

860048608

RECEIVED

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS JUN 06 1986 OF EAGLE COVE PIKE TOWNSHIP ASSESSOR

TABLE OF CONTENTS

Table with 2 columns: Description and Page. Includes Article I - Name (1), Article II - Definitions (2.1-2.12), Article III - Property Rights (3.1-3.8), and Article IV - Association Membership, Voting Rights, Board of Directors and Professional Management (4.1-4.2).

Handwritten notes: 36.00, 55

RECEIVED FOR RECORD BETH O'LAUGHLIN RECORDER-MARION CO. JUN 6 10 09 AM '86

RECEIVED FOR RECORD BETH O'LAUGHLIN RECORDER-MARION CO. JUN 6 1 12 PM '86

	Page
Section 4.3 - Board of Directors.....	8
Section 4.4 - Professional Management.....	8
 Article V - Covenant for Maintenance Assessments.	
Section 5.1 - Creation of the Lien and Personal Obligation of Assessments....	8
Section 5.2 - Roadway Maintenance.....	8
Section 5.3 - Purpose of Regular Monthly Assessments.....	9
Section 5.4 - Maximum Regular Monthly Assessments.....	9
Section 5.5 - Special Assessments for Capital Improvements and Operating Capital.....	9
Section 5.6 - Notice and Quorum for any Action Authorized under Section 4.3 and 5.4.....	10
Section 5.7 - Uniform Rate of Assessment.....	10
Section 5.8 - Date of Commencement of Monthly Assessments; Dus Dates.....	10
Section 5.9 - Effect of Nonpayment of Assessments Remedies of the Association..	10
Section 5.10 - Subordination of the Lien to Mortgages; Sale or Transfer..	11
Section 5.11 - Declarant's Responsibility to Cover Deficits or Shortages..	11
 Article VI - Use Restrictions and Architectural Control.	
Section 6.1 - Lot Use and Conveyance.....	11
Section 6.2 - Architectural Control.....	12
Section 6.3 - Leasing of Lots.....	12
Section 6.4 - Signs.....	14
Section 6.5 - Home Occupations.....	14
Section 6.6 - Animals.....	14
Section 6.7 - Outside Storage.....	14
Section 6.8 - Outside Use of Lots.....	15
Section 6.9 - Setback Lines.....	15
Section 6.10 - Side Setbacks.....	15
Section 6.11 - Number of Dwelling Units.....	15
Section 6.12 - Dwelling Unit Direction.....	15
Section 6.13 - Parking.....	15
Section 6.14 - Unsightly Growth.....	15
Section 6.15 - Nuisances.....	16

8600-18608

	Page
Section 6.16 - Site Visability.....	16
Section 6.17 - Boats, Trucks, Etc.....	16
Section 6.18 - Lake Area.....	16
Section 6.19 - Rules and Regulations.....	16
Section 6.20 - Development and Sale Period....	17
 Article VII - Maintenance of Lots.	
Section 7.1 - Maintenance by Owners.....	17
Section 7.2 - Lawn Maintenance and Other Work.....	17
 Article VIII - Party Walls.	
Section 8.1 - General Rules of Law to Apply...	18
Section 8.2 - Sharing of Repair and Maintenance.....	18
Section 8.3 - Destruction by Fire or Other Casualty.....	18
Section 8.4 - Weatherproofing.....	18
Section 8.5 - Right to Contribution Runs with Land.....	18
Section 8.6 - Arbitration.....	18
 Article IX - Insurance.	
Section 9.1 - Casualty Insurance on Insurable Common Area.....	19
Section 9.2 - Liability Insurance.....	19
Section 9.3 - Fidelity Bonds.....	19
Section 9.4 - Miscellaneous Insurance Provisions.....	20
Section 9.5 - Casualty and Restoration.....	20
Section 9.6 - Insufficiency of Insurance Proceeds.....	20
Section 9.7 - Surplus of Insurance Proceeds...	20
 Article X - Mortgagees.	
Section 10.1 - Mortgagee Rights.....	21
Section 10.2 - Notice to Mortgagees.....	21
Section 10.3 - Condemnation and Insurance Awards.....	21
Section 10.4 - Right of First Refusal.....	21
Section 10.5 - Unpaid Dues or Charges.....	22
Section 10.6 - Audited Statements.....	22

860048609

Page

Article XI - Annexation.

Section 11.1 - Property Subject to Annexation by Declarant.....	22
Section 11.2 - Effective Date for Assessments and Voting Rights.....	22
Section 11.3 - Improvements.....	22
Section 11.4 - Equality of Rights.....	22
Section 11.5 - Annexation Document.....	23
Section 11.6 - Annexation of Other Areas.....	23
Section 11.7 - FHA/VA Approval.....	23

Article XII - General Provisions.

Section 12.1 - Right of Enforcement.....	23
Section 12.2 - Severability.....	23
Section 12.3 - Amendment.....	24
Section 12.4 - FHA/VA Approval.....	26
Section 12.5 - Assignment.....	26
Section 12.6 - Condemnation, Destruction or Liquidation.....	26
Section 12.7 - Metropolitan Development Commission.....	26

code 4/DELUXE.20-.23
8/20/85

860018608

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF
EAGLE COVE

THIS DECLARATION, made on this 4th day of JUNE,
1986, by Eagle Cove Associates, an Indiana Partnership,
("Declarant"),

WITNESSES:

WHEREAS, Declarant is the owner of certain real estate
(the "Property"), located generally at Parcel "B" Eagle Highlands
West Side Eagle Creek Parkway 2300 Feet North of 30th St. in Marion
County, Indiana, which is more particularly described in
Exhibit "A" attached hereto and by this reference, made a part
hereof.

WHEREAS, Declarant desires to subdivide and develop the
Property by designating certain portions of the Property as
"Common Areas" (as hereinafter defined) to be owned by a
homeowners association (the "Association," as hereinafter
defined), and by designating certain other portions of the Pro-
perty into "Lots" (as hereinafter defined).

NOW, THEREFORE, Declarant hereby declares that all the
Property shall be held, sold and conveyed subject to the
following easements, restrictions, limitations, covenants and
conditions, which are for the purpose of protecting the value and
desirability of, and which shall run with, the Property and be
binding on all parties having any right, title or interest in the
Property or any part thereof, their heirs, successors and
assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

860048608

Name

The subdivision of the Property created by this Declaration
shall be known and designated as Eagle Cove, a subdivision
located in Marion County, Indiana.

ARTICLE II

Definitions

Section 2.1. "Articles" means the Articles of Incorporation
of the Association (as hereinafter defined) filed, or to be

filed, with the Office of the Secretary of State of Indiana, as the same are or hereafter may be amended from time to time.

Section 2.2. "Association" means Eagle Cove Homeowners Association, Inc., a formed or to-be-formed Indiana not-for-profit corporation, its successors and assigns.

Section 2.3. "Board of Directors" means the Board of Directors of the Association.

Section 2.4. "Common Area" means those portions of the Property (as hereinafter defined), including improvements thereto, facilities and personal property owned or leased by the Association from time to time for the common use, benefit and enjoyment of the Owners (as hereinafter defined). Unless expressly stated to the contrary, the term Common Area as used herein (whether or not so expressed) shall include all portions of the Property designated as "Common Area" upon the Plat (as hereinafter defined). The Common Area to be conveyed to the Association at the time of conveyance of the first Lot to an Owner is described in Exhibit "B".

Section 2.5. "Declarant" means Eagle Cove Associates, its successors and assigns as a declarant, if such successors or assigns should acquire more than one (1) undeveloped Lot from the Declarant for the purposes of development.

Section 2.6. "Development Period" means the period of time commencing with Declarant's acquisition of the Property and ending when Declarant has completed the development and sale of, and no longer owns, any Lot or any other portion of the real estate in the Property (as hereinafter defined).

Section 2.7. "DMD" means the Department of Metropolitan Development of Marion County, Indiana, its successors or assigns of any or all of its rights under this Declaration.

Section 2.8. "Dwelling Unit" means any single-family residence situated upon a Lot (as hereinafter defined), whether attached or detached.

Section 2.9. "Lot" means any parcel of land designated as such upon the Plat (as hereinafter defined) or, after construction of a Dwelling Unit, that parcel of land upon which a Dwelling Unit is constructed that is conveyed to an Owner (as hereinafter defined) by the Declarant. A "Lot" may contain portions of real estate greater or less than its originally platted dimensions should the Declarant deem it advisable in order to accommodate the construction of a Dwelling Unit.

Section 2.10. "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot

which is a part of the Property, including contract sellers, but otherwise excluding those having such interest merely as security for the performance of an obligation. Unless specifically indicated to the contrary, the term Owner as used herein shall include the Declarant, so long as the Declarant shall own any Lot.

Section 2.11. "Plat" means the subdivision plat of the Property (as hereinafter defined) identified as "Final Plat of Eagle Cove, Section 1", recorded 6 day of July, 1986 in Plat Book , page , as Instrument Number 86-48607, in the Office of the Recorder of Marion County, Indiana, as the same may be hereafter amended or supplemented by law or pursuant to this Declaration.

Section 2.12. "Property" means the real estate described in Exhibit "A", and any additions annexed thereto, pursuant to the Declaration of Covenants, Conditions and Restrictions of Eagle Cove, as amended.

ARTICLE III

Property Rights, Easements and Encroachments

Section 3.1. Owners' Easements of Enjoyment of Common Area. Every Owner shall have a non-exclusive right and easement of enjoyment, in common with all Owners, in and to the Common Area which shall be appurtenant to and shall pass with title to every Lot (in the form of a right to membership in the Association), subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and right to use of any recreational facilities by any Owner for any period during which any assessment remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(c) the right of the Association to promulgate reasonable rules and regulations governing the use of the Common Area including, without limitation, parking, swimming, boating, fishing, and upon improvements, additions or alterations to the Lots and the Common Area;

(d) the rights of Declarant as provided in this Declaration;

(e) the right of the Association to mortgage any or all of the Common Area, upon the approval of two-thirds (2/3) of the membership of each class of members of the Association;

(f) the easements reserved elsewhere in this Declaration and the right of the Association to grant further reasonable utility easements across and through the Common Area for the benefit of its members;

(g) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of each class of members has been recorded; and

(e) all other rights, obligations and duties as set forth in this Declaration, as the same may be from time to time amended or supplemented.

Section 3.2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws and any reasonable and non-discriminatory rules and regulations promulgated from time to time by the Association and subject to the rights of others as set forth in Section 3.1, his or her right of enjoyment of the Common Area, to family members, guests, tenants or contract purchasers who reside on the Lot.

Section 3.3. Certain Obligations and Access Rights to the Common Area.

(a) Except as otherwise set forth in this Declaration, the Association, subject to the rights of the Owners as set forth in this Declaration, shall be responsible for the management and control, for the exclusive benefit of the Owners as provided herein, of the Common Area and for the maintenance of the same in good, clean, attractive, safe and sanitary condition, order and repair.

(b) The Association shall have and is hereby granted a general right of access and easement to all of the Common Area across the Lots, at reasonable times and at any time in case of emergency, as reasonably required by its officers, directors, employees and their agents an independent contractors, to the full extent necessary or appropriate to perform its obligations and duties as set forth in this Declaration. The easements and rights specified herein also are reserved for the benefit of Declarant so long as Declarant owns any portion of the Property and for so long as Declarant may be liable under any builder's warranty.

Section 3.4. Drainage, Utility, Sewer and Other Development Easements.

(a) Declarant hereby reserves unto itself during the Development Period, and thereafter unto any public or private

utility, an undefined easement ("Drainage, Utility and Sewer Easement") for drainage, utility and sewer purposes in, on and over all of the Common Area and Lots, so as to permit Declarant to properly install and allow to be maintained all electrical, telephone, water, gas, sanitary and storm sewer, television (including but not limited to cable and/or satellite) transmission facilities, security systems and other utility services (including all necessary lines, pipes, wires, cables, ducts, antennae and other equipment and facilities) to serve any Dwelling Unit constructed on the Property. Utility and Sewer Easement shall include all areas of the Property outside the Dwelling Units to be constructed by Declarant, with the exception of any areas covered by chimneys, or patios. Improvements or permanent structures installed within the Common Area are subject to the rights (including the right to remove where reasonably necessary without duty of replacement or reimbursement) of the Declarant and any public or private utility to construct, maintain, repair or remove any necessary facilities. This easement shall be in addition to any easement defined upon a Plat of the Property as a drainage, utility, transmission, flowage or similar type easement.

(b) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, an easement and right-of-way in and to any areas now or hereafter shown on the Plat as "Common Area - Lake," and an easement ("Lake Easement") of ingress and egress through so much of the remainder of the Property as is reasonably necessary or appropriate, to perform such actions as Declarant or the Association deem necessary or appropriate for the purpose of establishing and maintaining proper surface water drainage throughout the Property, including the construction, repair and maintenance of retention and detention ponds or lakes in accordance with the requirements of applicable law and of all governmental agencies having jurisdiction (without undertaking any obligation or duty to exceed such requirements).

(c) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, the right and an undefined easement ("Sign and Facilities Easement") to install, erect, construct and maintain an entryway sign or signs, directional signs, lighting, walkways, pathways, fences, walls and any other landscaping, architectural and recreational features or facilities considered necessary, appropriate, useful or convenient, anywhere upon the Property (except upon any Lot after the first conveyance thereof). Any signs shall comply with any applicable zoning requirements and all such facilities shall be maintained by the Association as a part of its Common Area maintenance obligations.

(d) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, the full right, title and authority to:

860048608

(i) relocate, alter or otherwise change the location of any Drainage, Flowage, Utility, Sewer and Lake, Sign and Facilities Easement, or any facility at any time located therein or thereon;

(ii) grant such further easements, licenses and rights-of-way, temporary or permanent, exclusive or non-exclusive, surface or otherwise, as Declarant may deem necessary or appropriate, for ingress and egress, utility and similar purposes on or within any portion of the Property, for the benefit of any of the real estate described in Exhibit "A;" and,

(iii) describe more specifically or to change the description of any Drainage, Flowage, Utility, Sewer, Lake, Sign and Facilities Easement or any other easement, license or right-of-way now or hereafter existing on the Property, by written instrument, amended Plat or amendment to the Plat recorded in the Office of the Recorder of Marion County, Indiana.

(e) The title of the Association (as to the Common Area during the Development Period) and of any Owner of any Lot shall be subject to the rights and easements reserved herein. Provided, however, that the rights reserved in this Section 3.4 shall not be exercised after the conveyance of any Lot in a manner that unreasonably and adversely affects any Dwelling Unit or portion thereof located upon such Lot or the Owner's use or enjoyment thereof, or which unreasonably restricts the rights of ingress and egress to such Lot. The rights and easements reserved by Declarant in this Section 3.4 shall run with the land, and Declarant's right to further alter or grant easements shall automatically terminate and pass to the Association one (1) year after Declarant shall have conveyed the last Lot within the Property.

Section 3.5. Easement for Emergency Purposes. An easement is hereby dedicated and granted for use in the case of an emergency by emergency vehicles such as fire trucks, police cars and ambulances and emergency personnel, public and private, over and upon the Common Area.

Section 3.6. Encroachments and Easements for Buildings. If, by reason of the location, construction, settling or shifting of a Dwelling Unit, any part of a residence appurtenant to a Lot (hereinafter in this Section 3.6 referred to as the "Encroaching Unit") now encroaches or shall hereafter encroach upon any minor portion of any other adjacent Lot or any Common Area, then in such event, an exclusive easement shall be deemed to exist and run to the Owner of the Encroaching Unit for the maintenance, use and enjoyment of the Encroaching Unit and all appurtenances thereto.

Section 3.7. Fee Title to Lot. The fee title to any Lot described as bounded by any street, lane, walkway, park, play-

ground, lake, pond, or any other common property which has not been dedicated or accepted by the public and the fee title to any Lot shown on the recorded plat of Eagle Cove as abutting upon any such common property shall not extend upon such common property and the fee title to such common property is reserved to the grantor to be conveyed to the Eagle Cove Homeowners Association for the common enjoyment of all residents in Eagle Cove.

Section 3.8. Street Dedication. All streets now or hereafter located upon the Property are hereby dedicated to the public.

ARTICLE IV

Association Membership, Voting Rights, Board of Directors and Professional Management

Section 4.1. Membership. Initially, the person(s) who serve as incorporator(s) of the Association shall be the member(s) (the "Initial Member(s)"). The Initial Member(s) shall remain member(s) of the Association until the Association Articles of Incorporation are accepted by the Indiana Secretary of State, at which time the Initial Member(s) shall cease to be member(s) unless they also qualify as Class A or Class B members. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Apart from the Initial Member(s), a membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot.

Section 4.2. Classes of Membership and Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant. Class A members shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as the members holding an interest in such Lot determine among themselves, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant. The Declarant shall be entitled to three (3) votes for each Lot owned. For purposes of this calculation, it shall be assumed that Declarant owns 140 Lots, which number shall be reduced as Lots are conveyed by the Declarant to an Owner. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier: (a) when the total number of votes outstanding in the Class A membership is equal to the total number of votes outstanding in the Class B membership; or, (b) 1st day of June, 1991.

860048608

Section 4.3. Board of Directors. The Owners shall elect a Board of Directors of the Association as prescribed by the Association's Articles and By-Laws. The Board of Directors shall manage the affairs of the Association. Directors need not be members of the Association.

Section 4.4. Professional Management. No contract or agreement for professional management of the Association, nor any other contract between Declarant and the Association, shall be for a term in excess of three (3) years. Any such agreement or contract shall provide for termination by either party with or without cause and without payment of any termination fee upon written notice of ninety (90) days or less.

ARTICLE V

Covenant for Maintenance Assessments

Section 5.1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot now or hereafter owned by it within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

(a) Regular Monthly Assessments (for maintenance, repairs and ordinary operating expenses);

(b) Special Assessments for capital improvements and operating deficits, as provided in Section 5.5, and for special maintenance or repairs as provided in Sections 6.14 and 7.1.

