, lakes, retention ponds, parks, and open spaces.

Section 8. Common Roads. "Common Roads" means those roads, walkways, and similar areas, designated as such and shown on the plat or plats of Bridlebourne Subdivision, as the same may be recorded from time to time, which have been or hereafter are constructed for the purpose of providing common access for owners, occupants and their guests and invitees, to any or all Lots other than any that have been dedicated to the public and accepted for maintenance by the appropriate public agency.

Section 9. Declarant. "Declarant" means Bridlebourne Development Company, an Indiana general partnership, or any other person, firm, corporation or partnership which succeeds to the interests of Bridlebourne Development Company as developer of Bridlebourne Subdivision as set forth in a recorded instrument expressly transferring the rights and obligations of Declarant.

Section 10. Drainage System. "Drainage System" means the storm sewers, subsurface drainage tiles, swales, ditches, pipes, and other structures, fixtures, properties, equipment and facilities located in, upon, or under the Common Areas, Easements, or Common Roads and designed for the purpose of expediting the drainage of surface and subsurface waters from, over, and across Bridlebourne Subdivision, other than such as may have been dedicated to the public and accepted for maintenance by the appropriate public agency.

Section 11. Easements. "Easements" refer to those areas reserved as easements on the plat or plats of Bridlebourne Subdivision, as the same may be recorded from time to time.

Section 12. Equestrian Facilities. The "Equestrian Facilities" shall include all structures, paths, paddock areas, fences and other improvements designated as such by the Declarant that are constructed and exist from time to time.

Section 13. Lot. "Lot" means any of the separate parcels identified on the final plat or plats of Bridlebourne Subdivision, as the same may be recorded from time to time. Lots shall be numbered.

Section 14. Mortgagee. The term "Mortgagee" means any holder, insurer, or guarantor of any first mortgage on any Lot.

Section 15. Owner. "Owner" means any person or persons who hold or acquire on or after the date of this Declaration legal and/or equitable title to any Lot; provided, however, that "Owner" shall not include any Mortgagee so long as such Mortgagee does not have possession of the Lot or hold both legal and equitable title thereto.

Section 16. Sewage System. "Sewage System" means any sanitary sewer lines, lift stations, equipment, or facilities located in, upon, or under the Common Areas, Easements, or Common Roadways and designed to provide for the discharge of sanitary sewage from any or all Lots, as the same are or may be constructed at any time, and any replacement thereof or substitute therefor, except such as may have been dedicated to the public and accepted for maintenance by the appropriate public agency.

Section 17. Water Supply. "Water System" means any notable or irrigation water lines, including wells, pump stations, fire fighting cisterns, equipment or facilities located in, upon, or under Common Areas, Easements, or Common Roadways and designed to provide for the supply of water to any of the Lots, as the same are, or may be, constructed at any time, and any replacement thereof or substitution thereof, except such as may have been dedicated to the public or public utility, and accepted for maintenance by such public agency or public utility.

ARTICLE III.

Use and Bulk Restrictions

Section 1. Permitted Uses. The Real Estate and all improvements on any portion thereof shall be used or occupied only for residential purposes, with no more than one family per Lot. No business buildings shall be erected thereon and no commercial enterprise may be conducted on any part thereof. No lease on any Lot or portion thereof shall have a term of less than six (6) months.

Section 2. Types of Structures. No structure shall be erected, altered, placed, or permitted to remain on any Lot, other than one detached, single-family dwelling, and permanent accessory buildings. No such structures shall exceed two stories in height without the approval of the Architectural Committee. Any garages, storage building, or any other accessory building erected or used as an accessory to a residence shall be of a permanent type of construction and shall conform to the general architecture and appearance of said residence. No trailers, shacks, outhouses, detached storage sheds or tool sheds of any kind shall be erected or situated on any Lot, except such as may be used by the builder during the construction of a residential building thereon, and except such storage sheds or tool sheds as may be approved by the Architectural Committee. Except as provided in the preceding sentence, no structure of a temporary or readily moveable character may be placed upon any Lot or used as a residence.

Section 3. Setbacks. No building or other structure shall be placed closer than 75 feet from any right-of-way line of Common Roadways, without the approval of the Architectural Committee and, if necessary under applicable zoning regulations or requirements, the approval of any zoning authority having jurisdiction thereof; provided, that Architectural Committee approval shall not be required for construction by Declarant. No portion of any structure shall be placed closer than 40 feet to any portion of any building already existing or under construction on any adjacent Lot at the time construction on any Lot commences.

Section 4. Manner of Use. Each Owner shall use and occupy his respective Lot and all easements and rights-of-way appertaining thereto, in a careful, safe, and proper manner and keep his Lot in a clean and safe condition in accordance with this Declaration, applicable zoning ordinances, all health, fire, and police requirements and regulations, state statutes, local ordinances, the lawful directions of proper public officials, the Plat Restrictions set out in the plat of Bridlebourne Subdivision and all rules and regulations as promulgated from time to time by the Board of Directors of the Association. No Owner shall conduct, or permit any person to conduct, any nuisance or any unlawful activity on the Real Estate.

Section 5. Floor Area. The finished and liveable floor area of the main structure on any Lot, exclusive of one story open porches and garages and other attached residential accessory buildings, shall not be less than 2,750 square feet without the approval of the Architectural Committee and, if necessary under applicable zoning regulations or requirements, the approval of any zoning authority having jurisdiction thereof; provided, that Architectural Committee approval shall not be required for construction by Declarant.

ARTICLE IV.

General Rights and Restrictions

Section 1. Nuisances. No farm animals, fowl, or domestic animals for commercial purposes shall be kept or permitted on any Lot. Pets shall be permitted outdoors only under leash and accompanied by an Owner or other person, and each Owner shall be fully liable for any injury or damage to any person or to the Common Property caused by his or her pet, and shall be responsible for removing from such areas his or her pet's waste materials. The Board of Directors may adopt such other rules and regulations regarding pets and otherwise dealing with the use and enjoyment of the Common Property and the Lots as it may deem appropriate. In the event that in the judgment of the Board of Directors, any pet is causing or creating a nuisance or disturbance or noise, such pet shall be permanently removed from the Real Estate upon written notice of such determination by the Board of Directors. No Lot or structure or improvement thereon shall be used in any manner which causes or might reasonably be expected to cause any disturbance to the normal use and enjoyment of surrounding Lots, nor in any manner which causes injury to the reputation of Bridlebourne Subdivision, including, without limitation, the burning of any refuse or excessive noise by the use of any musical instruments, loud speakers, electrical equipment, amplifiers or other equipment or machines.

Section 2. Fences; Sight Obstructions. All fences shall be kept in good repair and erected so as to enclose the property and decorate the same without hinderance, encroachment, or obstruction to any Easement, Common Driveway, and the right-of-way line for the Common Driveways. No fence shall be erected between the front Lot lines and the building setback line other than a fence of a decorative nature and only with the approval of the Architectural Committee. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two and six feet above the adjoining Common Roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the road Lot lines and a line connecting points twenty-five (25) feet from the intersection of said street Lot Lines (or in the case of a rounded property corner, from the intersection of the street Lot lines extended to form a corner). As to any trees located within said sight line areas, the Owner thereof shall maintain the foliage line of such trees at a sufficient height to prevent obstruction of such sight lines.

Section 3. Driveways. All driveways shall be paved prior to or as soon as practicable after the completion of the construction of the dwellings in accordance with plans and specifications meeting the approval of the Architectural Committee. Each Owner shall maintain driveways located on his Lot so as to prevent or repair unsightly cracking or crumbling, and shall keep his driveway clean and free of debris.

Section 4. Vehicle Parking. No camper, motor home, truck, trailer, boat, or recreational vehicle of any kind may be stored on any Lot, except in an enclosed garage or other accessory building. No vehicle shall be parked on a regular, recurrent, or

permanent basis on any Common Roadway. This Section 4 shall not apply to any construction vehicles, trailers, or equipment of Declarant or any other builder in Bridlebourne Subdivision during the development thereof.

Section 5. Signs. No sign of any kind shall be displayed to the public view on any Lot (whether indoors or outdoors), except that one sign of not more than six square feet may be displayed for the purpose of advertising a house for sale, and except for such signs as may be erected by the builders (including Declarant) to advertise the property during construction and sale, and except such other signs as may be approved by the Architectural Committee and, if necessary under applicable zoning regulations or requirements, by any zoning authority having jurisdiction thereof.

Section 6. Landscaping and Vegetation. Each Owner shall cause or permit all portions of his Lot upon which no other improvements are constructed to be covered with grass, ground cover, trees, flowers, or shrubs, and shall cause or permit such landscaping to be maintained properly, except prior to the construction of any improvements thereon or during the period when the dwelling or other improvements on the Lot are actually under construction. No Owner, at any time, shall permit the growth of weeds on his Lot, and each Owner shall cause or permit the same to be kept reasonably clear from unsightly growth at all times.

Section 7. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for trash. Rubbish, garbage, or other waste shall not be kept on any Lot except in sanitary, windproof containers, and such containers shall be kept clean, shall be stored in the garage of each respective unit except for trash pick-up days and shall not otherwise be stored on any Lot in open public view.

Section 8. Storage Tanks. Any gas or oil storage tanks used in connection with a Lot shall be either buried or located in a garage or house such that they are completely concealed from public view.

Section 9. Tree Preservation. No trees may be removed from any Lot without the approval of the Architectural Committee, and applications for such approval shall be made to the Architectural Committee in writing, except that such approval shall not be required for Declarant.

Section 10. Placement of Utility Lines. All electrical service lines, gas service lines, television lines, telephone lines, and all other lines or mains which may be used for the transmission of any form of matter or energy, which may be located on the Real Estate and which are not within buildings or structures or attached to the walls thereof, shall be placed underground. All lines which serve any one Lot shall be so located as to be accessible for maintenance and repair without disturbance to structures and other permanent improvements on any other Lot. To the extent that any lines or equipment of any utility providing such services are situated on a Lot, such utility shall have an easement for the installation, reconstruction, operation and maintenance of such lines or equipment.

Section 11. Obstruction of Common Property. No Owner shall unreasonably interfere with, damage, or obstruct the use or maintenance of any Common Property, or Common Roadways.

Section 12. Outdoor Lighting. All outdoor lighting on any Lot shall be subject to the approval of the Architectural Committee, and all applications for such approval shall be in

writing, except that such approval shall not be required for Declarant.

Section 13. Rights to Common Property. Title to all Common Property shall be held in the Association. Each Owner shall have, as non-exclusive, reciprocal easements appurtenant to his Lot, a right of access to his Lot over all Common Roadways, the right to the use of all Common Areas for their intended purposes and the right of access thereto over the Common Roadways, and the right of access to and use of the Water System, Drainage System, the Sewage System, and all utility lines and mains abutting or adjacent to his Lot; provided, however, that no Owner's use of any Common Property shall materially interfere with any other Owner's use thereof.

Section 14. Remedies for Failure to Comply. In the event that any Owner fails to fully observe and perform the obligations set forth in Article III or this Article IV, and in the further event that such failure is not cured within thirty (30) days after written notice of the same is given by the Association, the Association and any Owner shall have the right to commence judicial proceedings to abate or enjoin such failure, and to take such further action as may be allowed at law or in equity to correct such failure after commencement of such proceedings. In the event that such failure causes or threatens to cause immediate and substantial harm to any property outside of such defaulting Owner's Lot or to any person, the Association shall have the right to enter upon such Lot for the purpose of correcting such failure and any harm or damage caused thereby, without any liability whatsoever on the part of the Association. All costs incurred by the Association in connection with any act or proceeding undertaken to abate, enjoin, or correct such failure shall be payable by the defaulting Owner upon demand by the Association, and shall immediately become a lien against his Lot, subject to payment and collection in the manner provided in Article V for collection of Assessments. The rights in the Owners and the Association under this Section shall be in addition to all other enforcement rights hereunder or at law or in equity.

Section 15. Lot Access. All Lots shall be accessed from the interior Common Roadways of the Subdivision. No access is permitted from Shelbourne Road.

ARTICLE V.