Such assessments shall be established, shall commence upon such dates and shall be collected as hereinafter provided. All such assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to such Owner's successors in title unless expressly assumed by them.

Section 5.2. Roadway Maintenance. The Association shall be responsible for the maintenance of the roadways in the Property, unless they are accepted for public dedication. In such case, a portion of the Regular Monthly Assessment shall be set aside in a separate insured interest-bearing account for the purpose of maintaining, repairing and replacing the roadways (the "Roadway Assessment"). Any Roadway Assessment shall not be mingled with

860048608

any other funds or used for any other purpose, except as set forth in this Section 5.2.

Section 5.3. Purpose of Regular Monthly Assessments. The Regular Monthly Assessments levied by the Association shall be used exclusively, in the reasonable discretion of the Board of Directors of the Association, for the promotion of the recreation, health, safety and welfare of the residents in the Property, for the improvement, maintenance and repair of the Common Area, for the performance of the obligations and duties of the Association and for other purposes only as specifically provided herein. A portion of the Regular Monthly Assessments shall be set aside or otherwise allocated in a reserve fund for the purpose of providing repair and replacement of the Common Area, and other capital improvements which the Association is required to maintain.

Section 5.4. Maximum Regular Monthly Assessments.

(a) Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum Regular Monthly Assessment on any Lot shall be \$44.00 per Lot.

(b) From and after January 1 of such year, the maximum Regular Monthly Assessment may be increased each calendar year not more than 10% above the maximum Regular Monthly Assessment for the previous year without a vote of the membership.

(c) From and after January 1 of such year, the maximum Regular Monthly Assessment may be increased each calendar year by more than 10% above the maximum Regular Monthly Assessment for the previous year, with the approval of two-thirds (2/3) of those members of each class of members who cast votes in person or by proxy at a meeting duly called for this purpose.

(d) The Board of Directors from time to time may fix the Regular Monthly Assessment, without any vote of the membership, at any amount not in excess of the maximum.

Section 5.5. Special Assessments for Capital Improvements and Operating Deficits. In addition to the Regular Monthly Assessments authorized above, the Association may levy a Special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement which the Association is required to maintain, or to recover any operating deficits which the Association may from time to time incur, provided that any such assessment shall have the assent of two-thirds (2/3) of those members of each class of members who cast votes in person or by proxy at a meeting duly called for this purpose.

860048608

Section 5.6. Notice and Quorum for Any Action Authorized Under Section 5.4 and 5.5. Written notice of any meeting called for the purpose of taking any action authorized under Section 5.4 and 5.5 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5.7. Uniform Rate of Assessment. Regular Monthly Assessments and Special Assessments for capital improvements and to recover operating deficits must be fixed at a uniform rate for all Lots except that Declarant shall pay only twenty-five percent (25%) of the Regular Monthly Assessments and Special Assessments so long as any Dwelling Unit constructed upon a Lot by Declarant has not been conveyed to an Owner by the Declarant or is not used as a residence.

Section 5.8. Date of Commencement of Monthly Assessments; Due Dates. The Regular Monthly Assessment provided for herein shall commence as to each Lot on the first day of the first month following the conveyance of the Common Area. The Board of Directors shall fix any increase in the amount of the monthly assessments at least thirty (30) days in advance of the effective date of such increase. Written notice of any increase in the Regular Monthly Assessment, and written notice of any Special Assessment and such other assessment notices as the Board of Directors shall deem appropriate, shall be sent to every Owner subject thereto. The due dates for all assessments, and the assessment and collection period (i.e., annual, monthly, lump-sum or otherwise) for any Special Assessments, shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate in recordable form signed by an Officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate from the Association regarding the status of assessments for any Lot shall be binding upon the Association as of the date of its issuance.

Section 5.9. Effect of Nonpayment of Assessments; Remedies of the Association. If any assessment (or periodic installment of such assessment, if applicable) is not paid on the due date established therefor pursuant to Section 5.8 hereof, then the entire unpaid assessment (together with interest thereon, costs and attorneys' fees as hereinafter provided and as provided in Section 5.1) shall become delinquent and shall constitute a con-

tinuing lien on the Lot to which such assessment relates, binding upon the then Owner, his heirs, devisees, successors and assigns. The personal obligation of the then Owner to pay such assessments, however, shall not pass to such Owner's successors in title unless expressly assumed by them. If any assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight percent (8%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, or both. In such event, there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action; and in the event a judgment is obtained such judgment shall include interest on the assessment as above provided, costs of the action and reasonable attorneys' fees to be fixed by the Court. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 5.10. Subordination of the Lien to Mortgages, Sale or Transfer. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. The sale or transfer of any Lot pursuant to the foreclosure of any first mortgage on such Lot (without the necessity of joining the Association in any such foreclosure action) or any proceedings or deed in lieu thereof shall extinguish the lien of all assessments becoming due prior to the date of such sale or transfer. No sale or transfer of any Lot (whether voluntary or pursuant to foreclosure or otherwise) shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof; and, except as hereinabove provided, the sale or transfer of any Lot shall not affect the lien of assessments becoming due prior to the date of such sale or transfer except to the extent that a purchaser may be protected against the lien for prior assessments by a binding certificate from the Association, issued pursuant to Section 5.8, as to whether or not such assessments have been paid.

Section 5.11. Declarant's Responsibility to Cover Deficits or Shortages. The Declarant shall cover any deficit or shortage in the funds necessary to operate the Association that may arise in the development until such time as control of the Association is transferred to the Class A members.

860048603

ARTICLE VI

Use Restrictions and Architectural Control

Section 6.1. Lot Use and Conveyance. All Lots shall be used exclusively for residential purposes, except that Declarant, during the Development Period, reserves (a) the rights provided in Sections 6.10 and 6.20 respecting the Property generally, and

(b) the right to subdivide, dedicate or otherwise convey or designate all or any portion of any one or more Lots which it may own from time to time for recreational or other common uses and benefit of all Owners and other members of the Association. Any Lot or portion thereof so designated for common use shall become part of the Common Area, and reasonable rules and regulations shall be promulgated and enforced with respect thereto so that the use and enjoyment of adjacent Lots by the Owners thereof shall not be unreasonably disturbed. Except as provided in the Declaration, no Lot shall be subdivided to form units of less area. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the covenants, conditions and restrictions contained herein.

Section 6.2. Architectural Control. No building, fence, wall or other structure, except original construction of Dwelling Units by or on behalf of Declarant, shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein, other than by the Declarant or Board of Directors, be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. Any change in the appearance or the color of any part of the exterior of a residence shall be deemed a change thereto and shall require the approval therefor as above provided. In the event that written approval is not received as required hereunder within thirty (30) days after complete plans and specifications have been submitted, approval will not be required and this Section will be deemed to have been fully complied with. This Section 6.2 shall not apply to repair or replacement of existing materials or improvements by use or type of material or improvement originally used. For example, an Owner would not have to seek permission in order to repaint his Dwelling Unit the original color or reroof his home with a shingle that is substantially identical to the originally installed shingle.

Section 6.3. Leasing of Lots.

860048608

(a) Any Lot may be leased by the Owner, subject to compliance with the following requirements:

(i) All leases shall be in writing, and no lease shall be entered into for a term of less than one (1) year without the prior approval of the Board of Directors.

(ii) All leases shall contain provisions adequate to require the lessee to comply with the provisions of this Declaration and the By-Laws of the Association, and with all

rules and regulations promulgated by the Association from time to time, to the same extent as if the lessee were an Owner and a member of the Association; and shall provide for direct action by the Association against the lessee with or without joinder of the Owner, at the Association's option.

(iii) All leases shall make the lessee personally liable (jointly and severally with the Owner) for assessments levied by the Association during the term of the lease pursuant to the terms of this Declaration and the By-Laws, to the same extent as if the lessee were the Owner and a member of the Association, and shall expressly subordinate the lessee's interest to the lien of the assessments provided for in this Declaration. Provided, however, that a lessee may be protected against the lien for assessments due prior to the date of the lease by procuring a binding certificate from the Association, as provided in the Declaration, as to whether or not such assessments have been paid.

(iv) No lease shall provide, or be interpreted or construed to provide, for a release of the Owner from his responsibility to the Association for compliance with the provisions of this Declaration, the By-Laws and any rules and regulations of the Association, or from the Owner's personal liability to the Association for assessments. This requirement shall not be construed to prohibit indemnity provisions as between the Owner and lessee.

(b) Any Owner desiring to enter into a lease for his Lot shall submit the form of the proposed lease to the Board of Directors (which form need not include the identity of the lessee or the rental amount) for review for compliance with the requirements of this Section 6.3. The Board of Directors may employ an attorney in connection with any such review, and a reasonable fee may be charged to the applicant to offset the expense so incurred. In the event the Board fails to approve or disapprove the lease within fifteen (15) days after submission by the applicant, the lease shall be deemed approved. A copy of each lease by an Owner shall be provided to the Board of Directors by the Owner within thirty (30) days after execution.

(c) Subject to any contrary provisions set forth in any lease of a Lot, each lease shall be deemed to transfer to the lessee during the term of such lease all rights, privileges, obligations and limitations attendant to membership in the Association, including (except in the case of lease by Declarant) an irrevocable proxy to exercise the Owner's voting rights appurtenant to the leased Lot in all elections and on all issues presented for a vote of members, except any vote upon:

(i) an amendment to the Declaration, the Articles or By-Laws;

860048605

(ii) annexation of additional property; 860048608

(iii) a Special Assessment for a capital improvement pursuant to Section 5.5; or,

(iv) mortgage or dedication of all or any portion of the Common Area pursuant to Section 3.1 or Section 3.4.

(d) The provisions of paragraphs (a) and (c) of this Section 6.3 shall apply to a lease by Declarant, after a Lot is owned by it for more than one (1) year, and Declarant shall be deemed for all purposes to retain all voting rights in the Association appurtenant to all Lots owned by it, notwithstanding any lease or any inconsistent provisions contained in any lease. Declarant shall not be required to submit any lease or leases to the Board of Directors for review as to form. However, within thirty (30) days after entering into any lease of a Lot, Declarant shall provide to the Board of Directors a written notice setting forth the location of the Lot, the term of the lease and the identity of the lessee.

(e) Any lease or attempted lease of a Lot in violation of the provisions of this Section 6.3 shall be voidable at the election of the Association or any other party having the right to enforce the provisions of this Declaration, except that neither party to such lease may assert this provision of this Section 6.3 to avoid its obligations thereunder.

Section 6.4. Signs. During the Development Period, no "for sale" or other advertising signs of any kind (other than interior window signs) shall be displayed on any Lot without the prior written approval of Declarant. Thereafter, the placement of "for sale" or advertising or other signs of any nature, kind or description anywhere on the Property shall be subject to such reasonable rules and regulations as may be adopted by the Association.

Section 6.5. Home Occupation. No home occupation shall be conducted or maintained on any Lot other than one which is incidental to a business, profession or occupation of the Owner or occupant of any such Lot, and which is generally or regularly conducted in another location away from such Lot.

Section 6.6. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any of said Lots, except that dogs, cats or other household pets may be kept provided they are not kept, bred or maintained for any commercial purposes.

Section 6.7. Outside Storage. All clotheslines, equipment, garbage cans, service yards, woodpiles or storage piles shall be kept from view of neighboring homes and streets. All rubbish,

860048608

trash or garbage shall be regularly removed from the premises, and shall not be allowed to accumulate thereon. Trash may be stored in such enclosed containers, if any, provided by the Association for that purpose. All clotheslines shall be confined to patio areas.

Section 6.8. Outside Use of Lots. Except in an individual patio area appurtenant to a Dwelling Unit, no planting or gardening shall be done, and no fences, hedges, walls or other improvements shall be erected or maintained upon the Property except such as are installed in accordance with the initial construction of the buildings located thereon or as approved by the Association's Board of Directors or their designated representatives. Except for the right of ingress and egress, the Owners of Lots are hereby prohibited and restricted from using any of the Property outside the exterior building lines, patio and carport areas, except as may be allowed by the Association's Board of Directors. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Owners of Lots in the Eagle Cove subdivision and is necessary for the protection of said Owners.

Section 6.9. Setback Lines. Front and rear building setback lines are established on the Plat which setback lines are incorporated herein by this reference.

Section 6.10. Side Setbacks. Adjacent Dwelling Units may be attached. If a Dwelling Unit is not attached, there shall be at least ten feet (10') between it and any adjacent Dwelling Unit.

Section 6.11. Number of Dwelling Units. The number of Dwelling Units shall not exceed the number of platted lots within the Property.

Section 6.12. Dwelling Unit Direction. Dwelling Units located upon Lots 46 and 49 shall face Eagle Cove East Drive. Dwelling Units located upon Lots 1 and 35 shall face Eagle Cove West Drive. Dwelling Units located upon Lots 131 and 132 (if platted) shall face Eagle Cove West Drive.

Section 6.13. Parking. No parking shall be allowed within street right-of-way. All Dwelling Units adjacent to any lake located upon the Property shall have two (2) car garages with automatic garage door openers.

Section 6.14. Unsightly Growth. In order to maintain the standards of the Property, no weeds, underbrush or other unsightly growths shall be permitted to grow or remain upon any land, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. Failure to comply shall warrant the Declarant or DMD, to cut weeds or clear the refuse from the Property at the expense of the Owner, and

there shall be a lien against said Property for the expense thereof, which lien shall be due and payable immediately. If such lien is not promptly paid, the Association or DMD may file suit and recover such amount together with reasonable attorneys fees and costs of collection.

Section 6.15. Nuisances. No nuisance shall be permitted to exist or operate upon the Property.

Section 6.16. Site Visability. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) feet and six (6) feet above the street shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting points twenty-five (25) feet from the intersection of said street lines, or in the case of a rounded property corner from the intersection of the street lines extended. The same sightline limitations shall apply to any lot within ten (10) feet from the intersection of a street line with the edge of a driveway pavement or alley line. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

Section 6.17. Boats, Trucks, Etc. No boats, campers, trailers of any kind, recreational vehicles or commercial vehicles of any kind shall be permitted to park on the Property for more than four (4) hours unless fully enclosed inside a building, or unless the same is necessary and incident to the Declarant or Association's business on the Property.

Section 6.18. Lake Area. Access to the Lake is restricted to the Common Area adjacent to the Lake except for those individuals whose Dwelling Units are immediately adjacent to the Lake. No individual using the Lake has the right to trespass upon shoreline not within a Common Area, subject to the rights of the Declarant, the Association, their employees, heirs, successors and assigns as set forth in the Declaration. No one shall do or permit any action or activity which could result in pollution of the Lake, diversion of water, elevation of Lake level, earth disturbance resulting in silting or any other conduct which could result in an adverse effect upon water quality, drainage or proper lake management except as provided in the Declaration. The Lake may not be used for swimming, boating, fishing or for any other purpose, except for drainage of the Property, unless expressly approved by the Association Board of Directors in writing and allowed by law. Only the Declarant and the Association shall have the right to store items or develop recreational facilities upon any Common Area adjacent to the Lake.

Section 6.19. Rules and Regulations. The Board of Directors from time to time may promulgate further rules and regulations concerning the use of Lots and the Common Area. A majority of

860048605

those Owners voting at a meeting called for the purpose may rescind or modify any rule or regulation adopted by the Board of Directors. Copies of all rules and regulations shall be furnished by the Board to all Owners, at the Owner's last known address, prior to the time when the same shall become effective. The Association shall have current copies of the Declaration, Articles and By-Laws, and other rules concerning the Property as well as its own books, records and financial statements available for inspection by Dwelling Unit Owners or by holders, insurers and guarantors of first mortgages, that are secured by Dwelling Units in the Property. These documents shall be available during normal business hours or under other reasonable circumstances.

Section 6.20. Development and Sale Period. Nothing contained in this Article VI shall be construed or interpreted to restrict the activities of Declarant in connection with the development of the Property and sale of Lots. During the Development Period, Declarant shall be entitled to engage in such activities and to construct, install, erect and maintain such facilities, upon any portion of the Property at any time owned or leased by Declarant; as in the sole opinion of Declarant may be reasonably required, or convenient or incidental to, the development of the Property and sale of the Lots; such facilities may include, without limitation, storage areas, signs, parking areas, model residences, construction offices, sales offices and business offices.

ARTICLE VII

Maintenance of Lots

Section 7.1. Maintenance by Owners. Each Owner shall be responsible for the exterior maintenance of all improvements on his Lot. However, if a Dwelling Unit owner shall fail to maintain the exterior of his Unit, or to keep it looking good, or to keep his Lot and lawn well-kept and in a good, clean and sanitary condition, the Association may, after approval by two-thirds (2/3) vote of the Board of Directors, require, by Court or otherwise, that the Owner perform such maintenance or other work and/or the Association shall have the right, through its agents and employees, to enter the Lot and perform such maintenance and/or other work at the Owner's expense, and the cost thereof shall be due and payable immediately as an addition to the Owner's regular assessment, and shall be secured by the Association's lien on such Lot.

Section 7.2. Lawn Maintenance and Other Work. The Association may agree with individual Owners to perform lawn and other maintenance work for such Owners, provided the following conditions are met:

860048603

(a) The Owner is charged a reasonable fee for such maintenance work that is designed to reimburse the Association for the cost thereof;

(b) The Association is willing to perform similar work for any other Owners in Eagle Cove;

(c) There shall be no discrimination among the Owners in the performance of any such work.

ARTICLE VIII

860048608

Party Walls

Section 8.1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of two or more Dwelling Units constructed upon the Property and placed on the dividing lines between the Dwelling Units shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 8.2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared equally by the Owners who make use of the wall in proportion to such use.