Rights and Obligations for Common Structures

Section 1. Easement for Common Structures. Each Owner shall have the exclusive right (subject to the provisions of this Declaration) to use, occupy, and enjoy his Lot and the improvements constructed thereon.

Section 2. Maintenance and Repair of Common Structures. Each Owner shall be responsible for the maintenance, repair, and reconstruction of his Lot and all improvements located thereon, and shall keep the same in good condition and repair. The Association shall have the right to enter upon each Lot for the performance of its maintenance and repair rights or duties hereunder or under the Plat Restrictions.

Section 3. Insurance, Casualty. The Association shall maintain a master policy of insurance against fire and other casualty, with standard extended coverage endorsements, on all improvements on Common Areas, in an amount equal to the full insurable value of such improvements. Such insurance shall include a replacement cost endorsement and inflation guard endorsement (if obtainable) and shall name as insureds the

Association. In the event that the improvements on any Lot(s) are damaged or destroyed by any casualty, the Owner(s) thereof shall promptly repair or reconstruct the same substantially to their condition immediately prior to such damage or destruction; provided, that subject to the other provisions of this Declaration, such Owners may elect to remove the remainder of the improvements and construct new improvements thereon not necessarily the same as the ones previously constructed.

Section 4. Failure to Repair, Maintain or Reconstruct; Remedies. In the event that any Owner shall fail or refuse to maintain, repair, or reconstruct any improvements for which he is responsible under this Article V and shall persist in such failure or refusal after thirty (30) days prior written notice thereof, then in addition to all other rights and remedies as may be available at law or in equity, the Association shall have the right, upon a preliminary finding of reasonable cause by any court having jurisdiction of the parties or the property, to enter upon such defaulting Owner's Lot and perform all necessary work thereon to return the improvements to good condition and repair or to build such structures or improvements as are necessary to restore the improvements to a complete and useable architectural unit. In the event that such failure or refusal shall result in any condition which is causing or is likely to cause immediate and substantial harm to persons or property outside of such defaulting Owner's Lot, such right of entry shall be immediate. All costs incurred is a result of such entry and the work performed on such defaulting Owner's behalf (including attorneys' fees) shall be payable on demand by the party incurring such costs, and shall constitute a lien on such defaulting Owner's Lot from the date(s) incurred in favor of the party incurring such costs. Such lien shall be subordinate to the lien of any Mortgagee and the lien for Assessments hereinafter provided.

ARTICLE VI.

Construction Approvals.

Section 1. Plans, Specifications and Locations of Improvements. No building, structure, driveway, fence, wall, patio, swimming pool, landscaping, antenna, tennis court, or other form of improvement shall be erected, placed, or altered on any Lot until the building plans, specifications, and plot plan showing the design, dimensions, color, materials, and location thereof have been approved by the Architectural Committee as to their conformity and harmony of external design with the existing buildings, structures, and other improvements in Bridlebourne Subdivision, and as to compliance with applicable law and the covenants herein contained; provided, however, that no such approval shall be required for any improvements constructed by Declarant. If the Architectural Committee fails to act upon any plans submitted to it for approval within a period of thirty (30) days from the submission date of such plans, such failure shall be deemed approval and the Owner may then proceed with the construction according to the plans submitted. The Architectural Committee shall not be entitled to any compensation for services performed pursuant to this Article VI, except as may be approved by the Board of Directors of the Association.

Section 2. Exercises of Discretion by Architectural Committee. Whenever any approval or exercise of discretion by the Architectural Committee is called for by this Declaration, the Architectural Committee shall exercise its discretion reasonably in view of the general purposes of this Declaration, as set forth in Article I, and in view of any specific purposes or standards which govern the specific approval or exercise of discretion in question, as may be specified in the section or

sections of this Declaration relating thereto. The Architectural Committee shall have no power to approve any plans that do not comply with the use and bulk restrictions set forth in Article III of this Declaration, or to vary or alter any other term, condition, covenant, or restriction in this Declaration or Plat Restrictions; unless express authority therefor is granted by this Declaration or by the Plat Restrictions.

Section 3. Completion of Work. Upon receipt of all approvals required pursuant to this Article, each Owner shall, as soon as practical, satisfy or cause to be satisfied all conditions thereof and diligently proceed with the commencement and completion of all approved construction. If work is not substantially completed within eighteen months of the date of such approval, or such longer period as the Architectural Committee may approve prior to the expiration of such eighteen months, then the approval of the plans for such work shall terminate automatically without any further act by any person, and such Owner shall not commence or continue such construction without further approval of the Architectural Committee obtained in the manner of the initial approval as hereinabove provided. Failure to comply with the limitations set forth in this section shall constitute a breach of this Declaration and subject the defaulting party to all enforcement procedures set forth herein and any other remedies provided by law or equity. Furthermore, the Architectural Committee, at its discretion, may declare such uncompleted improvement to be a nuisance and shall have all remedies provided by law, in equity or in this Declaration, to abate such nuisance.

ARTICLE VII.

Covenants For Maintenance Assessments

Section 1. Purpose of the Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of preserving the values of the Lots within Bridlebourne Subdivision, as the same may be platted from time to time, and promoting the health, safety, and welfare of the Owners, users, and occupants of the same and, in particular, for the improvement, fencing, repairing, operating, and maintenance of the Common Property, including, but not limited to, the payment of taxes and insurance thereon, for the cost of labor, equipment, material, and management furnished with respect to the Common Property, and any and all other Common Expenses. Provided, however, that the Equestrian Facilities shall be exempted from the Common Property and Common Expenses for these, but solely for these, assessment purposes. The maintenance and operational expenses of the Equestrian Facilities shall be paid in accordance with the provisions of Article XIII. Each Owner hereby covenants and agrees to pay to the Association:

- (a) A Pro-rata Share (as hereinafter defined) of the annual Assessments fixed, established, and determined from time to time as hereinafter provided.
- (b) A Pro-rata Share (as hereinafter defined) of any special Assessments fixed, established, and determined from time to time, as hereinafter provided.

Section 2. Pro-rata Share. The Pro-rata Share of each Owner for purposes of this Article VII shall be the percentage obtained by dividing one by the total number of Lots shown on the plat or plats of Bridlebourne Subdivision, as the same may be recorded from time to time.

Section 3. Liability for Assessments. Each Assessment, together with any interest thereon and any costs of collection thereof, including attorneys' fees, shall be a charge on each Lot and shall constitute a lien upon each Lot from and after the due date thereof in favor of the Association. Each such Assessment, together with any interest thereon and any costs of collection thereof, including attorneys' fees, shall also be the personal obligation of the Owner of each Lot at the time when the Assessment is due. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such Assessments as to payments which become due prior to such sale or transfer. The lien for any Assessment shall for all purposes be subordinate to the lien of any Mortgage whose mortgage was recorded prior to the date such Assessment first became due and payable. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof, nor shall any sale or transfer relieve any Owner of the personal liability hereby imposed. The personal obligation for delinquent Assessments shall not pass to any successor in title unless such obligation is expressly assumed by such successor.

Section 4. Basis of Annual Assessments. The Board of Directors of the Association shall establish an annual budget prior to the beginning of each fiscal year, setting forth all anticipated Common Expenses for the coming fiscal year, together with a reasonable allowance for contingencies and reserves for periodic repair and replacement of the Common Property. A copy of this budget shall be delivered to each Owner within thirty (30) days prior to the beginning of each fiscal year of the Association. Such budget, when approved, shall constitute the basis on which the "Annual Assessments" are determined for purposes of this Declaration.

Section 5. Basis of Special Assessments. Should the Board of Directors of the Association at any time during the fiscal year determine that the Assessments levied for such year may be insufficient to pay the Common Expenses for such year, the Board of Directors shall call a special meeting of the Association to consider imposing such special Assessments as may be necessary for meeting the Common Expenses for such year. A special Assessment shall be imposed only with the approval of two-thirds (2/3) of the Owners, and shall be due and payable on the date(s) determined by such Owners, or if not so determined, then as may be determined by the Board of Directors.

Section 6. Fiscal Year; Date of Commencement of Assessments; Due Dates. The fiscal year of the Association shall be established by the Association and may be changed from time to time by action of the Association. The Annual Assessments on each Lot in each section of Bridlebourne Subdivision shall commence on the first day of the first month following the month in which Declarant first conveys ownership of any Lot in such section to an Owner and shall be due and payable in monthly installments on the first day of each and every month thereafter; except as may otherwise be established by the Board of Directors by notice to the Owners; provided, that if any Lot is first occupied for residential purposes prior to being conveyed by Declarant, full Assessments shall be payable with respect to such Lot commencing on the first day of the first month following the date of such occupancy. The Declarant shall be liable for and shall make up any deficit in the budget for the Common Expenses for any year in which Declarant controls the Association, and notwithstanding the preceding sentence, the Declarant shall pay an assessment on each Lot owned by it equal to twenty-five percent (25%) of the full annual Assessment against any Lot, until such time as full Assessments become applicable to the Lot under the terms of the preceding sentence. The first Annual Assessment within each section shall be made for the balance of

the fiscal year of the Association in which such Assessment is made, and the Board of Directors may from time to time by resolution authorize the payment of such Assessments in monthly, quarterly, semi-annual or annual installments on such date or dates as it deems appropriate.

Section 7. Duties of the Association.

- (a) The Board of Directors of the Association shall cause proper books and records of the levy and collection of each annual and special Assessment to be kept and maintained, including a roster setting forth the identification of each and every Lot and each Assessment applicable thereto, which books and records shall be kept in the office of the Association and shall be available for the inspection and copying by each Owner (or duly authorized representative of any Owner) at all reasonable times during regular business hours of the Association. The Association shall cause audited financial statements to be prepared at least annually for each fiscal year of the Association, and shall furnish copies of the same to any Owner or Mortgagee upon request. The Board of Directors of the Association shall cause written notice of all Assessments levied by the Association upon the Lots and upon the Owners to be mailed to the Owners or their designated representatives. Notices of the amounts of the Annual Assessments and the amounts of the installments thereof shall be sent annually within thirty (30) days following the determination thereof. In the absence of any notice regarding the amount of the Annual Assessment, each Owner shall continue to pay the monthly amount for Annual Assessments previously paid by such Owner. Notices of the amounts of Special Assessments shall be sent as promptly as practicable and in any event not less than ten (10) days prior to the due date of such Assessment or any installment thereof. In the event notice of any Special Assessment is mailed less than ten (10) days prior to the due date of the Assessment to which such notice pertains, payment of such Assessment shall not be deemed past due for any purpose if paid by the Owner within ten (10) days after the date of actual mailing of such notice.
- (b) The Association shall promptly furnish upon request to any Owner, prospective purchaser, title insurance company, or Mortgagee a certificate in writing signed by an officer of the Association, setting forth the extent to which Assessments have been levied and paid with respect to any Lot in which the requesting party has a legitimate interest. As to any person relying thereon, such certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid.
- (c) The Association shall notify any Mortgagee from which it has received a request for notice: (a) of any default in the performance of any obligation under this Declaration by any Owner which is not cured within sixty (60) days; (b) of any condemnation or casualty loss that affects either a material portion of Bridlebourne Subdivision or the Lot securing its mortgage; (c) of any lapse, cancellation, or material modification of any insurance policy or fidelity bond required to be maintained by the Association; and (d) and proposed action which requires the consent of the Mortgagees or a specified percentage thereof, as set forth in this Declaration.

Section 8. Non-payment of Assessments; Remedies of Association.

- (a) If any Assessment is not paid on the date when due, then such Assessment shall be deemed delinquent and shall, together with any interest thereon and any cost of collection thereof, including attorneys' fees, become a continuing lien on the Lot against which such Assessment was made, and such lien shall be binding upon and enforceable as a personal liability of the Owner of such Lot as of the date of levy of such Assessment, and shall be enforceable against the interest of such Owner and all future successors and assignees of such Owner in such Lot; provided, however, that such lien shall be subordinate to any first mortgage on such Lot recorded prior to the date on which such Assessment becomes due.
- (b) If any Assessment upon any Lot is not paid within thirty (30) days after the due date, such Assessment and all costs of collection thereof, including attorneys' fees, shall bear interest from the date of delinquency until paid at a rate of eighteen percent (18%) per annum and the Association may bring an action in any court having jurisdiction against the delinquent Owner to enforce payment of the same and/or to foreclose the lien against said Owner's Lot, and there shall be added to the amount of such Assessment all costs of such action, including the Association's attorneys fees, and in the event a judgment is obtained, such judgment shall include such interest, costs, and attorneys' fees.