Section 8.3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, he shall contribute to the cost of restoration thereof in equal proportions without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 8.4. Weatherproofing. Notwithstanding any other provisions of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 8.5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 8.6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such

arbitrators shall choose one additional arbitrator, and the decision shall be a majority of all the arbitrators. (Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor, the Board of Directors of the Association shall select an arbitrator for the refusing party).

ARTICLE IX

Insurance

8600-18603

Section 9.1. Casualty Insurance on Insurable Common Area. The Association shall keep all insurable improvements and fixtures of the Common Area insured against loss or damage by fire for the full insurance replacement cost thereof, and may obtain insurance against such other hazards and casualties as are customarily covered for similar types of projects, including those covered by the standard "all risk" endorsements. The Association may also insure any other property, whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to the Common Area shall be written in the name of, and the proceeds thereof shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are Common Expenses included in the Regular Monthly Assessments made by the Association.

Section 9.2. Liability Insurance. The Association shall purchase a master comprehensive general liability insurance policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time. Such comprehensive general liability insurance policy shall cover the Association, its Board of Directors, any committee or organ of the Association or Board of Directors, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Association. It shall also cover all Common Areas, public ways and any other areas under the Association's control or supervision.

Section 9.3. Fidelity Bonds. The Association shall have blanket fidelity bonds for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The Association bonds shall name the Association as the obligee and the premium shall be paid as a common expense by the Association. Any management agent that handles funds for the Association shall be covered by its own fidelity bond, which must provide the same coverage required of the Association. The Association shall be named as an additional obligee in the management agent's bond. The fidelity bond shall cover the maximum funds that will be in

860048605

the custody of the Association or its management agent at any time while the bond is in force. In addition, the fidelity bond coverage must at least equal the sum of three months' assessments on all Dwelling Units in the Property, plus the Association's reserve funds. The fidelity bonds must include a provision that calls for ten days' written notice to the Association or insurance trustee before the bond can be cancelled or substantially modified for any reason. The same notice must also be given to each servicer that services a Fannie Mae owned mortgage in the Property.

Section 9.4. Miscellaneous Insurance Provisions. The Association shall obtain any other insurance required by law to be maintained, including but not limited to workmen's compensation insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate. Such insurance coverage shall also provide for and cover cross liability claims of one insured party against another insured party. Such insurance shall inure to the benefit of the Association, its Board of Directors and any managing agent acting on behalf of the Association.

Section 9.5. Casualty and Restoration. Damage to or destruction of any Common Area due to fire or any other casualty or disaster shall be promptly repaired and reconstructed by the Association and the proceeds of insurance, if any, shall be applied for that purpose. For purposes of this Section, repair, reconstruction and restoration shall mean construction or rebuilding of the damaged property to as near as possible the same condition as it existed immediately prior to the damage or destruction, with the same or a similar type of architecture.

Section 9.6. Insufficiency of Insurance Proceeds. If the insurance proceeds received by the Association as a result of any such fire or any other casualty or disaster are not adequate to cover the cost of repair and reconstruction, or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing the Common Area or any improvements damaged or destroyed (or the costs thereof in excess of insurance proceeds received, if any) shall be paid by the Association which shall then have the right to levy a special assessment against all Lots for such deficiency.

Section 9.7. Surplus of Insurance Proceeds. In the event that there is any surplus of insurance proceeds after the reconstruction or repair of the damage has been fully completed and all costs paid, such sums may be retained by the Association as a reserve or may be used in the maintenance and operation of the Property, or, in the discretion of the Board of Directors, may be distributed to the Owners or the Buildings affected and their Mortgagees who are the beneficial owners of the fund. The action of the Board of Directors in proceeding to repair or

reconstruct damage shall not constitute a waiver of any rights against another Owner for committing willful or malicious damage.

ARTICLE X

860048608

Mortgagees

Section 10.1. Mortgagee Rights. In addition to any other rights provided elsewhere in this Declaration to mortgagees, any lender or lenders holding a first mortgage or first mortgages upon any Lot or Lots, jointly or singly, may pay any real estate taxes or other taxes or charges which are in default and which may or have become a charge or lien against any Common Area or any other property owned by the Association; and may pay any overdue premiums on any hazard, casualty, liability or other insurance policies or secure new insurance coverage on the lapse of any policies for any such property owned by the Association or covering any property for which the Association has an obligation to maintain insurance coverage. Any such lender or lenders making payments in accordance with this Section 10.1 shall be entitled to immediate reimbursement therefor from the Association along with any costs incurred, including reasonable attorneys' fees.

Section 10.2. Notice to Mortgagees. The Association, upon request, shall provide to any lender holding a first mortgage upon any Lot, a written certificate or notice specifying unpaid assessments and other defaults of the Owner of such Lot, if any, in the performance of such Owner's obligations under this Declaration, the Articles of Incorporation of the Association, its By-Laws or any other applicable documents, which default has not been cured within sixty (60) days. A reasonable charge may be made by the Association for the issuance of any such certificate or notice, and any such certificate properly executed by an officer of the Association shall be binding upon the Association, as provided in Section 5.8.

Section 10.3. Condemnation and Insurance Awards. No provisions of this Declaration, or any amendment thereto, shall give an Owner, or any other party, priority over any rights of the first mortgagee of a Lot pursuant to its mortgage in the case of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of Common Area property.

Section 10.4. Right of First Refusal. Any "right of first refusal" in the Declaration, Association Articles, Association By-Laws or any other document governing the development and administration of the Property will not impair the rights of a first mortgagee to:

(a) foreclose or take title to a Dwelling Unit, and the Lot upon which the Dwelling Unit is situated, pursuant to the remedies in the mortgage;

(b) accept a deed or assignment in lieu of foreclosure in the event of default by a mortgagor; or

(c) sell or lease a unit acquired by the mortgagee.

Section 10.5. Unpaid Dues or Charges. Any first mortgagee who obtains title to a Dwelling Unit, and the Lot upon which the Dwelling Unit is situated, pursuant to the remedies in the mortgage or through foreclosure, will not be liable for the Dwelling Unit's unpaid dues or charges accrued before the acquisition of the title to the Unit by the mortgagee.

Section 10.6. Audited Statements. The Association must provide an audited statement for the preceeding fiscal year if the holder, insurer or guarantor of any first mortgage that is secured by a Dwelling Unit in the Property submits a written request for it.

ARTICLE XI

860048608

Annexation

Section 11.1. Property Subject to Annexation by Declarant. Declarant reserves the right to annex additional lands within the area described in Exhibit "C" without the consent of the Owners, or any other party within seven (7) years from the recordation date of the Declaration. The number of Dwelling Units within the total development shall be limited to 140.

Section 11.2. Effective Date for Assessments and Voting Rights. The regular assessment provided for in the Declaration shall commence as to each Lot within the annexed area on the first day of the first month following the conveyance of any common area within the annexed area. If there is no common area within the annexed area, the regular monthly assessments shall commence as to each Lot on the first day of the first month following the recording of the Plat of any annexed area. Voting rights of the Owners of the Lots within the annexed property shall be effective upon the same date, except the Declarant shall have the voting rights provided for in Article IV, Section 4.2.

Section 11.3. Improvements. All improvements intended for future phases will be substantially completed prior to annexation. Any future improvements will be consistent with the initial improvements within the Property in terms of quality of construction.

Section 11.4. Equality of Rights. All Lot Owners within an annexed area shall have the same rights, liabilities and obligations as any other Owner within the Property.

Section 11.5. Annexation Document. Annexation shall be by written document including, but not necessarily limited to, the following information:

- (a) a description of the property to be annexed;
- (b) the identity of the Declarant;
- (c) the effective date of annexation;
- (d) a description of the Common Area to be owned by the Association;
- (e) a cross-reference to this Declaration, as amended; and
- (f) any other information which the Declarant may deem necessary to identify the annexed area.

Section 11.6. Annexation of Other Areas. Additional land outside of the area described in Exhibit "C" may be annexed to the Property with the consent of FNMA eligible mortgage holders representing at least 67 percent of the votes of the mortgaged units and with the consent of two-thirds (2/3) of each class of members.

Section 11.7. FHA/VA Approval. If the Property has been approved for FHA/VA insured issued mortgage financing, the FHA and the VA must first determine that the annexation, whether by Declarant or otherwise, is in accord with the general plan heretofore approved by them.

ARTICLE XII

8600-18608

General Provisions

Section 12.1. Right of Enforcement. In the event of a violation, or threatened violation, of any of the covenants, conditions and restrictions herein enumerated, Declarant, the Association or any Owner and all parties claiming under them shall have the right to enforce the covenants, conditions and restrictions contained herein, and pursue any and all remedies, at law or in equity, available under applicable Indiana law, with or without proving any actual damages, including the right to secure injunctive relief or secure removal by due process of any structure not in compliance with the covenants, conditions and restrictions contained herein, and shall be entitled to recover reasonable attorneys' fees and the costs and expenses incurred as a result thereof.

Section 12.2. Severability and Waiver. Invalidation of any one of the covenants, restrictions or provisions contained in

this Declaration by judgment or court order shall not in any way affect any of the other provisions hereof, which shall remain in full force and effect. No delay or failure by any person to enforce any of the restrictions or to invoke any available remedy with respect to a violation or violations thereof shall under any circumstances be deemed or held to be a waiver by that person of the right to do so thereafter, or as estoppel of that person to assert any right available to him upon the occurrence, recurrence or continuation of any violation or violations of the restrictions.

Section 12.3. Amendment. During the first twenty (20) years following its recordation, this Declaration may be amended or modified at any time by an instrument recorded in the Office of the Recorder of Marion County, Indiana, approved and signed by at least ninety percent (90%) of the then Owners, and thereafter by an instrument signed by at least seventy-five percent (75%) of the then Owners. Provided, however, that none of the rights or duties of Declarant reserved or set out hereunder may be amended or changed without Declarant's prior written approval. Except as prohibited below, this Declaration may also be amended by Declarant, if it then has any ownership interest in the Property, at any time within two (2) years after the recordation hereof. Any amendment must be recorded. Neither the Association, the Owners or Declarant shall effect any of the following changes without the prior written approval of two-thirds (2/3) of the first mortgagees of the Lots (based upon one (1) vote for each mortgage owned) and two-thirds (2/3) of the Owners of Lots (excluding Declarant or builder):

(a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area owned directly or indirectly by the Association for the benefit of the Owners of the Dwelling Units. The granting of easements for public utilities or other public purposes consistent with the intended use of the Common Area by the Dwelling Unit Owners is not a transfer in the meaning of this clause;

(b) change the method of determining the obligations, assessments, dues or other charges that may be levied against a Dwelling Unit Owner;

(c) by act or omission change, waive or abandon any scheme of regulations or their enforcement pertaining to the architectural design or the exterior appearance of units, the exterior maintenance of units, the maintenance of the Common Area, party walks, common fences and driveways, and the upkeep of lawns and plantings in the Property;

(d) fail to maintain fire and extended coverage on insurable Common Area on a current replacement cost basis in an amount at least 100 percent of the insurable value (based on current replacement costs);

860048608

860048608

- (e) use hazard insurance proceeds for losses to any Common Area for other than the repair, replacement, or reconstruction of the Common Area.
- (f) change the voting rights, assessments, assessment liens or subordination of assessment liens, except as provided for in this Declaration;
- (g) change the the manner in which reserves for maintenance, repair and replacement of Common Areas have been set up and previously maintained by the Association;
- (h) change the rights to the use of the Common Area, except as provided for in this Declaration;
- (i) change the boundaries of any Dwelling Unit, and the Lot upon which the Dwelling Unit is situated, except as provided for in this Declaration;
- (j) any change concerning convertability of Dwelling Units into Common Area or vice versa, except as provided for in this Declaration;
- (k) allow for the expansion or contraction of the development, or the addition, annexation or withdrawal of property to or from the development, except for the Declarant's right to annex the Property set forth in Exhibit "C";
- (l) any requirements for insurance or fidelity bonds set forth in this Declaration;
- (m) any change in the manner in which units may be leased except as set forth in this Declaration;
- (n) any imposition of any restriction on a Dwelling Unit Owner's right to sell or transfer his or her Dwelling Unit;
- (o) any decision by the Association to establish self-management when professional management has been required previously by an FNMA eligible mortgage holder;
- (p) restoration and repair of the Common Area (after a hazard damage or partial condemnation) in a manner other than specified in the Declaration;
- (q) any action to terminate the legal status of the development after substantial destruction or condemnation occurs;
- (r) any provision that expressly benefits mortgage holders, insurers or guarantors; or
- (s) any termination of legal status of the development for reasons other than substantial destruction or condemnation of the Property.

860048608

If an addition or amendment is not considered as a material change, such as the correction of a technical error or the clarification of a statement within the Declaration, Association Articles, Association By-Laws or other constituent documents, there shall be an implied approval to be assumed when an eligible mortgage holder fails to submit a response to any written proposal for an amendment within thirty (30) days after proposal is made. The covenants, restrictions and all other provisions of this Declaration shall run with the land and shall be binding upon the persons owning any portion of the Property and all parties claiming under them for a period of twenty (20) years from the date of recordation, and thereafter shall automatically extend for successive periods of ten (10) years each unless prior to the expiration of such ten-year period this Declaration is amended or changed in whole or in part as hereinabove provided.

Section 12.4. FHA/VA Approval. If the Property has been approved for financing insured or issued by the Federal Housing Administration ("FHA") or the Veterans Administration ("VA"), as long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional property (except for the property described in Exhibit "C"), dedication of Common Area (except as provided in this Declaration), and amendment of this Declaration.

Section 12.5. Assignment. Declarant may assign or otherwise transfer any and all of its rights as Declarant.

Section 12.6. Condemnation, Destruction or Liquidation. The Association shall be designated to represent the Dwelling Unit Owners in any proceedings, negotiations, settlements or agreements for the handling of any losses or proceeds from condemnation, destruction or liquidation of all or a part of the Common Area, or from the termination of the development. Each Dwelling Unit Owner, by his acceptance of a deed, appoints the Association as his attorney-in-fact for this purpose. Proceeds from the settlement will be payable to the Association for the benefit of the Dwelling Unit Owners and their mortgage holders. Any distribution of funds in connection with the termination of this development shall be made on a reasonable and an equitable basis.

Section 12.7. Metropolitan Development Commission. The Metropolitan Development Commission, its successors and assigns, shall have no right, power or authority to enforce any covenants, commitments, restrictions or other limitations contained in this Plat other than those covenants, commitments, restrictions or limitations that expressly run in favor of the Metropolitan Development Commission; provided further that nothing herein shall be construed to prevent the Metropolitan Development Commission from enforcing any provisions of the subdivision control ordinance,

58-AO-3, as amended, or any conditions attached to approval of this Plat by the Plat Committee.

IN WITNESS WHEREOF, EAGLE COVE ASSOCIATES, an Indiana Partnership, has caused this Declaration to be executed as of the date first written above.

"DECLARANT"
EAGLE COVE ASSOCIATES

By: 
Richard H. Crosser, General Partner

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

8600-18909

Before me the undersigned, a Notary Public for Marion County, State of Indiana, personally appeared Richard H. Crosser, General Partner of Eagle Cove Associates, an Indiana Partnership, and he being first duly sworn by me upon his oath, says that the facts alleged in the foregoing instrument are true.

Signed and sealed this 4th day of June, 1986.

Signature: Leslie E. Gard

Printed name: Leslie E. Gard

County of Residence: Marion

My commission expires: 29 August 1988

RETURN TO: John W. Tousley, Attorney at Law, 600 Union Federal Building, Indianapolis, Indiana 46204

Prepared by:
John W. Tousley
Attorney at Law
600 Union Federal Building
Indianapolis, Indiana 46204
317/635-4500

code 4/DELUXE.1-.13
6/4/86

LEGAL DESCRIPTION
EAGLE COVE * SECTION 1

Part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East in Marion County, Indiana, more particularly described as follows:

Commencing at the Southeast corner of the Southwest Quarter of said Section 14; thence South 89 degrees 53 minutes 43 seconds West along the South line thereof 2672.17 feet to the Southwest corner of said Quarter Section; thence North 00 degrees 25 minutes 35 seconds East along the West line thereof 1311.85 feet; thence North 89 degrees 53 minutes 43 seconds East parallel with the South line of said Southwest Quarter 58.89 feet to the Southeastern line of an easement in favor of Indianapolis Power and Light Company as described in Deed Record 1791, page 133 and Deed Record 1797, page 307; thence North 22 degrees 44 minutes 23 seconds East along said Southeastern line of said easement 1288.02 feet to the POINT OF BEGINNING of this description; thence continuing North 22 degrees 44 minutes 23 seconds East along said easement line 50.00 feet to the Northeast corner of lot 12 in Eagle Bay, Section 1, as per plat thereof recorded as Instrument Number 83-68953 in the Office of the Recorder of Marion County, Indiana; thence South 89 degrees 56 minutes 43 seconds East along the South line of said Eagle Bay, Section 1 and Eagle Bay, Section 2, as per plat thereof recorded as Instrument Number 84-55902 in the Office of the Recorder of Marion County, Indiana a distance of 337.37 feet; thence North 60 degrees 00 minutes 00 seconds East along the Southern line of said Eagle Bay, Section 2 a distance of 259.57 feet to the Southwestern right-of-way line of Eagle Creek Parkway; thence South 29 degrees 59 minutes 46 seconds East along said right-of-way line 507.86 feet; thence South 70 degrees 00 minutes 00 seconds West 500.00 feet; thence South 00 degrees 25 minutes 16 seconds East 110.00 feet; thence South 89 degrees 34 minutes 44 seconds West 98.00 feet; thence South 00 degrees 25 minutes 16 seconds East 50.00 feet; thence South 89 degrees 34 minutes 44 seconds West 178.00 feet; thence North 09 degrees 54 minutes 45 seconds West 162.00 feet; thence North 37 degrees 21 minutes 40 seconds East 240.00 feet; thence North 37 degrees 35 minutes 04 seconds West 158.00 feet to a point on a 60.31135 degree curve to the left, the radius point of said curve being South 37 degrees 35 minutes 04 seconds East 95.00 feet from said point; thence Southwesterly along said curve 5.33 feet to a point on said curve, the radius point of said curve being South 40 degrees 47 minutes 51 seconds East 95.00 feet from said point; thence North 40 degrees 47 minutes 51 seconds West 165.27 feet to the place of beginning, containing 7.864 acres, more or less.