Section 9. Adjustments. In the event that the amounts actually expended by the Association for Common Expenses in any fiscal year exceed the amounts budgeted and assessed for Common Expenses for that fiscal year, the amount of such deficit shall be carried over and become an additional basis for Assessments for the following fiscal year, except that so long as the Declarant controls the Association, Declarant shall be responsible for such deficit. Thereafter, such deficit may be recouped either by inclusion in the budget for Annual Assessments or by the making of one or more Special Assessments for such purpose, at the option of the Association. In the event that the amounts budgeted and assessed for Common Expenses in any fiscal year exceed the amount actually expended by the Association for Common Expenses for that fiscal year, a Pro-rata share of such excess shall be a credit against the Assessment(s) due from each Owner for the next fiscal year(s), in such amounts as the Board of Directors shall deem appropriate.

Section 10. Initial Assessments. During the first year following the date of recordation of the Declaration for Section One of Bridlebourne Subdivision, the total Assessments per Lot per month shall not exceed Two Hundred Dollars (\$200.00). In each year thereafter, the total Assessments per Lot per month shall not be increased by more than the twelve percent (12%) over the prior year, until such time as the Declarant relinquishes control of the Association.

ARTICLE VIII.

Organization and Duties of Association

Section 1. Organization of Association. The Association shall be organized as a not-for-profit corporation under the laws of the State of Indiana, to be operated in accordance with the Articles of Incorporation and By-Laws thereof. The membership of

the Association shall consist of one class of voting members, with each member having equal voting rights. The ownership of each Lot shall entitle each Owner entitled to one vote for each Lot and fractional Lot owned by said Owner. The members of the Association shall consist of the Owners of Lots in Bridlebourne Subdivision, as the same may be platted from time to time. In the event that any one Lot shall be owned by more than one person, partnership, trust, corporation, or other entity, they shall be treated collectively as one member for voting purposes, so that as to any matter being considered by the Association, only one vote appertains to each Lot.

Section 2. General Duties of the Association. The Association is hereby authorized to act and shall act on behalf of, and in the name, place, and stead of, the individual Owners in all matters pertaining to the maintenance, repair, and replacement, of the Common Property, and (may with respect to all landscaping on any Lot), the determination of Common Expenses, the collection of annual and special Assessments, and the granting of any approvals whenever and to the extent called for by this Declaration, for the common benefit of all such Owners. The Association shall also have the right, but not the obligation, to act on behalf of any Owner or Owners in seeking enforcement of the terms, covenants, conditions and restrictions contained in this Declaration. Neither the Association nor its officers or authorized agents shall have any liability whatsoever to any Owner for any action taken under color of authority of this Declaration, or for any failure to take any action called for by this Declaration, unless such act or failure to act is in the nature of a willful or reckless disregard of the rights of the Owners or in the nature of willful, intentional, fraudulent, or reckless misconduct.

Section 3. Amendment of Declaration. The Association shall have the right to amend this Declaration at any time, and from time to time, upon the recommendation of an amendment to the Association by its Board of Directors, and the subsequent approval of such amendment by both the Owners of at least seventy-five percent (75%) of the Lots and ninety percent (90%) of the Mortgagees; provided, however, that any such amendment of this Declaration shall require prior written approval of the Declarant so long as Declarant own any Lots within Bridlebourne Subdivision. Each such amendment must be evidenced by a written instrument, signed and acknowledged by duly authorized officers of the Association, and by Declarant when its approval is required, setting forth facts sufficient to indicate compliance with this paragraph, including as an exhibit or addendum thereto a certified copy of the minutes of the Association meeting at which the necessary actions were taken, and such amendment shall not be effective until recorded in the office of the Recorder of Hamilton County.

Section 4. Insurance. A. The Association shall maintain in force adequate public liability insurance protecting the Association against liability for property damage and personal injury occurring on or in connection with any and all Common Property, in an amount not less than Three Million Dollars (\$3,000,000.00) per occurrence for personal injury and One Million Dollars (\$1,000,000.00) per occurrence for property damage.

B. The Association shall also maintain in force the master casualty policy referred to in Article V hereinabove, and shall maintain adequate fire and extended coverage insurance for all Common Property for the benefit of all Owners and Mortgagees in Bridlebourne Subdivision, insuring against fire, windstorm, vandalism, and such other hazards as may be insurable under standard "extended coverage" provisions, in an amount equal to the full insurable value of such Common Property, and shall

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contain the following endorsements, if and to the extent obtainable at a reasonable cost in the State of Indiana: (i) replacement cost; (ii) inflation guard; (iii) demolition cost, contingent liability, and increased construction cost in connection with Building code requirements; and (iv) steam boiler coverage (if applicable). In the event that all or any part of the Common Property is determined to be in a flood hazard area, the Association shall also obtain a master policy of flood insurance on all structures and improvements on Common Property within such flood hazard zone, in an amount at least equal to the lesser of 100% of the current replacement cost of all insurable property within the flood hazard area, or the maximum coverage available for such property under the National Flood Insurance Program. The amounts of coverages under the foregoing policies shall be increased from time to time to cover all additions to Bridlebourne Subdivision.

C. The Association also shall obtain comprehensive public liability insurance together with Workmen's Compensation Insurance, employers liability insurance, and such other liability insurance, with such coverages and limits, as the Board of Directors deems appropriate.

All policies of insurance of the character described above shall contain an endorsement or clause whereby the insurer waives any right to be subrogated to any claim against the Association, its officers, the Board of Directors, the Declarant, any Managing Agent, their respective employees and agents, or the Owners, and shall further contain a clause whereby the insurer waives any defenses based on acts of individual Owners whose interests are insured thereunder, and shall cover claims of one or more insured parties against other insured parties. All such policies shall name the Association, for the use and benefit of the Owners, as the insured; and shall prohibit any cancellation or substantial modification to coverage without at least ten (10) day's prior written notice to the Association and to the Mortgagees. Such insurance shall inure to the benefit of the Association, the Board of Directors, and any managing agent or company acting on behalf of the Association.

D. The Association shall obtain a fidelity bond indemnifying the Association, the Board of Directors, and the Owners for loss of funds resulting from fraudulent or dishonest acts of any employee or officer of the Association or of any other person handling the funds of the Association or the Owners, which bond shall be written in an amount equal to at least one hundred fifty percent (150%) of the estimated annual operating expenses for Bridlebourne Subdivision.

E. All policies of insurance maintained by the Association pursuant to this Section shall provide such coverages and be in such amounts as may be required from time to time by FEMA, FHLBC, FEA or VA. All policies shall contain a clause whereby the insurer agrees to provide written notice to the Association, to FEMA, and to any other lending institution or agency requesting or requiring the same, prior to any cancellation or material modification thereof. The Association shall notify all Mortgagees of which it has notice of any lapse, cancellation, or material modification of any insurance policy.

F. Each Owner shall have the right to purchase any additional insurance as he may deem necessary, and each Owner shall be solely responsible for loss of or damage to his personal property located on his Lot, however caused, including all floor and wall coverings, appliances, furniture and betterments installed by the Owner. Each Owner shall be solely responsible for obtaining his own insurance to cover any such loss and risk.

Section 5. Condemnation, Destruction. In the event that any of the Common Property shall be condemned or taken by any competent public authority, or in the event the same shall be damaged or destroyed by any cause whatsoever, the Association shall represent the interests of the Owners in any proceedings, negotiations, insurance adjustments, settlements, or agreements in connection with such condemnation, damage, or destruction. Any sums recovered by the Association shall be applied, first, to the restoration and repair of any Common Property condemned, damaged, or destroyed, to the extent such restoration or repair is practicable, and the balance of such sums shall either be held as a reserve for future maintenance of the Common Property or turned over to the Owners in proportion to their Pro-Rata Shares, whichever may be determined by a majority vote of the members of the Association. Each Owner shall be responsible for pursuing his own action for damages to his Lot, either by reason of direct damage thereto or by reason of an impairment of value due to damage to the Common Property; provided, however, that upon request of any Owner(s), the Association shall pursue such claims on such requesting Owners' behalf, and shall turn any recoveries for such Owners over to such Owners directly. The Association shall notify all Mortgagees of which it has notice of any condemnation, damage, or destruction of any Common Property.

Section 6. Control of Association. During the development of Bridlebourne Subdivision, the Association shall be operated and controlled by Declarant. The Board of Directors shall consist of persons appointed by Declarant, and each Owner shall give and shall be deemed to have given to Declarant an irrevocable proxy to vote on any and all matters on which the Owners are entitled to vote under this Declaration or under the Articles of Incorporation or the By-Laws of the Association. The control of the Association shall be transferred to the Owners no later than the earlier of the following dates:

- (a) one hundred twenty (120) days after the date on which a total of seventy five percent (75%) of the Lots have been conveyed to Owners;
- (b) seven (7) years after the date on which the first Lot is conveyed to an Owner.

The irrevocable proxy in Declarant shall terminate as of the date of such transfer.

Section 7. Mortgagees' Rights. The Mortgagees, individually and collectively, have the right, but not the obligation, to pay any taxes or other charges or assessments which are or may become a lien against the Common Property, in the event the same are not paid by the Association when due. The Mortgagees also have the right, but not the obligation, to pay any overdue premiums on hazard insurance policies required to be maintained by the Association, or to secure new hazard insurance coverage in the event of a lapse of any such policies. Any Mortgagee or Mortgagees making any payment pursuant to this Section 7 shall be entitled to reimbursement from the Association promptly upon written demand therefor to the Association.

Section 8. Dealing with Common Property. The Association shall not convey, dedicate, lease, mortgage, pledge, or otherwise transfer or encumber all or any part of the Common Property, without the approval of the Owners of at least two-thirds (2/3) of the Lots. In dealing with the Common Property, the Association shall be deemed to hold the same in trust for the use and benefit of the Owners. Provided, however, the Board of Directors of the Association may approve: (i) easement grants across Common Property for utility, storm and sanitary sewer lines, and (ii) the conveyances hereinafter authorized in Article XIII.

Section 9. Professional Management. The Association may delegate its duties to a professional management agent, but any contract for such purposes shall be terminable upon not more than 90 days' notice, and no such delegation shall relieve the Association of its responsibilities under this Declaration.

ARTICLE IX.

Expansion of Subdivision

Section 1. Method and Scope of Expansion. Declarant, at its option and from time to time, may expand Bridlebourne Subdivision to include all or any parts of the tract described in the attached Exhibit B, by the addition of further sections consisting of one or more Lots and any Common Property which is necessary or which in the discretion of Declarant is appropriate for addition with such section. Such further sections, if added, shall be added by the recordation of a plat of such sections, consistent in detail and layout with plats of sections previously recorded, and by the recordation of a declaration imposing upon such section covenants substantially similar in form and substance to this Declaration. Declarant hereby covenants that the total number of Lots in Bridlebourne Subdivision shall not exceed Eighty Five (85), and that no real estate shall be added thereto which is not within that described in Exhibit B, without the consent of the Owners of at least two-thirds of the Lots.

Section 2. Time for Expansion. No additional sections shall be added after the date which is twelve (12) years after the date on which the plat for Bridlebourne - Section One was recorded.

ARTICLE X.