860018603

EXHIBIT "A"

COMMON AREAS
EAGLE COVE - SECTION 1

COMMON AREA # 1

Beginning at the Southwest corner of Lot 47 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~36-4560~~ in the Office of the Recorder of Marion County, Indiana; thence South 89 degrees 34 minutes 44 seconds West 46.16 feet; thence North 09 degrees 54 minutes 45 seconds West 59.17 feet; thence North 70 degrees 00 minutes 00 seconds East 46.86 feet to the Northwest corner of Lot 46 in said Eagle Cove, Section 1; thence South 20 degrees 00 minutes 00 seconds East a distance of 35.10 feet to the Southwest corner of Lot 46; thence South 00 degrees 25 minutes 16 seconds East along the West line of the aforesaid Lot 47 a distance of 41.00 feet to the place of beginning, containing 0.076 acres more or less.

COMMON AREA # 2

Beginning at the Southwest corner of Lot 45 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~36-4860~~ in the Office of the Recorder of Marion County, Indiana; thence South 70 degrees 00 minutes 00 seconds West 37.97 feet; thence North 09 degrees 54 minutes 45 seconds West 52.04 feet; thence North 37 degrees 21 minutes 40 seconds East 34.27 feet to the Northwest corner of said Lot 45; thence South 20 degrees 00 minutes 00 seconds East along the West line of the said Lot 45 a distance of 69.72 feet to the place of beginning, containing 0.045 acres more or less.

COMMON AREA # 3

Beginning at the Southwest corner of Lot 23 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~36-4860~~ in the Office of the Recorder of Marion County, Indiana; thence along the rear lines of Lots 23 thru 45 in said Eagle Cove Section 1 by the following seven courses; (1) South 89 degrees 56 minutes 43 seconds East 265.46 feet; (2) North 52 degrees 08 minutes 28 seconds East 58.56 feet; (3) South 74 degrees 59 minutes 46 seconds East 14.14 feet; (4) South 29 degrees 59 minutes 46 seconds East 126.00 feet; (5) South 28 degrees 00 minutes 15 seconds West 56.63 feet; (6) North 39 degrees 55 minutes 32 seconds West 85.09 feet; (7) South 70 degrees 00 minutes 00 seconds West 393.58 feet; thence leaving said rear lot lines North 37 degrees 21 minutes 40 seconds East 175.58 feet; thence North 37 degrees 35 minutes 04 seconds West 71.84 feet to the place of beginning, containing 0.992 acres more or less.

860048603

LEGAL DESCRIPTION
EAGLE COVE * SECTION 2

Part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East in Marion County, Indiana, more particularly described as follows:

Commencing at the Southeast corner of the Southwest Quarter of said Section 14; thence South 89 degrees 53 minutes 43 seconds West along the South line thereof 2672.17 feet to the Southwest corner of said Quarter Section; thence North 00 degrees 25 minutes 35 seconds East along the West line thereof 1311.85 feet; thence North 89 degrees 53 minutes 43 seconds East parallel with the South line of said Southwest Quarter 58.89 feet to the Southeastern line of an easement in favor of Indianapolis Power and Light Company as described in Deed Record 1791, page 133 and Deed Record 1797, page 307, said point being the POINT OF BEGINNING; thence North 22 degrees 44 minutes 23 seconds East 1288.02 feet; thence South 40 degrees 47 minutes 51 seconds East 165.27 feet to a point on a 60.311 degree curve to the right the radius point of said curve being South 40 degrees 47 minutes 51 seconds East 95.00 feet from point; thence Northeasterly along said curve 5.33 feet to a point on said curve, the radius point of said curve being South 37 degrees 35 minutes 04 seconds East 95.00 feet from said point; thence South 37 degrees 35 minutes 04 seconds East 158.00 feet; thence South 37 degrees 21 minutes 40 seconds West 240.00 feet; thence South 09 degrees 54 minutes 45 seconds East 162.00 feet; thence North 89 degrees 34 minutes 44 seconds East 178.00 feet; thence North 00 degrees 25 minutes 16 seconds West 50.00 feet; thence North 89 degrees 34 minutes 44 seconds East 98.00 feet; thence South 00 degrees 25 minutes 16 seconds East 641.06 feet; thence South 89 degrees 53 minutes 43 seconds West 868.95 feet to the place of beginning, containing 13.376 acres more or less.

ALSO,

A part of Lot 18 of Eagle Bay I lying within Indianapolis Power and Light Company transmission line easement:

Land being part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East of the Second Principal Meridian in Marion County, Indiana, being part of Lot 18 of Eagle Bay Section I, the plat of which is recorded as Instrument No. 83-68953 in the Office of the Recorder of said County, more particularly described as follows:

Beginning at the Southwest corner of said Lot 18; thence North 00 degrees 25 minutes 35 seconds East along the West line of said Lot 18 a distance of 317.98 feet to the Westerly line of the 175 foot transmission line easement to Indianapolis Power and Light Company as recorded in Deed Record 1797, page 307; thence North 22 degrees 44 minutes 23 seconds East along the Westerly line of said easement 383.47 feet to the Northerly line of said lot 18, said point being a point on a curve concave Northerly having a central angle of 51 degrees 29 minutes 33 seconds and a radius of 50.00 feet; thence Easterly and Northeasterly along said Northerly line an arc distance of 44.94 feet (said arc being subtended by a chord having a bearing of North 81 degrees 25 minutes 25 seconds East and a length of 43.44 feet) to a point on the Easterly line of said Lot 18; thence South 34 degrees 19 minutes 17 seconds East along said

860048608

EXHIBIT "C"

Easterly line 164.30 feet; thence South 22 degrees 44 minutes 23 seconds West along said Easterly line 588.02 feet to the South line of said Lot 18; thence South 89 degrees 53 minutes 43 seconds West along said South line 58.89 feet to the POINT OF BEGINNING, containing 2.237 acres, more or less; subject to highways, rights-of-way and easements.

ALSO,

A part of lot 17 of Eagle Bay I, lying within Indianapolis Power and Light Company transmission line easement:

Land being part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East of the Second Principal Meridian in Marion County, Indiana, being part of Lot 17 of Eagle Bay Section I, the plat of which is recorded as Instrument No. 83-68953 in the Office of the Recorder of said county, more particularly described as follows:

Beginning at Southeast corner of said Lot 17; thence North 34 degrees 19 minutes 17 seconds East along the Southwesterly line of said Lot 17 a distance of 164.30 feet to a point on the Westerly line of said Lot 17, said point being a point on a curve concave Westerly having a central angle of 115 degrees 55 minutes 16 seconds and a radius of 50.00 feet; thence Northeasterly, Northerly and Northwesterly along said curve and along said Westerly line an arc distance of 101.16 feet (said arc being subtended by a chord having a bearing of North 02 degrees 17 minutes 00 seconds West and a length of 84.77 feet) to the point of reverse curvature of a curve concave Northeasterly having a central angle of 1 degree 30 minutes 46 seconds and a radius of 48.00 feet; thence Northwesterly along said curve an arc distance of 1.27 feet (said arc being subtended by a chord having a bearing of North 59 degrees 29 minutes 31 seconds West and a length of 1.27 feet) to the Westerly line of a 175 foot Transmission Line Easement to Indianapolis Power and Light Company recorded in Deed Record 1797, page 307 in the Office of the Recorder of said County; thence North 22 degrees 44 minutes 23 seconds East along said Westerly line 233.68 feet to a point on the Northerly line of said Lot 17; thence South 67 degrees 15 minutes 37 seconds East along said Northerly line 175.00 feet to the Northeasterly corner of said Lot 17; thence South 22 degrees 44 minutes 23 seconds West along the Easterly line of said Lot 17 a distance of 400.00 feet to the POINT OF BEGINNING, containing 1.323 acres, more or less; subject to highways, rights-of-ways and easements.

ALSO,

A part of lots 13, 14, 15, and 16 in Eagle Bay, Section I, lying within an Indianapolis Power and Light Company transmission line easement recorded in Deed Record 1797 page 307 in the Office of the Recorder of Marion County, Indiana:

One hundred seventy-five (175) feet by parallel lines off the entire eastern side of lots 13, 14, 15, and 16 in Eagle Bay, Section I, as per plat thereof recorded as Instrument Number 83-68953 in the Office of the Recorder of Marion County, Indiana, containing 1.105 acres, more or less, subject to all legal highways, rights-of-way, easements and restrictions of record.

860048608

May 5, 1986

BY-LAWS
OF
EAGLE COVE HOMEOWNERS ASSOCIATION, INC.

TABLE OF CONTENTS

	Page
Article I - General.....	1
Article II - Definitions.	
Section 2.1 - "Articles".....	1
Section 2.2 - "Association".....	1
Section 2.3 - "Board of Directors".....	1
Section 2.4 - "Common Area".....	1
Section 2.5 - "Declarant".....	2
Section 2.6 - "Development Period".....	2
Section 2.7 - "Dwelling Unit".....	2
Section 2.8 - "Lot".....	2
Section 2.9 - "Owner".....	2
Section 2.10 - "Plat".....	2
Section 2.11 - "Property".....	2
Article III - Membership and Meetings of Members.	
Section 1 - Membership and Voting.....	3
Section 2 - Annual Meeting.....	3
Section 3 - Special Meetings.....	3
Section 4 - Notice of Meetings.....	3
Section 5 - Quorum.....	4
Section 6 - Voting by Co-Owners and Entities..	4
Section 7 - Proxies.....	4
Section 8 - Suspension of Voting Rights.....	4
Section 9 - Rights of Mortgagees.....	4
Section 10 - Action taken by Conference Phone.	5
Article IV - Board of Directors and General Information.	
Section 1 - General Powers and Duties.....	5
Section 2 - Number.....	5
Section 3 - Term of Office.....	5
Section 4 - Removal.....	5
Section 5 - Compensation.....	5

860043608

8600-48608

Page

Article V - Nomination and Election of Directors.	
Section 1 - Nomination.....	6
Section 2 - Election.....	6
Section 3 - Vacancy.....	6
Article VI - Meetings of Directors.	
Section 1 - Quorum and Voting.....	6
Section 2 - Annual Meeting.....	7
Section 3 - Special Meetings.....	7
Section 4 - Regular Meetings.....	7
Section 5 - Waiver of Notice.....	7
Section 6 - Action Taken Without a Meeting.....	7
Section 7 - Action Taken by Conference Phone..	7
Article VII - Specific Powers and Duties of the Board of Directors.	
Section 1 - Powers.....	8
Section 2 - Duties.....	8
Article VIII - Duties of Officers.	
Section 1 - Enumeration of Officers.....	9
Section 2 - Election of Officers.....	9
Section 3 - Term.....	9
Section 4 - Other Offices.....	9
Section 5 - Resignation and Removal.....	9
Section 6 - Vacancies.....	10
Section 7 - Multiple Offices.....	10
Section 8 - Duties.....	10
Article IX - Committees.....	10
Article X - Books and Records.....	11
Article XI - Assessments.	11
Article XII - Notice on Mortgages.	
Section 1 - Notice to Board of Directors.....	11
Section 2 - Definition.....	12
Article XIII - Contracts Loans and Checks.	
Section 1 - Authorization.....	12
Section 2 - Signatures	12

	Page:
Article XIV - Corporate Seal.....	12
Article XV - Amendments and Construction.	4
Section 1 - Procedure.....	12
Section 2 - Conflict with Declaration or Articles.....	13

code 4DELUXE.32

860048608

BY-LAWS
OF
EAGLE COVE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

General

Section 1. Name. The name of the corporation is Eagle Cove Homeowners Association, Inc., hereinafter referred to as "Association."

Section 2. Principal Office. The post office address of the principal office of the Association is 2935 East 96th Street, Suite A, Indianapolis, Indiana 46240, but meetings of Members and Directors may be held at such places within the State of Indiana, in or near Hamilton or Marion Counties, in the case of Members' meetings, as may be designated by the Board of Directors.

Section 3. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE II

Definitions

Section 1. "Articles" means the Articles of Incorporation of the Association (as hereinafter defined) filed, or to be filed, with the Office of the Secretary of State of Indiana, as the same are or hereafter may be amended from time to time.

Section 2. "Association" means Eagle Cove Homeowners Association, Inc., a formed or co-be-formed Indiana not-for-profit corporation, its successors and assigns.

Section 3. "Board of Directors" means the Board of Directors of the Association.

Section 4. "Common Area" means those portions of the Property (as hereinafter defined), including improvements thereto, facilities and personal property owned or leased by the Association from time to time for the common use, benefit and enjoyment of the Owners (as hereinafter defined). Unless expressly stated to the contrary, the term Common Area as used herein (whether or not so expressed) shall include all private streets and all other portions of the Property not designated as Lots (as hereinafter defined). The Common Area to be conveyed to the Association at

860048608

the time of conveyance of the first Lot to an Owner is described in Exhibit "B".

Section 5. "Declarant" and "Declaration" means Eagle Cove Associates, its successors and assigns as a declarant, if such successors or assigns should acquire more than one (1) undeveloped Lot from the Declarant for the purposes of development pursuant to the Declaration of Covenants, Conditions and Restrictions of Eagle Cove (the "Declaration"), as amended.

Section 6. "Development Period" means the period of time commencing with Declarant's acquisition of the Property and ending when Declarant has completed the development and sale of, and no longer owns, any Lot or any other portion of the real estate in the Property (as hereinafter defined).

Section 7. "Dwelling Unit" means any single-family residence situated upon a Lot (as hereinafter defined) whether attached or detached.

Section 8. "Lot" means any parcel of land designated as such upon the Plat (as hereinafter defined) or, after construction of a Dwelling Unit, that parcel of land upon which a Dwelling Unit is constructed that is conveyed to an Owner (as hereinafter defined) by the Declarant. A "Lot" may contain portions of real estate greater or less than its originally platted dimensions should the Declarant deem it advisable in order to accommodate the construction of a Dwelling Unit.

Section 9. "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, including contract sellers, but otherwise excluding those having such interest merely as security for the performance of an obligation. Unless specifically indicated to the contrary, the term Owner as used herein shall include the Declarant, so long as the Declarant shall own any Lot.

Section 10. "Plat" means the subdivision plat of the Property (as hereinafter defined) identified as "Plat of Eagle Cove, Section I", recorded 6th day of June, 1986 in Plat Book , page , as Instrument Number 86-48607; in the Office of the Recorder of Marion County, Indiana, as the same may be hereafter amended or supplemented by law or pursuant to the Declaration.

Section 11. "Property" means the real estate described in Exhibit "A" and any addition annexed pursuant to the Declaration, as amended, the description of which is set forth in Exhibit "C".

860048605

ARTICLE III

Membership and Meetings of Members

Section 1. Membership and Voting. Membership in the Association and voting rights of Members are governed by the Articles. Except as otherwise provided in the Articles, in the Declaration or in Article V of these By-Laws, each question shall be determined by a majority of the eligible votes cast by the Members present, in person or by proxy, at a meeting at which a quorum is present. The Members may take any action without a meeting that could be taken at a meeting, in the manner provided in the Articles. Additionally, any action required or permitted to be taken at any meeting of the Board of Directors, may be taken without a meeting, if prior to such action a written consent to such action is signed by all members of the Board of Directors, and such written consent is filed with the Minutes of the proceeding of the Board.

Section 2. Annual Meeting. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at a time and place to be specified by the Board of Directors, unless such date is not within six (6) months after the end of the Fiscal Year. If the annual meeting date is not within six (6) months after the close of the Fiscal Year, the meeting will be held on a date within said period set by the Board of Directors and thereafter on the same day of the same month of each year, at a time and place to be specified by the Board of Directors. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 3. Special Meetings. Special meetings of the Members may be called at any time by the President of the Association, or by a majority of the Board of Directors, or upon written request of Members who together are entitled to vote one-fourth (1/4) of all the votes of the Class A Membership.

Section 4. Notice of Meetings. Except as otherwise required by the Declaration, written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by delivering or mailing a copy of such notice at least fifteen (15) days before such meeting, to each Member entitled to vote thereat, at or addressed to the Member's address last appearing in the records of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose or purposes of the meeting. Notice of any meeting may be waived by a

860048608

written waiver filed with the Secretary or by attendance at the meeting in person or by proxy.

Section 5. Quorum. The presence at the meeting, in person or by proxy, of Members entitled to cast one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action, except as otherwise required by the Articles or the Declaration. If, however, such quorum shall not be present at any meeting, the Members present and entitled to vote thereat are empowered to adjourn the meeting from time to time, without notice other than announcement at the meeting, until such later time or date that a quorum shall be present in person or by proxy.

Section 6. Voting by Co-Owners and Entities. The vote appurtenant to any Lot in which more than one person owns an interest may be exercised by any of such persons present at any meeting, unless the Association is advised (by objection or protest at the meeting or written notice prior thereto) by any other person owning an interest in such Lot that the Owners of the Lot are unable to agree upon the manner in which the vote appurtenant to such Lot shall be cast at such meeting or on any particular question to come before such meeting. In such event the vote appurtenant to the Lot shall not be counted at the meeting or on the particular question noted, as the case may be. In the event any Lot is owned by a corporation, then the vote appurtenant to such Lot shall be cast by a person designated in a certificate signed by the President or any Vice President of such corporation and attested by the Secretary or an Assistant Secretary of such corporation and filed with the Secretary of the Association prior to the meeting. The vote appurtenant to any Lot owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and unless any objection or protest by any other such trustee or partner is noted at such meeting or in writing prior thereto, the Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes.