Reserved Easements

All public and quasi-public vehicles, including but not limited to police, fire, ambulance and other emergency vehicles, trash and garbage collection, post office vehicles, and privately owned delivery vehicles shall have the right to enter upon the Real Estate and any Lot therein in performance of their duties. Declarant hereby reserves and may grant to the Association or to the appropriate public agencies or utility companies perpetual easements over, upon, and under the Common Areas, Easements and Common Roadways, and within a ten (10) foot area along the sides and back of each Lot, or within ten-foot strips adjacent to the existing Shell Pipeline Easement, for the installation, servicing, maintenance, repair, or replacement of any Common Property and any utilities, including but not limited to water, sewers, (storm and sanitary) gas, telephone, electricity, and cable television, as the same are now or hereafter may be located. Declarant further reserves easements over the Common Roadways and Drainage System for access to and drainage from those portions of the real estate described in Exhibit B which have not been added to Bridlebourne Subdivision as of any time. In the event that any Common Roadways is hereafter dedicated to the public and accepted for maintenance by the appropriate public agency, the easements reserved herein shall not be effected in any way by such dedication. In the event that Declarant, its successors or assigns, shall exercise any rights under the easements hereby reserved, and in the event that such exercise shall cause any damage to any Lot, the party exercising such easement rights shall restore such Lot substantially to its condition immediately prior to such exercise. The easements hereby reserved, with the approval of the Board of Directors or Declarant, may be used for the benefit of property not within Bridlebourne Subdivision.

ARTICLE XI.

Term

This Declaration shall be effective for an initial term of twenty (20) years and shall automatically renew for additional terms of ten (10) years each, in perpetuity, unless as of the end of any term both the Owners of ninety percent (90%) of the Lots and the Mortgagees of at least ninety percent (90%) of the Lots vote to terminate this Declaration, in which case this Declaration shall terminate as of the end of the term during which such vote was taken. Notwithstanding the preceding sentence, all easements created or reserved by this Declaration shall be perpetual unless otherwise expressly indicated herein.

ARTICLE XII.

Private Amenities and Services

The Water System, Drainage System, the Sewage System, and other Common Property shall be owned and maintained by the Association so long as this Declaration remains in force. In the event of any termination of this Declaration and/or any dissolution of the Association, the Association shall convey the Common Property to a successor organization having similar purposes and powers as the Association, or it shall use its best efforts to dedicate the Common Property to the appropriate public agencies or utilities which normally hold and/or administer such property. If such dedication or conveyance are not possible, such property shall be disposed of as determined by the Circuit Court of Hamilton County, Indiana, consistent with the purposes set forth in this Declaration.

ARTICLE XIII.

Equestrian Facilities

The portions of the Common Areas designated by the Declarant for use as Equestrian Facilities may be leased to a for-profit or not-for-profit corporation for the purposes of constructing, reconstructing, operating, and maintaining said Equestrian Facilities. The Board of Directors of the Association may lease the Equestrian Facilities upon such terms and conditions and for such consideration (including nominal consideration) as said Board may approve; provided, that (1) the use of such Equestrian Facilities shall be limited to the Owners, the members of their households living with them and their guests; (2) the lessee shall construct and maintain the Equestrian Facilities, at its expense, with the Association having no obligation or duty to expend any monies for them, or to, in any manner, include such expenditures as a part of the Common Expenses.

ARTICLE XIV.

General Provisions

Section 1. Covenants Run With the Land. The covenants created by this Declaration shall attach to and run with the Real Estate and shall be binding upon every person who may hereafter come into ownership, occupancy, or possession of any portion of the Real Estate.

Section 2. Scope of Covenants. The Declarant and each Owner of any Lot in Bridlebourne Subdivision, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, are deemed to have agreed to each and every one of the

various terms, covenants, conditions, and restrictions contained in this Declaration, and the same shall be of mutual and reciprocal benefit to Declarant and each Owner of each Lot. Declarant and each Owner shall be entitled to enforce this Declaration against any Owner to the full extent permitted herein and under applicable law, and shall have all rights and remedies for such enforcement at law or in equity. Each Owner shall be liable for any failure to fully comply with all of the terms, covenants, conditions, and restrictions contained in this Declaration only so long as each such Owner shall have any interest in any Lot; provided, however, that the relinquishing of all of such interest shall not operate to release any Owner from liability for a failure to comply with this Declaration which occurred while said Owner had such interest.

Section 3. Attorneys' Fees. As to any legal or equitable proceedings for the enforcement of, or to restrain the violation of, this Declaration or any provision thereof, if the party bringing such action is successful in obtaining any remedy against any defaulting Owner, such defaulting Owner shall pay the reasonable attorneys fees' of such successful party, in such amount as may be fixed by the Court in such proceedings.

Section 4. Failure to Enforce Not a Waiver of Rights. The failure of the Declarant, the Association, or any Owner to enforce any term, covenant, condition, or restriction herein contained shall in no event be deemed to be a waiver of the right to do so thereafter, nor of the right to enforce any other such term, covenant, condition, or restriction.

Section 5. Rights of Mortgagees. Except to the extent otherwise provided in Article VII, no breach of this Declaration shall defeat or render invalid the lien of any mortgage now or hereafter executed upon any portion of the Real Estate; provided, however, that if all or any portion of said Real Estate is sold under a foreclosure of any mortgage, any purchaser at such sale and his successors and assigns shall hold any and all land so purchased subject to this Declaration. Notwithstanding any other provision of this Declaration, neither the Owners nor the Association shall have any right to make any amendment to this Declaration which materially impairs the rights of any Mortgagee holding, insuring, or guaranteeing any mortgage on all or any portion of the Real Estate at the time of such amendment.

Section 6. Effect of Invalidation. If any provision of this Declaration is held to be invalid by any court or by operation of law, the invalidity of such provision shall not affect the validity of the remaining provisions hereof.

Section 7. Section Headings. Section headings used herein are used for convenience only and are not intended to be a part of this Declaration or in any way to define, limit, or describe the scope and intent of the particular sections to which they refer.

Section 8. Notices. All notices in connection with this Declaration shall be made in writing and shall be deemed delivered (a) upon personal delivery to the individual person, if any, designated in writing by the Owner, as listed in the roster of Owner's names and addresses maintained by the Association; or (b) seventy-two (72) hours after the deposit thereof in any United States main or branch post office, first class postage prepaid, properly addressed to the addressee thereof at the address listed in the said roster.