Section 7. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot. No proxy shall be valid after eleven (11) months from the date of its execution unless a longer time is expressly provided in the proxy.

Section 8. Suspension of Voting Rights. No Class A Member shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due to the Association shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors.

Section 9. Rights of Mortgagees. An institutional mortgagee (as defined in Article XII, Section 2) of any Lot who desires

860048608

notice of the annual and special meetings of the Members shall notify the Secretary to that effect by Registered Mail - Return Receipt Requested. Any such notice shall contain the name and post office address of such institutional mortgagee and the name of the person to whom such notice should be addressed. The Secretary of the Association shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual or special meeting of the Members to each such institutional mortgagee, in the same manner, and subject to the same requirements and limitations as are provided for notice to the Members in Section 4 of this Article III. Any representative to attend any annual or special meeting of the Members and such representative may participate in the discussion at any such meeting and may, upon his request made to the Chairman in advance of the meeting, address the Members present at any such meeting. Such representative shall have no voting rights at any such meeting.

Section 10. Action Taken by Conference Phone. Any or all the members of the Association may participate in a meeting of the Board by means of a conference telephone or similar communication equipment, by which all persons participating in the meeting, can communicate with each other, and participation in this manner constitutes presence in person at the meeting.

ARTICLE IV

Board of Directors General Information

Section 1. General Powers and Duties. The Board of Directors shall manage the affairs of the Association.

Section 2. Number. The Board of Directors shall be composed of three (3) members, who need not be Members of the Association.

Section 3. Term of Office. The members of the initial Board of Directors shall serve until the first annual meeting of the Members of the Association. Thereafter, such Director shall be elected to serve a term of one (1) year and until his successor is elected and qualified. A Director may serve any number of consecutive terms.

Section 4. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association, at a meeting of the Members called expressly for that purpose. A Director also may be removed by a majority vote of the other members of the Board of Directors if he fails to attend three (3) or more consecutive meetings of the Board.

Section 5. Compensation. Directors shall receive no compensation for their services as directors of the Association.

However, any Director may be reimbursed for actual expenses incurred in the performance of his duties.

ARTICLE V

860018603

Nomination and Election of Directors

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor by any Member eligible to vote at the meeting. The Nominating Committee shall consist of a Chairman who shall be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by written ballot. In the election of Directors, each Member or his proxy may cast, in respect to each vacancy, as many votes as he is entitled to cast under the provisions of the Articles. The three (3) persons receiving the highest, second highest and third highest numbers of votes, respectively (whether or not a majority of the votes cast, shall be elected. Cumulative voting is not permitted.

Section 3. Vacancy. When a vacancy occurs on the Board of Directors by reason of the death, resignation, removal or incapacity of a Director, or for any other reason except the expiration of a Director's term or an increase in the number of Directors prescribed in these By-Laws, the remaining Directors shall by majority vote elect a Director to serve until the next annual meeting of the Members of the Association. When a vacancy occurs by reason of an increase in the number of Directors prescribed in these By-Laws, the vacancy shall be filled by a vote of the Members of the Association, pursuant to Sections 1 and 2 of this Article V.

ARTICLE VI

Meetings of Directors

Section 1. Quorum and Voting. A majority of the Board of Directors shall be necessary to constitute a quorum for the transaction of any business except the filling of vacancies on the Board of Directors, and the act of a majority of the Directors.

860048603

present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2. Annual Meeting. The newly elected Board of Directors shall meet annually, without notice, immediately following the annual meeting of the Members, for the purpose of electing officers of the Association for the ensuing year and transacting such other business as properly may come before the meeting.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Association or by a majority of the Board of Directors upon not less than three (3) days written notice. A special meeting may be held at such place as is specified in the call of the special meeting. The purpose of any such meeting need not be specified.

Section 4. Regular Meetings. Regular meetings of the Board of Directors may be held without notice, other than the adoption of a resolution of the Board establishing the meeting schedule, at such place and hour as may be fixed by resolution of the Board. Should any regular meeting date fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 5. Waiver of Notice. Notice of the time, place, and call of any meeting of the Board may be waived in writing if the waiver sets out in reasonable detail the purpose or purposes of which the meeting is called and the time and place thereof. Attendance at any meeting of the Board shall constitute a waiver of notice of such meeting and of the time, place and call thereof.

Section 6. Action Taken Without a Meeting. The Board of Directors may take any action without a meeting that could be taken at a meeting, in the manner provided in the Articles. Additionally, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof, may be taken without a meeting, if prior to such action a written consent to such action is signed by all members of the Board of Directors or of such committee, as the case may be, and such written consent is filed with the minutes of proceeding of the Board or committee.

Section 7. Action Taken by Conference Phone. Any or all the members of the Board of Directors may participate in a meeting of the Board or committee, by means of a conference telephone or similar communication equipment, by which all persons participating in the meeting can communicate with each other, and participation in this manner constitutes presence in person at the meeting.

ARTICLE VII

860048608

Specific Powers and Duties of the Board of Directors

Section 1. Powers. Without limitation on the Board's general power to manage the affairs of the Association, the Board of Directors shall have power to:

A. adopt and publish rules and regulations governing the use of the Lots, the Common Area and any facilities at any time located on the Properties, and the personal conduct of the Members and guests thereon, and to establish penalties for the infraction thereof;

B. suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations; and,

C. exercise for the Association all powers, duties and authority vested in or delegated to the Association (and not reserved to the membership) by the provisions of these By-Laws, the Articles or the Declaration and applicable law.

Section 2. Duties. Without limitation on the Board's general duty to manage the affairs of the Association, it shall be the duty of the Board of Directors to:

A. cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members; or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

B. supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

C. as more fully provided in the Declaration, to:

1. Fix and send written notice of assessments; and,

2. foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date, or bring an action at law against the owner personally obligated to pay the same.

D. issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by

the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

E. procure and maintain the insurance coverages required by the Declaration;

F. cause all officers or employees having fiscal responsibilities to be bonded, as required by the Declaration, and,

G. cause the Property to be maintained to the extent of the Association's responsibility therefor as provided in the Declaration.

ARTICLE VIII

860018608

Duties of Officers

Section 1. Enumeration of Officers. The officers of this Association shall be a President who shall at all times be a member of the Board of Directors, a Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time-to-time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year and until his successor is elected and qualified, unless he shall sooner resign, or shall be removed or otherwise become disqualified to serve.

Section 4. Other Offices. The Board may elect one or more additional vice presidents, assistant secretaries or other officers as the Board may deem necessary or appropriate, each of whom shall hold office for one (1) year (and until his successor is elected and qualified) or such shorter period, and shall have such authority and perform such duties, as the Board may from time-to-time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer, or those of Vice President and Treasurer, may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The general duties of the officers, subject at all times to further delineation and delegation of duties by the Board, are as follows:

A. President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

B. Vice President. The Vice President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise such other duties as may be required by the Board.

C. Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association (if one is adopted) and affix it on all appropriate documents; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association, together with their addresses, and shall perform such other duties as required by the Board.

D. Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the Members.

ARTICLE IX

860048608

Committees

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating

Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE X

Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member and institutional mortgagee (as hereinafter defined). The Declaration, the Articles and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

Assessments

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. As more particularly set forth in the Declaration, if an assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight percent (8%) per annum; the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment; and no Owner may waive or otherwise escape liability for the assessments provided for in the Declaration by non-use of the Common Area or abandonment of his Lot.

860018608

ARTICLE XII

Notice on Mortgages

Section 1. Notice to Board of Directors. Any Member who mortgages the Lot to which his membership is appurtenant shall promptly notify the Board of Directors of the name and address of his mortgagee and, if requested to do so, shall file a conformed copy of such mortgage with the Board of Directors. The Board of Directors shall maintain a suitable roster pertaining to such mortgages. Any mortgagee of any Lot that desires that a record of its name and address be maintained by the Association may forward such information to the Secretary for the purpose of assisting in compliance with the notice provisions of these By-Laws.

Section 2. Definition. As used in this Article, the term "mortgagee" shall mean any mortgagee and shall not be limited to institutional mortgagees, and the term "mortgage" shall include a deed of trust. As used generally by these By-Laws, the term "institutional holder" or "institutional mortgagee" shall include the insurer of any mortgage and the following mortgages: banks, trust companies, insurance companies, savings and loan associations, pension funds, real estate investment trusts, FNMA, FHLMC, and any corporation, including a corporation of, or affiliated with, the United States Government, or any agency thereof.

ARTICLE XIII

Contracts Loans and Checks

Section 1. Authorization. The Board of Directors may authorize any officer or officers or agent or agents of the Association to enter into any contract or execute any instrument on its behalf. Such authorization may be general or confined to specific instances. Except as provided in these By-Laws, no officer, agent, or employee shall have any power to bind the Association or to render it liable for any purpose or amount unless so authorized by the Board of Directors.

Section 2. Signatures. All checks, drafts, or other orders for payment of money by the Association shall be signed by the President, Secretary, Treasurer, or such other person as the Board of Directors may from time to time designate by resolution.

ARTICLE XIV

Corporate Seal

The Association need not have a seal, except as may otherwise be specifically required by applicable law, and no seal is required to make any action of or document executed by the Association effective. If a seal is adopted, it shall be in circular form having within its circumference the words "EAGLE COVE HOMEOWNERS ASSOCIATION, INC."

8600-18608

ARTICLE XV

Amendments and Construction

Section 1. Procedure. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of members present in person or by proxy. If the Property has been approved for mortgage financing, insured or issued by the Federal Housing Administration ("FHA") or the Veterans

Administration ("VA"), the FHA or VA shall have the right to veto amendments while there is Class B membership.

Section 2. Conflict with Declaration or Articles. In the case of any conflict between the Articles and these By-Laws, the Articles shall control, and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

This instrument was prepared by: John W. Tousley, Attorney at Law, 600 Union Federal Building, 45 North Pennsylvania Street, Indianapolis, Indiana 46204, 317/635-4500.

code 4DELUXE.25-.31
Rev. 6/4/86

860048603

COMMON AREAS
EAGLE COVE - SECTION 1

COMMON AREA # 1

Beginning at the Southwest corner of Lot 47 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~86-4800~~ in the Office of the Recorder of Marion County, Indiana; thence South 89 degrees 34 minutes 44 seconds West 46.16 feet; thence North 09 degrees 54 minutes 45 seconds West 59.17 feet; thence North 70 degrees 00 minutes 00 seconds East 46.86 feet to the Northwest corner of Lot 46 in said Eagle Cove, Section 1; thence South 20 degrees 00 minutes 00 seconds East a distance of 35.10 feet to the Southwest corner of Lot 46; thence South 00 degrees 25 minutes 16 seconds East along the West line of the aforesaid Lot 47 a distance of 41.00 feet to the place of beginning, containing 0.076 acres more or less.

COMMON AREA # 2

Beginning at the Southwest corner of Lot 45 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~86-4800~~ in the Office of the Recorder of Marion County, Indiana; thence South 70 degrees 00 minutes 00 seconds West 37.97 feet; thence North 09 degrees 54 minutes 45 seconds West 52.04 feet; thence North 37 degrees 21 minutes 40 seconds East 24.27 feet to the Northwest corner of said Lot 45; thence South 20 degrees 00 minutes 00 seconds East along the West line of the said Lot 45 a distance of 69.72 feet to the place of beginning, containing 0.045 acres more or less.

COMMON AREA # 3

Beginning at the Southwest corner of Lot 23 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~86-4800~~ in the Office of the Recorder of Marion County, Indiana; thence along the rear lines of Lots 23 thru 45 in said Eagle Cove Section 1 by the following seven courses; (1) South 89 degrees 56 minutes 43 seconds East 265.46 feet; (2) North 52 degrees 08 minutes 28 seconds East 58.56 feet; (3) South 74 degrees 59 minutes 46 seconds East 14.14 feet; (4) South 29 degrees 59 minutes 46 seconds East 126.00 feet; (5) South 28 degrees 00 minutes 15 seconds West 56.63 feet; (6) North 39 degrees 55 minutes 32 seconds West 85.09 feet; (7) South 70 degrees 00 minutes 00 seconds West 393.58 feet; thence leaving said rear lot lines North 37 degrees 21 minutes 40 seconds East 175.58 feet; thence North 37 degrees 35 minutes 04 seconds West 71.84 feet to the place of beginning, containing 0.992 acres more or less.

860048008

LEGAL DESCRIPTION
EAGLE COVE * SECTION 2

860018603

Part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East in Marion County, Indiana, more particularly described as follows:

Commencing at the Southeast corner of the Southwest Quarter of said Section 14; thence South 89 degrees 53 minutes 43 seconds West along the South line thereof 2672.17 feet to the Southwest corner of said Quarter Section; thence North 00 degrees 25 minutes 35 seconds East along the West line thereof 1311.85 feet; thence North 89 degrees 53 minutes 43 seconds East parallel with the South line of said Southwest Quarter 58.89 feet to the Southeastern line of an easement in favor of Indianapolis Power and Light Company as described in Deed Record 1791, page 133 and Deed Record 1797, page 307, said point being the POINT OF BEGINNING; thence North 22 degrees 44 minutes 23 seconds East 1288.02 feet; thence South 40 degrees 47 minutes 51 seconds East 165.27 feet to a point on a 60.311 degree curve to the right the radius point of said curve being South 40 degrees 47 minutes 51 seconds East 95.00 feet from point; thence Northeastly along said curve 5.33 feet to a point on said curve, the radius point of said curve being South 37 degrees 35 minutes 04 seconds East 95.00 feet from said point; thence South 37 degrees 35 minutes 04 seconds East 158.00 feet; thence South 37 degrees 21 minutes 40 seconds West 240.00 feet; thence South 09 degrees 54 minutes 45 seconds East 162.00 feet; thence North 89 degrees 34 minutes 44 seconds East 178.00 feet; thence North 00 degrees 25 minutes 16 seconds West 50.00 feet; thence North 89 degrees 34 minutes 44 seconds East 98.00 feet; thence South 00 degrees 25 minutes 16 seconds East 641.06 feet; thence South 89 degrees 53 minutes 43 seconds West 868.95 feet to the place of beginning, containing 13.376 acres more or less.

ALSO,

A part of Lot 18 of Eagle Bay I lying within Indianapolis Power and Light Company transmission line easement:

Land being part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East of the Second Principal Meridian in Marion County, Indiana; being part of Lot 18 of Eagle Bay Section I, the plat of which is recorded as Instrument No. 83-68953 in the Office of the Recorder of said County, more particularly described as follows:

Beginning at the Southwest corner of said Lot 18; thence North 00 degrees 25 minutes 35 seconds East along the West line of said Lot 18 a distance of 317.98 feet to the Westerly line of the 175 foot transmission line easement to Indianapolis Power and Light Company as recorded in Deed Record 1797, page 307; thence North 22 degrees 44 minutes 23 seconds East along the Westerly line of said easement 383.47 feet to the Northerly line of said lot 18, said point being a point on a curve concave Northerly having a central angle of 51 degrees 29 minutes 38 seconds and a radius of 50.00 feet; thence Easterly and Northeastly along said Northerly line an arc distance of 44.94 feet (said arc being subtended by a chord having a bearing of North 81 degrees 25 minutes 25 seconds East and a length of 43.44 feet) to a point on the Easterly line of said Lot 18; thence South 34 degrees 19 minutes 17 seconds East along said

860048608

Easterly line 164.30 feet; thence South 22 degrees 44 minutes 23 seconds West along said Easterly line 588.02 feet to the South line of said Lot 18; thence South 89 degrees 53 minutes 43 seconds West along said South line 58.89 feet to the POINT OF BEGINNING, containing 2.237 acres, more or less; subject to highways, rights-of-way and easements.

ALSO,

A part of lot 17 of Eagle Bay I, lying within Indianapolis Power and Light Company transmission line easement:

Land being part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East of the Second Principal Meridian in Marion County, Indiana, being part of Lot 17 of Eagle Bay Section I, the plat of which is recorded as Instrument No. 83-68953 in the Office of the Recorder of said county, more particularly described as follows:

Beginning at Southeast corner of said Lot 17; thence North 34 degrees 19 minutes 17 seconds East along the Southwesterly line of said Lot 17 a distance of 164.30 feet to a point on the Westerly line of said Lot 17, said point being a point on a curve concave Westerly having a central angle of 115 degrees 55 minutes 16 seconds and a radius of 50.00 feet; thence Northeasterly, Northerly and Northwesterly along said curve and along said Westerly line an arc distance of 101.16 feet (said arc being subtended by a chord having a bearing of North 02 degrees 17 minutes 00 seconds West and a length of 84.77 feet) to the point of reverse curvature of a curve concave Northeasterly having a central angle of 1 degree 30 minutes 46 seconds and a radius of 48.00 feet; thence Northwesterly along said curve an arc distance of 1.27 feet (said arc being subtended by a chord having a bearing of North 59 degrees 29 minutes 31 seconds West and a length of 1.27 feet) to the Westerly line of a 175 foot Transmission Line Easement to Indianapolis Power and Light Company recorded in Deed Record 1797, page 307 in the Office of the Recorder of said County; thence North 22 degrees 44 minutes 23 seconds East along said Westerly line 233.68 feet to a point on the Northerly line of said Lot 17; thence South 67 degrees 15 minutes 37 seconds East along said Northerly line 175.00 feet to the Northeasterly corner of said Lot 17; thence South 22 degrees 44 minutes 23 seconds West along the Easterly line of said Lot 17 a distance of 400.00 feet to the POINT OF BEGINNING, containing 1.323 acres, more or less; subject to highways, rights-of-ways and easements.

ALSO,

A part of lots 13, 14, 15, and 16 in Eagle Bay, Section I, lying within an Indianapolis Power and Light Company transmission line easement recorded in Deed Record 1797 page 307 in the Office of the Recorder of Marion County, Indiana:

One hundred seventy-five (175) feet by parallel lines off the entire eastern side of lots 13, 14, 15, and 16 in Eagle Bay, Section I, as per plat thereof recorded as Instrument Number 83-68953 in the Office of the Recorder of Marion County, Indiana, containing 1.105 acres, more or less, subject to all legal highways, rights-of-way, easements and restrictions of record.

May 5, 1986

CROSS REFERENCE

860068111

8400 (53)

RECEIVED

JUL 25 1986

PIKE TOWNSHIP
ASSESSOR

FIRST AMENDED
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF
EAGLE COVE

JUL 25 1986 20225
DULY ENTERED
FOR TAXATION
COUNTY AUDITOR
George A. Henry

TABLE OF CONTENTS

	Page
Article I - Name.....	2
Article II - Definitions.	
Section 2.1 - "Articles".....	2
Section 2.2 - "Association".....	2
Section 2.3 - "Board of Directors".....	2
Section 2.4 - "Common Area".....	2
Section 2.5 - "Declarant".....	2
Section 2.6 - "Development Period".....	2
Section 2.7 - "DMD".....	2
Section 2.8 - "Dwelling Unit".....	3
Section 2.9 - "Lot".....	3
Section 2.10 - "Owner".....	3
Section 2.11 - "Plat".....	3
Section 2.12 - "Property".....	3
Article III - Property Rights.	
Section 3.1 - Owner's Easements of Enjoyment of Common Area.....	3
Section 3.2 - Delegation of Use.....	4
Section 3.3 - Certain Obligations and Access Rights to the Common Area....	4
Section 3.4 - Drainage, Utility, Sewer and Other Development Easements.....	5
Section 3.5 - Easement for Emergency Purposes.	7
Section 3.6 - Encroachments and Easements for Buildings.....	7
Section 3.7 - Fee Title to Lot.....	7
Section 3.8 - Street Dedication.....	7

RECEIVED FOR RECORD
BETH O'LAUGHLIN
RECORDER-PIKE TOWNSHIP, IN.

JUL 25 1 18 PM '86

	Page
Article IV - Association Membership, Voting Rights, Board of Directors and Professional Management.	
Section 4.1 - Membership.....	7
Section 4.2 - Classes of Membership and Voting Rights.....	8
Section 4.3 - Board of Directors.....	8
Section 4.4 - Professional Management.....	8
Article V - Covenant for Maintenance Assessments.	
Section 5.1 - Creation of the Lien and Personal Obligation of Assessments....	8
Section 5.2 - Roadway Maintenance.....	9
Section 5.3 - Purpose of Regular Monthly Assessments.....	9
Section 5.4 - Maximum Regular Monthly Assessments.....	10
Section 5.5 - Special Assessments for Capital Improvements and Operating Capital.....	10
Section 5.6 - Notice and Quorum for any Action Authorized under Section 4.3 and 5.4.....	10
Section 5.7 - Uniform Rate of Assessment.....	10
Section 5.8 - Date of Commencement of Monthly Assessments; Due Dates.....	11
Section 5.9 - Effect of Nonpayment of Assessments Remedies of the Association..	11
Section 5.10 - Subordination of the Lien to Mortgages; Sale or Transfer..	11
Section 5.11 - Declarant's Responsibility to Cover Deficits or Shortages.	12
Article VI - Use Restrictions and Architectural Control.	
Section 6.1 - Lot Use and Conveyance.....	12
Section 6.2 - Architectural Control.....	12
Section 6.3 - Leasing of Lots.....	13
Section 6.4 - Signs.....	15
Section 6.5 - Home Occupations.....	15
Section 6.6 - Animals.....	15
Section 6.7 - Outside Storage.....	15
Section 6.8 - Outside Use of Lots.....	15
Section 6.9 - Setback Lines.....	16
Section 6.10 - Side Setbacks.....	16
Section 6.11 - Number of Dwelling Units.....	16
Section 6.12 - Dwelling Unit Direction.....	16

860068111

	Page
Section 6.13 - Parking.....	16
Section 6.14 - Unsightly Growth.....	16
Section 6.15 - Nuisances.....	16
Section 6.16 - Site Visibility.....	16
Section 6.17 - Boats, Trucks, Etc.....	17
Section 6.18 - Lake Area.....	17
Section 6.19 - Rules and Regulations.....	17
Section 6.20 - Development and Sale Period....	17
 Article VII - Maintenance of Lots.	
Section 7.1 - Maintenance by Owners.....	18
Section 7.2 - Lawn Maintenance and Other Work.....	18
 Article VIII - Party Walls.	
Section 8.1 - General Rules of Law to Apply...	18
Section 8.2 - Sharing of Repair and Maintenance.....	19
Section 8.3 - Destruction by Fire or Other Casualty.....	19
Section 8.4 - Weatherproofing.....	19
Section 8.5 - Right to Contribution Runs with Land.....	19
Section 8.6 - Arbitration.....	19
 Article IX - Insurance.	
Section 9.1 - Casualty Insurance on Insurable Common Area.....	19
Section 9.2 - Liability Insurance.....	20
Section 9.3 - Fidelity Bonds.....	20
Section 9.4 - Miscellaneous Insurance Provisions.....	21
Section 9.5 - Casualty and Restoration.....	21
Section 9.6 - Insufficiency of Insurance Proceeds.....	21
Section 9.7 - Surplus of Insurance Proceeds...	21
 Article X - Mortgagees.	
Section 10.1 - Mortgagee Rights.....	22
Section 10.2 - Notice to Mortgagees.....	22
Section 10.3 - Condemnation and Insurance Awards.....	22
Section 10.4 - Right of First Refusal.....	22
Section 10.5 - Unpaid Dues or Charges.....	22
Section 10.6 - Audited Statements.....	22

860068111

Article XI - Annexation.

	Page
Section 11.1 - Property Subject to Annexation by Declarant.....	23
Section 11.2 - Effective Date for Assessments and Voting Rights.....	23
Section 11.3 - Improvements.....	23
Section 11.4 - Equality of Rights.....	23
Section 11.5 - Annexation Document.....	24
Section 11.6 - Annexation of Other Areas.....	24
Section 11.7 - FHA/VA Approval.....	24

Article XII - General Provisions.

Section 12.1 - Right of Enforcement.....	24
Section 12.2 - Severability.....	24
Section 12.3 - Amendment.....	24
Section 12.4 - FHA/VA Approval.....	27
Section 12.5 - Assignment.....	27
Section 12.6 - Condemnation, Destruction or Liquidation.....	27
Section 12.7 - Metropolitan Development Commission.....	27

code 4/DELUXE.20-.23
7/10/86

860068111

FIRST AMENDED
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF
EAGLE COVE

THIS FIRST AMENDED DECLARATION, made on this 17th day of July, 1986, by Eagle Cove Associates, an Indiana Partnership, ("Declarant"),

WITNESSES:

WHEREAS, Declarant is the owner of certain real estate (the "Property"), located generally at Parcel "R" Eagle Highlands on the west side of Eagle Creek Parkway, 2300 feet + north of 38th Street in Marion County, Indiana, which is more particularly described in Exhibit "A" attached hereto and by this reference, made a part hereof:

WHEREAS, Declarant desires to subdivide and develop the Property by designating certain portions of the Property as "Common Areas" (as hereinafter defined) to be owned by a homeowners association (the "Association," as hereinafter defined), and by designating certain other portions of the Property into "Lots" (as hereinafter defined).

WHEREAS, Declarant recorded a Declaration of Covenants, Conditions and Restrictions of Eagle Cove on June 6, 1986 as Instrument No. 86-48608 in the Office of the Recorder of Marion County to control the development of the property described in Exhibit "A".

WHEREAS, Declarant has not conveyed any portion of the said property and now desires to amend the said Declaration.

NOW, THEREFORE, Declarant hereby declares that the Declaration of Covenants, Conditions and Restrictions of Eagle Cove is amended by the terms herein and that all the Property shall be held, sold and conveyed subject to the following easements, restrictions, limitations, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

860068111

ARTICLE I

Name

The subdivision of the Property created by this Declaration shall be known and designated as Eagle Cove, a subdivision located in Marion County, Indiana.

ARTICLE II

Definitions

Section 2.1. "Articles" means the Articles of Incorporation of the Association (as hereinafter defined) filed, or to be filed, with the Office of the Secretary of State of Indiana, as the same are or hereafter may be amended from time to time.

Section 2.2. "Association" means Eagle Cove Homeowners Association, Inc., a formed or to-be-formed Indiana not-for-profit corporation, its successors and assigns.

Section 2.3. "Board of Directors" means the Board of Directors of the Association.

Section 2.4. "Common Area" means those portions of the Property (as hereinafter defined), including improvements thereto, facilities and personal property owned or leased by the Association from time to time for the common use, benefit and enjoyment of the Owners (as hereinafter defined). Unless expressly stated to the contrary, the term Common Area as used herein (whether or not so expressed) shall include all portions of the Property designated as "Common Area" upon the Plat (as hereinafter defined). The Common Area to be conveyed to the Association at the time of conveyance of the first Lot to an Owner is described in Exhibit "B".

Section 2.5. "Declarant" means Eagle Cove Associates, its successors and assigns as a declarant, if such successors or assigns should acquire more than one (1) undeveloped Lot from the Declarant for the purposes of development.

Section 2.6. "Development Period" means the period of time commencing with Declarant's acquisition of the Property and ending when Declarant has completed the development and sale of, and no longer owns, any Lot or any other portion of the real estate in the Property (as hereinafter defined).

Section 2.7. "DMD" means the Department of Metropolitan Development of Marion County, Indiana, its successors or assigns of any or all of its rights under this Declaration.

Section 2.8. "Dwelling Unit" means any single-family residence situated upon a Lot (as hereinafter defined), whether attached or detached.

Section 2.9. "Lot" means any parcel of land designated as such upon the Plat (as hereinafter defined) or, after construction of a Dwelling Unit, that parcel of land upon which a Dwelling Unit is constructed that is conveyed to an Owner (as hereinafter defined) by the Declarant. A "Lot" may contain portions of real estate greater or less than its originally platted dimensions should the Declarant deem it advisable in order to accommodate the construction of a Dwelling Unit.

Section 2.10. "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, including contract sellers, but otherwise excluding those having such interest merely as security for the performance of an obligation. The term "Owner" shall also exclude any individual or entity purchasing a Lot solely for the purpose of constructing a for-sale dwelling thereon, until such time as the first Lot in the Property, as hereinafter defined, is conveyed to an individual or entity who intends to occupy or rent same. At such time, the term "Owner" shall include individuals or entities more commonly referred to as "Builders". Unless specifically indicated to the contrary, the term Owner as used herein shall include the Declarant, so long as the Declarant shall own any Lot.

Section 2.11. "Plat" means the subdivision plat of the Property (as hereinafter defined) identified as "Final Plat of Eagle Cove, Section 1", recorded the 6th day of June, 1986, as Instrument Number 86-48607, in the Office of the Recorder of Marion County, Indiana, as the same may be hereafter amended or supplemented by law or pursuant to this Declaration.

Section 2.12. "Property" means the real estate described in Exhibit "A", and any additions annexed thereto, pursuant to the Declaration of Covenants, Conditions and Restrictions of Eagle Cove, as amended.

ARTICLE III

Property Rights, Easements and Encroachments

Section 3.1. Owners' Easements of Enjoyment of Common Area. Every Owner shall have a non-exclusive right and easement of enjoyment, in common with all Owners, in and to the Common Area which shall be appurtenant to and shall pass with title to every Lot (in the form of a right to membership in the Association), subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and right to use of any recreational facilities by any Owner for any period during which any assessment remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(c) the right of the Association to promulgate reasonable rules and regulations governing the use of the Common Area including, without limitation, parking, swimming, boating, fishing, and upon improvements, additions or alterations to the Lots and the Common Area;

(d) the rights of Declarant as provided in this Declaration;

(e) the right of the Association to mortgage any or all of the Common Area, upon the approval of two-thirds (2/3) of the membership of each class of members of the Association;

(f) the easements reserved elsewhere in this Declaration and the right of the Association to grant further reasonable utility easements across and through the Common Area for the benefit of its members;

(g) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of each class of members has been recorded; and

(e) all other rights, obligations and duties as set forth in this Declaration, as the same may be from time to time amended or supplemented.

Section 3.2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws and any reasonable and non-discriminatory rules and regulations promulgated from time to time by the Association and subject to the rights of others set forth in Section 3.1, his or her right of enjoyment of the Common Area, to family members, guests, tenants or contract purchasers who reside on the Lot.

Section 3.3. Certain Obligations and Access Rights to the Common Area.

(a) Except as otherwise set forth in this Declaration, the Association, subject to the rights of the Owners as set forth in

this Declaration, shall be responsible for the management and control, for the exclusive benefit of the Owners as provided herein, of the Common Area and for the maintenance of the same in good, clean, attractive, safe and sanitary condition, order and repair.

(b) The Association shall have and is hereby granted a general right of access and easement to all of the Common Area across the Lots, at reasonable times and at any time in case of emergency, as reasonably required by its officers, directors, employees and their agents and independent contractors, to the full extent necessary or appropriate to perform its obligations and duties as set forth in this Declaration. The easements and rights specified herein also are reserved for the benefit of Declarant so long as Declarant owns any portion of the Property and for so long as Declarant may be liable under any builder's warranty.

Section 3.4. Drainage, Utility, Sewer and Other Development Easements.

(a) Declarant hereby reserves unto itself during the Development Period, and thereafter unto any public or private utility, an undefined easement ("Drainage, Utility and Sewer Easement") for drainage, utility and sewer purposes in, on and over all of the Common Area and Lots, so as to permit Declarant to properly install and allow to be maintained all electrical, telephone, water, gas, sanitary and storm sewer, television (including but not limited to cable and/or satellite) transmission facilities, security systems and other utility services (including all necessary lines, pipes, wires, cables, ducts, antennae and other equipment and facilities) to serve any Dwelling Unit constructed on the Property. Utility and Sewer Easement shall include all areas of the Property outside the Dwelling Units to be constructed by Declarant, with the exception of any areas covered by chimneys, or patios. Improvements or permanent structures installed within the Common Area are subject to the rights (including the right to remove where reasonably necessary without duty of replacement or reimbursement) of the Declarant and any public or private utility to construct, maintain, repair or remove any necessary facilities. This easement shall be in addition to any easement defined upon a Plat of the Property as a drainage, utility, transmission, flowage or similar type easement.

(b) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, an easement and right-of-way in and to any areas now or hereafter shown on the Plat as "Common Area - Lake," and an easement ("Lake Easement") of ingress and egress through so much of the remainder of the Property as is reasonably necessary or appropriate, to perform such actions as Declarant or the Association deem necessary or appropriate for the purpose of establishing and maintaining

proper surface water drainage throughout the Property, including the construction, repair and maintenance of retention and detention ponds or lakes in accordance with the requirements of applicable law and of all governmental agencies having jurisdiction (without undertaking any obligation or duty to exceed such requirements).

(c) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, the right and an undefined easement ("Sign and Facilities Easement") to install, erect, construct and maintain an entryway sign or signs, directional signs, lighting, walkways, pathways, fences, walls and any other landscaping, architectural and recreational features or facilities considered necessary, appropriate, useful or convenient, anywhere upon the Property (except upon any Lot after the first conveyance thereof). Any signs shall comply with any applicable zoning requirements and all such facilities shall be maintained by the Association as a part of its Common Area maintenance obligations.

(d) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, the full right, title and authority to:

(i) relocate, alter or otherwise change the location of any Drainage, Flowage, Utility, Sewer and Lake, Sign and Facilities Easement, or any facility at any time located therein or thereon;

(ii) grant such further easements, licenses and rights-of-way, temporary or permanent, exclusive or non-exclusive, surface or otherwise, as Declarant may deem necessary or appropriate, for ingress and egress, utility and similar purposes on or within any portion of the Property, for the benefit of any of the real estate described in Exhibit "A," and,

(iii) describe more specifically or to change the description of any Drainage, Flowage, Utility, Sewer, Lake, Sign and Facilities Easement or any other easement, license or right-of-way now or hereafter existing on the Property, by written instrument, amended Plat or amendment to the Plat recorded in the Office of the Recorder of Marion County, Indiana.

(e) The title of the Association (as to the Common Area during the Development Period) and of any Owner of any Lot shall be subject to the rights and easements reserved herein. Provided, however, that the rights reserved in this Section 3.4 shall not be exercised after the conveyance of any Lot in a manner that unreasonably and adversely affects any Dwelling Unit or portion thereof located upon such Lot or the Owner's use or enjoyment thereof, or which unreasonably restricts the rights of ingress and egress to such Lot. The rights and easements reserved by

Declarant in this Section 3.4 shall run with the land, and Declarant's right to further alter or grant easements shall automatically terminate and pass to the Association one (1) year after Declarant shall have conveyed the last Lot within the Property.

Section 3.5. Easement for Emergency Purposes. An easement is hereby dedicated and granted for use in the case of an emergency by emergency vehicles such as fire trucks, police cars and ambulances and emergency personnel, public and private, over and upon the Common Area.

Section 3.6. Encroachments and Easements for Buildings. If, by reason of the location, construction, settling or shifting of a Dwelling Unit, any part of a residence appurtenant to a Lot (hereinafter in this Section 3.6 referred to as the "Encroaching Unit") now encroaches or shall hereafter encroach upon any minor portion of any other adjacent Lot or any Common Area, then in such event, an exclusive easement shall be deemed to exist and run to the Owner of the Encroaching Unit for the maintenance, use and enjoyment of the Encroaching Unit and all appurtenances thereto.

Section 3.7. Fee Title to Lot. The fee title to any Lot described as bounded by any street, lane, walkway, park, playground, lake, pond, or any other common property which has not been dedicated or accepted by the public and the fee title to any Lot shown on the recorded plat of Eagle Cove as abutting upon any such common property shall not extend upon such common property and the fee title to such common property is reserved to the grantor to be conveyed to the Eagle Cove Homeowners Association for the common enjoyment of all residents in Eagle Cove.