Section 9. Deed Clause to Implement Declaration. Each Owner covenants and agrees that it will not execute or deliver any deed or conveyance of a fee title interest in any Lot, or any

portion thereof, unless such deed or conveyance contains a clause substantially as follows:

"By acceptance and recording of this conveyance, the Grantee herein covenants and agrees to be bound by the Declaration of Covenants of Bridlebourne Subdivision pertaining to the real estate hereby granted, which is recorded as Instrument No. _____, in the Office of the Recorder of Hamilton County, Indiana",

and properly identifying the instrument number therein. However, the failure to include such clause shall not have any effect on this Declaration or the enforceability thereof against any Owner of any interest in any portion of the Real Estate.

Section 10. Provision Against Merger. The Declarant hereby intends that the Real Estate shall be subject to this Declaration, that the covenants contained herein shall not be merged into the title of the Declarant, regardless of whether the Declarant is the fee title owner of all or any part of the Real Estate at the time this Declaration is executed or recorded.

Section 11. Reservations of Declarant. Declarant hereby reserves the right to make such amendments to this Declaration as may be deemed necessary or appropriate by Declarant without the approval of any other person or entity, in order to correct typographical or scrivener's errors, or to bring the Declaration or Bridlebourne Subdivision into compliance with the requirements of any public agency having jurisdiction thereof or of any agency guarantying, insuring, or approving mortgages, so long as Declarant owns any Lots within Bridlebourne Subdivision; provided that Declarant shall not be entitled to make any amendment which has a materially adverse effect on the rights of any Mortgagee, nor which substantially impairs the benefits of this Declaration to any Owner or substantially increases the obligations imposed by this Declaration on any Owner.

Section 12. Availability of Documents. The Association shall keep and make available for inspection during normal business hours copies of this Declaration, the Articles of Incorporation and By-Laws of the Association, and current financial statements of the Association, for the benefit of all persons who may have an interest therein.

Section 13. Severability. Every one of the covenants and restrictions herein contained is hereby declared to be independent of, and severable from, the rest of the covenants and restrictions, each and every one thereof and from every combination thereof. Therefore, if any of the covenants and restrictions herein contained shall be held to be invalid or to be unenforceable, or shall lack the quality of running with the land, that holding shall be without effect upon the validity and enforceability or "running" quality of any other of the covenants and restrictions herein contained.

IN WITNESS WHEREOF, Declarant has executed this Declaration of Covenants, Easements and Restrictions for Bridlebourne Subdivision this 20th day of April, 1987.

Bridlebourne Development
Company

By: J&M Development Company,
Inc. its general partner

By: Joseph F. Sexton
Joseph F. Sexton, President

By: Bridlebourne Development
Corporation

By: Bruce A. Conroy
Bruce A. Conroy, President

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE ME, a Notary Public in and for said County and State, personally appeared Bruce A. Cordingley, the President of J&M Development Company Inc. and Bruce A. Cordingley, the President of Bridlebourne Development Corporation, the general partners of Bridlebourne Development Company, an Indiana general partnership; whereupon each acknowledged that he executed the foregoing Declaration of Covenants, Easements and Restrictions for Bridlebourne Subdivision on behalf of said corporation, and being duly sworn, each stated that he was duly authorized, by proper resolution of the Board of Directors of said corporation, to execute this instrument on behalf of said corporations, and on behalf of said partnership and that all corporate and partnership actions necessary for the execution of this instrument has been taken and done.

WITNESS my hand and notarial seal this 2nd day of April, 1987.

Bruce A. Cordingley
Notary Public

My Commission Expires:

12-17

My County of Residence:

Johnson



This instrument was prepared by Bruce A. Cordingley, ICE MILLER DONADIO & RYAN, One American Square, Box 82001, Indianapolis, Indiana 46282.

**BRIDLEBOURNE
SECTION ONE**

Part of the North Half of the Southwest Quarter and part of the Northwest Quarter of Section 5, Township 17 North, Range 3 East in Hamilton County, Indiana, being more particularly described as follows:

Beginning at the Southwest corner of the said North Half of the Southwest Quarter Section; thence North 00 degrees 00 minutes 00 seconds East along the West line of said North Half of the Southwest Quarter Section 808.76 feet; thence North 90 degrees 00 minutes 00 seconds East 1019.55 feet; thence North 52 degrees 01 minute 36 seconds East 1172.69 feet; thence North 90 degrees 00 minutes 00 seconds East 131.71 feet; thence South 01 degree 12 minutes 51 seconds East 1485.98 feet to the South line of said North Half of the Southwest Quarter Section; thence South 88 degrees 47 minutes 09 seconds West along the said South line 2107.65 feet to the Beginning Point, containing 47.865 acres, more or less.

8711400

EXHIBIT A

LEGAL DESCRIPTION

The North Half of the Southwest Quarter and a part of the Northwest Quarter of Section 5, Township 17 North, Range 3 East, Hamilton County, Indiana, and being more particularly described as follows:
Beginning at the Southwest corner of said half-quarter section; thence North 0 degrees 00 minutes 00 seconds East (assumed bearing) along the West line of said half-quarter section 1331.80 feet to the Northwest corner thereof, also being the Southwest corner of said Northwest quarter section; thence North 0 degrees 01 minutes 15 seconds East along the West line of said quarter section 1319.92 feet to a point being South 0 degrees 01 minutes 15 seconds West 1319.92 feet from the Northwest corner of said quarter section; thence North 89 degrees 05 minutes 09 seconds East 2712.28 feet to a point on the East line of said quarter section being South 0 degrees 08 minutes 32 seconds West 1295.52 feet from the Northeast corner of said quarter section; thence South 0 degrees 08 minutes 32 seconds West along said East line 1295.52 feet to the Southeast corner of said quarter section, also being the Northeast corner of the North Half of said Southwest quarter section; thence South 0 degrees 01 minutes 15 seconds East along the East line of said half-quarter section 1342.05 feet to the Southeast corner thereof; thence South 88 degrees 47 minutes 09 seconds West along the South line of said half-quarter section 2710.30 feet to the point of beginning.

This Instrument Recorded 5-15 1987
Sharon K. Cherry, Recorder, Hamilton County, Ind.

EXHIBIT B

8711400