Section 3.8. Street Dedication. All streets now or hereafter located upon the Property are hereby dedicated to the public.

ARTICLE IV

Association Membership, Voting Rights, Board of Directors and Professional Management

Section 4.1. Membership. Initially, the person(s) who serve as incorporator(s) of the Association shall be the member(s) (the "Initial Member(s)"). The Initial Member(s) shall remain member(s) of the Association until the Association Articles of Incorporation are accepted by the Indiana Secretary of State, at which time the Initial Member(s) shall cease to be member(s) unless they also qualify as Class A or Class B members. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Apart from the Initial Member(s), a member-

ship in the Association shall be appurtenant to and may not be separated from ownership of any Lot.

Section 4.2. Classes of Membership and Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant. Class A members shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as the members holding an interest in such Lot determine among themselves, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant. The Declarant shall be entitled to three (3) votes for each Lot owned. For purposes of this calculation, it shall be assumed that Declarant owns 140 Lots, which number shall be reduced as Lots are conveyed by the Declarant to an Owner. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier: (a) when the total number of votes outstanding in the Class A membership is equal to the total number of votes outstanding in the Class B membership; or, (b) the 1st day of June, 1991.

Section 4.3. Board of Directors. The Owners shall elect a Board of Directors of the Association as prescribed by the Association's Articles and By-Laws. The Board of Directors shall manage the affairs of the Association. Directors need not be members of the Association.

Section 4.4. Professional Management. No contract or agreement for professional management of the Association, nor any other contract between Declarant and the Association, shall be for a term in excess of three (3) years. Any such agreement or contract shall provide for termination by either party with or without cause and without payment of any termination fee upon written notice of ninety (90) days or less.

ARTICLE V

Covenant for Maintenance Assessments

Section 5.1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot now or hereafter owned by it within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

860068111

(a) Regular Monthly Assessments (for maintenance, repairs and ordinary operating expenses);

(b) Special Assessments for capital improvements and operating deficits, as provided in Section 5.5, and for special maintenance or repairs as provided in Sections 6.14 and 7.1.

Such assessments shall be established, shall commence upon such dates and shall be collected as hereinafter provided. All such assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to such Owner's successors in title unless expressly assumed by them.

Section 5.2. Roadway Maintenance. The Association shall be responsible for the maintenance of the roadways in the Property, unless they are accepted for public dedication. In such case, a portion of the Regular Monthly Assessment shall be set aside in a separate insured interest-bearing account for the purpose of maintaining, repairing and replacing the roadways (the "Roadway Assessment"). Any Roadway Assessment shall not be mingled with any other funds or used for any other purpose, except as set forth in this Section 5.2.

Section 5.3. Purpose of Regular Monthly Assessments. The Regular Monthly Assessments levied by the Association shall be used exclusively, in the reasonable discretion of the Board of Directors of the Association, for the promotion of the recreation, health, safety and welfare of the residents in the Property, for the improvement, maintenance and repair of the Common Area, for the performance of the obligations and duties of the Association and for other purposes only as specifically provided herein. A portion of the Regular Monthly Assessments shall be set aside or otherwise allocated in a reserve fund for the purpose of providing repair and replacement of the Common Area, and other capital improvements which the Association is required to maintain.

Section 5.4. Maximum Regular Monthly Assessments.

(a) Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum Regular Monthly Assessment on any Lot shall be \$44.00 per Lot.

(b) From and after January 1 of such year, the maximum Regular Monthly Assessment may be increased each calendar year not more than 10% above the maximum Regular Monthly Assessment for the previous year without a vote of the membership.

(c) From and after January 1 of such year, the maximum Regular Monthly Assessment may be increased each calendar year by more than 10% above the maximum Regular Monthly Assessment for the previous year, with the approval of two-thirds (2/3) of those members of each class of members who cast votes in person or by proxy at a meeting duly called for this purpose.

(d) The Board of Directors from time to time may fix the Regular Monthly Assessment, without any vote of the membership, at any amount not in excess of the maximum.

Section 5.5. Special Assessments for Capital Improvements and Operating Deficits. In addition to the Regular Monthly Assessments authorized above, the Association may levy a Special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement which the Association is required to maintain, or to recover any operating deficits which the Association may from time to time incur, provided that any such assessment shall have the assent of two-thirds (2/3) of those members of each class of members who cast votes in person or by proxy at a meeting duly called for this purpose.

Section 5.6. Notice and Quorum for Any Action Authorized Under Section 5.4 and 5.5. Written notice of any meeting called for the purpose of taking any action authorized under Section 5.4 and 5.5 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5.7. Uniform Rate of Assessment. Regular Monthly Assessments and Special Assessments for capital improvements and to recover operating deficits must be fixed at a uniform rate for all Lots, except that Declarant and any individual or entity purchasing a Lot or Lots solely for the purpose of construction of a for-sale Dwelling Unit thereon (a "Builder") shall pay only twenty-five percent (25%) of the Regular Monthly Assessments and Special Assessments so long as any Dwelling Unit constructed upon a Lot by Declarant or Builder has not been conveyed to an Owner intending to occupy or rent said Dwelling Unit as a residence or leased to an individual or entity for use as a residence.

Section 5.8. Date of Commencement of Monthly Assessments; Due Dates. The Regular Monthly Assessment provided for herein

shall commence as to each Lot on the first day of the first month following the conveyance of the Common Area. The Board of Directors shall fix any increase in the amount of the monthly assessments at least thirty (30) days in advance of the effective date of such increase. Written notice of any increase in the Regular Monthly Assessment, and written notice of any Special Assessment and such other assessment notices as the Board of Directors shall deem appropriate, shall be sent to every Owner subject thereto. The due dates for all assessments, and the assessment and collection period (i.e., annual, monthly, lump-sum or otherwise) for any Special Assessments, shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate in recordable form signed by an Officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate from the Association regarding the status of assessments for any Lot shall be binding upon the Association as of the date of its issuance.

Section 5.9. Effect of Nonpayment of Assessments; Remedies of the Association. If any assessment (or periodic installment of such assessment, if applicable) is not paid on the due date established therefor pursuant to Section 5.8 hereof, then the entire unpaid assessment (together with interest thereon, costs and attorneys' fees as hereinafter provided and as provided in Section 5.1) shall become delinquent and shall constitute a continuing lien on the Lot to which such assessment relates, binding upon the then Owner, his heirs, devisees, successors and assigns. The personal obligation of the then Owner to pay such assessments, however, shall not pass to such Owner's successors in title unless expressly assumed by them. If any assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight percent (8%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, or both. In such event, there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action; and in the event a judgment is obtained such judgment shall include interest on the assessment as above provided, costs of the action and reasonable attorneys' fees to be fixed by the Court. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 5.10. Subordination of the Lien to Mortgages; Sale or Transfer. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. The sale or transfer of any Lot pursuant to the foreclosure of any first mortgage on such Lot (without the necessity of joining the Association in any such foreclosure action) or any proceedings or deed in lieu thereof shall extinguish the lien of all assessments

becoming due prior to the date of such sale or transfer. No sale or transfer of any Lot (whether voluntary or pursuant to foreclosure or otherwise) shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof; and, except as hereinabove provided, the sale or transfer of any Lot shall not affect the lien of assessments becoming due prior to the date of such sale or transfer except to the extent that a purchaser may be protected against the lien for prior assessments by a binding certificate from the Association, issued pursuant to Section 5.8, as to whether or not such assessments have been paid.

Section 5.11. Declarant's Responsibility to Cover Deficits or Shortages. The Declarant shall cover any deficit or shortage in the funds necessary to operate the Association that may arise in the development until such time as control of the Association is transferred to the Class A members.

ARTICLE VI

Use Restrictions and Architectural Control

Section 6.1. Lot Use and Conveyance. All Lots shall be used exclusively for residential purposes, except that Declarant, during the Development Period, reserves (a) the rights provided in Sections 6.10 and 6.20 respecting the Property generally, and (b) the right to subdivide, dedicate or otherwise convey or designate all or any portion of any one or more Lots which it may own from time to time for recreational or other common uses and benefit of all Owners and other members of the Association. Any Lot or portion thereof so designated for common use shall become part of the Common Area, and reasonable rules and regulations shall be promulgated and enforced with respect thereto so that the use and enjoyment of adjacent Lots by the Owners thereof shall not be unreasonably disturbed. Except as provided in the Declaration, no Lot shall be subdivided to form units of less area. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the covenants, conditions and restrictions contained herein.

Section 6.2. Architectural Control. No building, fence, wall or other structure, except original construction of Dwelling Units by or on behalf of Declarant or a Builder, shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein, other than by the Declarant, a Builder or Board of Directors, be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more represen-

tatives appointed by the Board. Any change in the appearance or the color of any part of the exterior of a residence shall be deemed a change thereto and shall require the approval therefor as above provided. In the event that written approval is not received as required hereunder within thirty (30) days after complete plans and specifications have been submitted, approval will not be required and this Section will be deemed to have been fully complied with. This Section 6.2 shall not apply to repair or replacement of existing materials or improvements by use or type of material or improvement originally used. For example, an Owner would not have to seek permission in order to repaint his Dwelling Unit the original color or reroof his home with a shingle that is substantially identical to the originally installed shingle.

Section 6.3. Leasing of Lots.

(a) Any Lot may be leased by the Owner, subject to compliance with the following requirements:

(i) All leases shall be in writing, and no lease shall be entered into for a term of less than one (1) year without the prior approval of the Board of Directors.

(ii) All leases shall contain provisions adequate to require the lessee to comply with the provisions of this Declaration and the By-Laws of the Association, and with all rules and regulations promulgated by the Association from time to time, to the same extent as if the lessee were an Owner and a member of the Association; and shall provide for direct action by the Association against the lessee with or without joinder of the Owner, at the Association's option.

(iii) All leases shall make the lessee personally liable (jointly and severally with the Owner) for assessments levied by the Association during the term of the lease pursuant to the terms of this Declaration and the By-Laws, to the same extent as if the lessee were the Owner and a member of the Association, and shall expressly subordinate the lessee's interest to the lien of the assessments provided for in this Declaration. Provided, however, that a lessee may be protected against the lien for assessments due prior to the date of the lease by procuring a binding certificate from the Association, as provided in the Declaration, as to whether or not such assessments have been paid.

(iv) No lease shall provide, or be interpreted or construed to provide, for a release of the Owner from his responsibility to the Association for compliance with the provisions of this Declaration, the By-Laws and any rules and regulations of the Association, or from the Owner's personal liability to the Association for assessments. This requirement shall not be

construed to prohibit indemnity provisions as between the Owner and lessee.

(b) Any Owner desiring to enter into a lease for his Lot shall submit the form of the proposed lease to the Board of Directors (which form need not include the identity of the lessee or the rental amount) for review for compliance with the requirements of this Section 6.3. The Board of Directors may employ an attorney in connection with any such review, and a reasonable fee may be charged to the applicant to offset the expense so incurred. In the event the Board fails to approve or disapprove the lease within fifteen (15) days after submission by the applicant, the lease shall be deemed approved. A copy of each lease by an Owner shall be provided to the Board of Directors by the Owner within thirty (30) days after execution.

(c) Subject to any contrary provisions set forth in any lease of a Lot, each lease shall be deemed to transfer to the lessee during the term of such lease all rights, privileges, obligations and limitations attendant to membership in the Association, including (except in the case of lease by Declarant) an irrevocable proxy to exercise the Owner's voting rights appurtenant to the leased Lot in all elections and on all issues presented for a vote of members, except any vote upon:

- (i) an amendment to the Declaration, the Articles or By-Laws;
- (ii) annexation of additional property;
- (iii) a Special Assessment for a capital improvement pursuant to Section 5.5; or,
- (iv) mortgage or dedication of all or any portion of the Common Area pursuant to Section 3.1 or Section 3.4.

(d) The provisions of paragraphs (a) and (c) of this Section 6.3 shall apply to a lease by Declarant or a Builder, after a Lot is owned by it for more than one (1) year, and Declarant or a Builder shall be deemed for all purposes to retain all voting rights in the Association appurtenant to all Lots owned by it, notwithstanding any lease or any inconsistent provisions contained in any lease. Neither Declarant or a Builder shall be required to submit any lease or leases to the Board of Directors for review as to form. However, within thirty (30) days after entering into any lease of a Lot, Declarant or a Builder shall provide to the Board of Directors a written notice setting forth the location of the Lot, the term of the lease and the identity of the lessee.

(e) Any lease or attempted lease of a Lot in violation of the provisions of this Section 6.3 shall be voidable at the elec-

tion of the Association or any other party having the right to enforce the provisions of this Declaration, except that neither party to such lease may assert this provision of this Section 6.3 to avoid its obligations thereunder.

Section 6.4. Signs. During the Development Period, no "for sale" or other advertising signs of any kind (other than interior window signs) shall be displayed on any Lot without the prior written approval of Declarant. Thereafter, the placement of "for sale" or advertising or other signs of any nature, kind or description anywhere on the Property shall be subject to such reasonable rules and regulations as may be adopted by the Association.

Section 6.5. Home Occupations. No home occupation shall be conducted or maintained on any Lot other than one which is incidental to a business, profession or occupation of the Owner or occupant of any such Lot, and which is generally or regularly conducted in another location away from such Lot.

Section 6.6. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any of said Lots, except that dogs, cats or other household pets may be kept provided they are not kept, bred or maintained for any commercial purposes.

Section 6.7. Outside Storage. All clotheslines, equipment, garbage cans, service yards, woodpiles or storage piles shall be kept from view of neighboring homes and streets. All rubbish, trash or garbage shall be regularly removed from the premises, and shall not be allowed to accumulate thereon. Trash may be stored in such enclosed containers, if any, provided by the Association for that purpose. All clotheslines shall be confined to patio areas.

Section 6.8. Outside Use of Lots. Except in an individual patio area appurtenant to a Dwelling Unit, no planting or gardening shall be done, and no fences, hedges, walls or other improvements shall be erected or maintained upon the Property except such as are installed in accordance with the initial construction of the buildings located thereon or as approved by the Association's Board of Directors or their designated representatives. Except for the right of ingress and egress, the Owners of Lots are hereby prohibited and restricted from using any of the Property outside the exterior building lines, patio and carport areas, except as may be allowed by the Association's Board of Directors. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Owners of Lots in the Eagle Cove subdivision and is necessary for the protection of said Owners.

860068111

Section 6.9. Setback Lines. Front and rear building setback lines are established on the Plat which setback lines are incorporated herein by this reference.

Section 6.10. Side Setbacks. Adjacent Dwelling Units may be attached. If a Dwelling Unit is not attached, there shall be at least ten feet (10') between it and any adjacent Dwelling Unit.

Section 6.11. Number of Dwelling Units. The number of Dwelling Units shall not exceed the number of platted lots within the Property.

Section 6.12. Dwelling Unit Direction. Dwelling Units located upon Lots 46 and 49 shall face Eagle Cove East Drive. Dwelling Units located upon Lots 1 and 35 shall face Eagle Cove West Drive. Dwelling Units located upon Lots 131 and 132 (if platted) shall face Eagle Cove West Drive.

Section 6.13. Parking. No parking shall be allowed within street right-of-way. All Dwelling Units adjacent to any lake located upon the Property shall have two (2) car garages with automatic garage door openers.

Section 6.14. Unsightly Growth. In order to maintain the standards of the Property, no weeds, underbrush or other unsightly growths shall be permitted to grow or remain upon any land, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. Failure to comply shall warrant the Declarant or DMD. to cut weeds or clear the refuse from the Property at the expense of the Owner, and there shall be a lien against said Property for the expense thereof, which lien shall be due and payable immediately. If such lien is not promptly paid, the Association or DMD may file suit and recover such amount together with reasonable attorneys fees and costs of collection.

Section 6.15. Nuisances. No nuisance shall be permitted to exist or operate upon the Property.

Section 6.16. Site Visibility. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) feet and six (6) feet above the street shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting points twenty-five (25) feet from the intersection of said street lines, or in the case of a rounded property corner from the intersection of the street lines extended. The same sightline limitations shall apply to any lot within ten (10) feet from the intersection of a street line with the edge of a driveway pavement or alley line. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

Section 6.17. Boats, Trucks, Etc. No boats, campers, trailers of any kind, recreational vehicles or commercial vehicles of any kind shall be permitted to park on the Property for more than four (4) hours unless fully enclosed inside a building, or unless the same is necessary and incident to the Declarant or Association's business on the Property.

Section 6.18. Lake Area. Access to the Lake is restricted to the Common Area adjacent to the Lake except for those individuals whose Dwelling Units are immediately adjacent to the Lake. No individual using the Lake has the right to trespass upon shoreline not within a Common Area, subject to the rights of the Declarant, the Association, their employees, heirs, successors and assigns as set forth in the Declaration. No one shall do or permit any action or activity which could result in pollution of the Lake, diversion of water, elevation of Lake level, earth disturbance resulting in silting or any other conduct which could result in an adverse effect upon water quality, drainage or proper lake management except as provided in the Declaration. The Lake may not be used for swimming, boating, fishing or for any other purpose, except for drainage of the Property, unless expressly approved by the Association Board of Directors in writing and allowed by law. Only the Declarant and the Association shall have the right to store items or develop recreational facilities upon any Common Area adjacent to the Lake.

Section 6.19. Rules and Regulations. The Board of Directors from time to time may promulgate further rules and regulations concerning the use of Lots and the Common Area. A majority of those Owners voting at a meeting called for the purpose may rescind or modify any rule or regulation adopted by the Board of Directors. Copies of all rules and regulations shall be furnished by the Board to all Owners, at the Owner's last known address, prior to the time when the same shall become effective. The Association shall have current copies of the Declaration, Articles and By-Laws, and other rules concerning the Property as well as its own books, records and financial statements available for inspection by Dwelling Unit Owners or by holders, insurers and guarantors of first mortgages, that are secured by Dwelling Units in the Property. These documents shall be available during normal business hours or under other reasonable circumstances.

Section 6.20. Development and Sale Period. Nothing contained in this Article VI shall be construed or interpreted to restrict the activities of Declarant or a Builder in connection with the development of the Property and sale of Lots. During the Development Period, Declarant or a Builder shall be entitled to engage in such activities and to construct, install, erect and maintain such facilities, upon any portion of the Property at any time owned or leased by Declarant or a Builder, as in the sole opinion of Declarant or a Builder may be reasonably required, or convenient or incidental to, the development of the Property and

sale of the Lots; such facilities may include; without limitation, storage areas, signs, parking areas, model residences, construction offices, sales offices and business offices.

ARTICLE VII

Maintenance of Lots

Section 7.1. Maintenance by Owners. Each Owner shall be responsible for the exterior maintenance of all improvements on his Lot except for lawn maintenance and snow removal as provided in Section 7.2 below. However, if a Dwelling Unit owner shall fail to maintain the exterior of his Unit, or to keep it in a good, clean and sanitary condition, the Association may, after approval by two-thirds (2/3) vote of the Board of Directors, require, by Court or otherwise, that the Owner perform such maintenance or other work and/or the Association shall have the right, through its agents and employees, to enter the Lot and perform such maintenance and/or other work at the Owner's expense, and the cost thereof shall be due and payable immediately as an addition to the Owner's regular assessment, and shall be secured by the Association's lien on such Lot.

Section 7.2. Lawn Maintenance, Snow Removal and Other Work. The Association shall perform lawn maintenance and snow removal for Owners. Snow removal shall be limited to driveways and service walks. It shall not include patios, porches, entries or steps.

The Association is not prohibited from providing other services to Owners upon the following conditions:

- (a) The Owner is charged a reasonable fee for such maintenance work that is designed to reimburse the Association for the full cost thereof;
- (b) The Association is willing to perform similar work for any other Owners in Eagle Cove;
- (c) There shall be no discrimination among the Owners in the performance of any such work.

Such services may be provided by the Association, subject to the above conditions, at the discretion of the Board of Directors.

ARTICLE VIII

Party Walls

Section 8.1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of two or more

Dwelling Units constructed upon the Property and placed on the dividing lines between the Dwelling Units shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 8.2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared equally by the Owners who make use of the wall in proportion to such use.

Section 8.3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, he shall contribute to the cost of restoration thereof in equal proportions without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 8.4. Weatherproofing. Notwithstanding any other provisions of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 8.5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 8.6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be a majority of all the arbitrators. (Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor, the Board of Directors of the Association shall select an arbitrator for the refusing party).

ARTICLE IX

Insurance

Section 9.1. Casualty Insurance on Insurable Common Area. The Association shall keep all insurable improvements and fixtures of the Common Area insured against loss or damage by fire for the full insurance replacement cost thereof, and may obtain insurance against such other hazards and casualties as are customarily covered for similar types of projects, including those

covered by the standard "all risk" endorsements. The Association may also insure any other property whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to the Common Area shall be written in the name of, and the proceeds thereof shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are Common Expenses included in the Regular Monthly Assessments made by the Association.

Section 9.2. Liability Insurance. The Association shall purchase a master comprehensive general liability insurance policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time. Such comprehensive general liability insurance policy shall cover the Association, its Board of Directors, any committee or organ of the Association or Board of Directors, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Association. It shall also cover all Common Areas, public ways and any other areas under the Association's control or supervision.

Section 9.3. Fidelity Bonds. The Association shall have blanket fidelity bonds for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The Association bonds shall name the Association as the obligee and the premium shall be paid as a common expense by the Association. Any management agent that handles funds for the Association shall be covered by its own fidelity bond, which must provide the same coverage required of the Association. The Association shall be named as an additional obligee in the management agent's bond. The fidelity bond shall cover the maximum funds that will be in the custody of the Association or its management agent at any time while the bond is in force. In addition, the fidelity bond coverage must at least equal the sum of three months' assessments on all Dwelling Units in the Property, plus the Association's reserve funds. The fidelity bonds must include a provision that calls for ten days' written notice to the Association or insurance trustee before the bond can be cancelled or substantially modified for any reason. The same notice must also be given to each servicer that services a Fannie Mae owned mortgage in the Property.

Section 9.4. Miscellaneous Insurance Provisions. The Association shall obtain any other insurance required by law to be maintained, including but not limited to workmen's compensation insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate. Such insurance coverage shall also provide for and

cover cross liability claims of one insured party against another insured party. Such insurance shall inure to the benefit of the Association, its Board of Directors and any managing agent acting on behalf of the Association.

Section 9.5. Casualty and Restoration. Damage to or destruction of any Common Area due to fire or any other casualty or disaster shall be promptly repaired and reconstructed by the Association and the proceeds of insurance, if any, shall be applied for that purpose. For purposes of this Section, repair, reconstruction and restoration shall mean construction or rebuilding of the damaged property to as near as possible the same condition as it existed immediately prior to the damage or destruction, with the same or a similar type of architecture.

Section 9.6. Insufficiency of Insurance Proceeds. If the insurance proceeds received by the Association as a result of any such fire or any other casualty or disaster are not adequate to cover the cost of repair and reconstruction, or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing the Common Area or any improvements damaged or destroyed (or the costs thereof in excess of insurance proceeds received, if any) shall be paid by the Association which shall then have the right to levy a special assessment against all Lots for such deficiency.

Section 9.7. Surplus of Insurance Proceeds. In the event that there is any surplus of insurance proceeds after the reconstruction or repair of the damage has been fully completed and all costs paid, such sums may be retained by the Association as a reserve or may be used in the maintenance and operation of the Property, or, in the discretion of the Board of Directors, may be distributed to the Owners or the Buildings affected and their Mortgagees who are the beneficial owners of the fund. The action of the Board of Directors in proceeding to repair or reconstruct damage shall not constitute a waiver of any rights against another Owner for committing willful or malicious damage.

ARTICLE X

Mortgagees

Section 10.1. Mortgagee Rights. In addition to any other rights provided elsewhere in this Declaration to mortgagees, any lender or lenders holding a first mortgage or first mortgages upon any Lot or Lots, jointly or singly, may pay any real estate taxes or other taxes or charges which are in default and which may or have become a charge or lien against any Common Area or any other property owned by the Association; and may pay any overdue premiums on any hazard, casualty, liability or other insurance policies or secure new insurance coverage on the lapse of any

policies for any such property owned by the Association or covering any property for which the Association has an obligation to maintain insurance coverage. Any such lender or lenders making payments in accordance with this Section 10.1 shall be entitled to immediate reimbursement therefor from the Association along with any costs incurred, including reasonable attorneys' fees.

Section 10.2. Notice to Mortgagees. The Association, upon request, shall provide to any lender holding a first mortgage upon any Lot, a written certificate or notice specifying unpaid assessments and other defaults of the Owner of such Lot, if any, in the performance of such Owner's obligations under this Declaration, the Articles of Incorporation of the Association, its By-Laws or any other applicable documents, which default has not been cured within sixty (60) days. A reasonable charge may be made by the Association for the issuance of any such certificate or notice, and any such certificate properly executed by an officer of the Association shall be binding upon the Association, as provided in Section 5.8.

Section 10.3. Condemnation and Insurance Awards. No provisions of this Declaration, or any amendment thereto, shall give an Owner, or any other party, priority over any rights of the first mortgagee of a Lot pursuant to its mortgage in the case of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of Common Area property.

Section 10.4. Right of First Refusal. Any "right of first refusal" in the Declaration, Association Articles, Association By-Laws or any other document governing the development and administration of the Property will not impair the rights of a first mortgagee to:

(a) foreclose or take title to a Dwelling Unit, and the Lot upon which the Dwelling Unit is situated, pursuant to the remedies in the mortgage;

(b) accept a deed or assignment in lieu of foreclosure in the event of default by a mortgagor; or

(c) sell or lease a unit acquired by the mortgagee.

Section 10.5. Unpaid Dues or Charges. Any first mortgagee who obtains title to a Dwelling Unit, and the Lot upon which the Dwelling Unit is situated, pursuant to the remedies in the mortgage or through foreclosure, will not be liable for the Dwelling Unit's unpaid dues or charges accrued before the acquisition of the title to the Unit by the mortgagee.

Section 10.6. Audited Statements. The Association must provide an audited statement for the preceding fiscal year if the

holder, insurer or guarantor of any first mortgage that is secured by a Dwelling Unit in the Property submits a written request for it.

ARTICLE XI

Annexation

Section 11.1. Property Subject to Annexation by Declarant. Declarant reserves the right to annex additional lands within the area described in Exhibit "C" without the consent of the Owners, or any other party within seven (7) years from the recordation date of the Declaration. The number of Dwelling Units within the total development shall be limited to 140.

Section 11.2. Effective Date for Assessments and Voting Rights. The regular assessment provided for in the Declaration shall commence as to each Lot within the annexed area on the first day of the first month following the conveyance of any common area within the annexed area. If there is no common area within the annexed area, the regular monthly assessments shall commence as to each Lot on the first day of the first month following the recording of the Plat of any annexed area. Voting rights of the Owners of the Lots within the annexed property shall be effective upon the same date, except the Declarant shall have the voting rights provided for in Article IV, Section 4.2.

Section 11.3. Improvements. All improvements intended for future phases will be substantially completed prior to annexation. Any future improvements will be consistent with the initial improvements within the Property in terms of quality of construction.

Section 11.4. Equality of Rights. All Lot Owners within an annexed area shall have the same rights, liabilities and obligations as any other Owner within the Property, subject to the rights, liabilities and obligations specifically set forth as to the Declarant or a Builder in other sections of this Declaration.

Section 11.5. Annexation Document. Annexation shall be by written document including, but not necessarily limited to, the following information:

- (a) a description of the property to be annexed;
- (b) the identity of the Declarant;
- (c) the effective date of annexation;
- (d) a description of the Common Area to be owned by the Association;

- (e) a cross-reference to this Declaration, as amended; and
- (f) any other information which the Declarant may deem necessary to identify the annexed area.

Section 11.6. Annexation of Other Areas. Additional land outside of the area described in Exhibit "C" may be annexed to the Property with the consent of FNMA eligible mortgage holders representing at least 67 percent of the votes of the mortgaged units and with the consent of two-thirds (2/3) of each class of members.

Section 11.7. FHA/VA Approval. If the Property has been approved for FHA/VA insured issued mortgage financing, the FHA and the VA must first determine that the annexation, whether by Declarant or otherwise, is in accord with the general plan heretofore approved by them.

ARTICLE XII

General Provisions

Section 12.1. Right of Enforcement. In the event of a violation, or threatened violation, of any of the covenants, conditions and restrictions herein enumerated, Declarant, the Association or any Owner and all parties claiming under them shall have the right to enforce the covenants, conditions and restrictions contained herein, and pursue any and all remedies, at law or in equity, available under applicable Indiana law, with or without proving any actual damages, including the right to secure injunctive relief or secure removal by due process of any structure not in compliance with the covenants, conditions and restrictions contained herein, and shall be entitled to recover reasonable attorneys' fees and the costs and expenses incurred as a result thereof.

Section 12.2. Severability and Waiver. Invalidation of any one of the covenants, restrictions or provisions contained in this Declaration by judgment or court order shall not in any way affect any of the other provisions hereof, which shall remain in full force and effect. No delay or failure by any person to enforce any of the restrictions or to invoke any available remedy with respect to a violation or violations thereof shall under any circumstances be deemed or held to be a waiver by that person of the right to do so thereafter, or as estoppel of that person to assert any right available to him upon the occurrence, recurrence or continuation of any violation or violations of the restrictions.

Section 12.3. Amendment. During the first twenty (20) years following its recordation, this Declaration may be amended or modified at any time by an instrument recorded in the Office of

the Recorder of Marion County, Indiana, approved and signed by at least ninety percent (90%) of the then Owners, and thereafter by an instrument signed by at least seventy-five percent (75%) of the then Owners. Provided, however, that none of the rights or duties of Declarant reserved or set out hereunder may be amended or changed without Declarant's prior written approval. Except as prohibited below, this Declaration may also be amended by Declarant, if it then has any ownership interest in the Property, at any time within two (2) years after the recordation hereof. Any amendment must be recorded. Neither the Association, the Owners or Declarant shall effect any of the following changes without the prior written approval of two-thirds (2/3) of the first mortgagees of the Lots (based upon one (1) vote for each mortgage owned) and two-thirds (2/3) of the Owners of Lots (excluding Declarant or builder):

(a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area owned directly or indirectly by the Association for the benefit of the Owners of the Dwelling Units. The granting of easements for public utilities or other public purposes consistent with the intended use of the Common Area by the Dwelling Unit Owners is not a transfer in the meaning of this clause;

(b) change the method of determining the obligations, assessments, dues or other charges that may be levied against a Dwelling Unit Owner;

(c) by act or omission change, waive or abandon any scheme of regulations or their enforcement pertaining to the architectural design or the exterior appearance of units, the exterior maintenance of units, the maintenance of the Common Area, party walks, common fences and driveways, and the upkeep of lawns and plantings in the Property;

(d) fail to maintain fire and extended coverage on insurable Common Area on a current replacement cost basis in an amount at least 100 percent of the insurable value (based on current replacement costs);

(e) use hazard insurance proceeds for losses to any Common Area for other than the repair, replacement, or reconstruction of the Common Area.

(f) change the voting rights, assessments, assessment liens or subordination of assessment liens, except as provided for in this Declaration;

(g) change the the manner in which reserves for maintenance, repair and replacement of Common Areas have been set up and previously maintained by the Association;

(h) change the rights to the use of the Common Area, except as provided for in this Declaration;

(i) change the boundaries of any Dwelling Unit, and the Lot upon which the Dwelling Unit is situated, except as provided for in this Declaration;

(j) any change concerning convertability of Dwelling Units into Common Area or vice versa, except as provided for in this Declaration;

(k) allow for the expansion or contraction of the development, or the addition, annexation or withdrawal of property to or from the development, except for the Declarant's right to annex the Property set forth in Exhibit "C";

(l) any requirements for insurance or fidelity bonds set forth in this Declaration;

(m) any change in the manner in which units may be leased except as set forth in this Declaration;

(n) any imposition of any restriction on a Dwelling Unit Owner's right to sell or transfer his or her Dwelling Unit;

(o) any decision by the Association to establish self-management when professional management has been required previously by an FNMA eligible mortgage holder;

(p) restoration and repair of the Common Area (after a hazard damage or partial condemnation) in a manner other than specified in the Declaration;

(q) any action to terminate the legal status of the development after substantial destruction or condemnation occurs;

(r) any provision that expressly benefits mortgage holders, insurers or guarantors; or

(s) any termination of legal status of the development for reasons other than substantial destruction or condemnation of the Property.

If an addition or amendment is not considered as a material change, such as the correction of a technical error or the clarification of a statement within the Declaration, Association Articles, Association By-Laws or other constituent documents, there shall be an implied approval to be assumed when an eligible mortgage holder fails to submit a response to any written proposal for an amendment within thirty (30) days after proposal is made. The covenants, restrictions and all other provisions of this Declaration shall run with the land and shall be binding

upon the persons owning any portion of the Property and all parties claiming under them for a period of twenty (20) years from the date of recordation, and thereafter shall automatically extend for successive periods of ten (10) years each unless prior to the expiration of such ten-year period this Declaration is amended or changed in whole or in part as hereinabove provided.

Section 12.4. FHA/VA Approval. If the Property has been approved for financing insured or issued by the Federal Housing Administration ("FHA") or the Veterans Administration ("VA"), as long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional property (except for the property described in Exhibit "C"), dedication of Common Area (except as provided in this Declaration), and amendment of this Declaration.

Section 12.5. Assignment. Declarant may assign or otherwise transfer any and all of its rights as Declarant.

Section 12.6. Condemnation, Destruction or Liquidation. The Association shall be designated to represent the Dwelling Unit Owners in any proceedings, negotiations, settlements or agreements for the handling of any losses or proceeds from condemnation, destruction or liquidation of all or a part of the Common Area, or from the termination of the development. Each Dwelling Unit Owner, by his acceptance of a deed, appoints the Association as his attorney-in-fact for this purpose. Proceeds from the settlement will be payable to the Association for the benefit of the Dwelling Unit Owners and their mortgage holders. Any distribution of funds in connection with the termination of this development shall be made on a reasonable and an equitable basis.

Section 12.7. Metropolitan Development Commission. The Metropolitan Development Commission, its successors and assigns, shall have no right, power or authority to enforce any covenants, commitments, restrictions or other limitations contained in this Plat other than those covenants, commitments, restrictions or limitations that expressly run in favor of the Metropolitan Development Commission; provided further that nothing herein shall be construed to prevent the Metropolitan Development Commission from enforcing any provisions of the subdivision control ordinance, 58-AO-3, as amended, or any conditions attached to approval of this Plat by the Plat Committee.

860068111

IN WITNESS WHEREOF, EAGLE COVE ASSOCIATES, an Indiana Partnership, has caused this First Amended Declaration to be executed as of the date first written above.

"DECLARANT"

EAGLE COVE ASSOCIATES

By: Richard H. Crosser
Richard H. Crosser, General Partner

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me the undersigned, a Notary Public for MARION County, State of Indiana, personally appeared Richard H. Crosser, General Partner of Eagle Cove Associates, an Indiana Partnership, and he being first duly sworn by me upon his oath, says that the facts alleged in the foregoing instrument are true.

Signed and sealed this 17th day of July, 1986.

Signature: Kyle A. Wallace

Printed name: Kyle A. Wallace

County of Residence: MARION

My commission expires: 7-18-88

RETURN TO: John W. Tousley, Attorney at Law, 600 Union Federal Building, Indianapolis, Indiana 46204

Prepared by:
John W. Tousley
Attorney at Law
600 Union Federal Building
Indianapolis, Indiana 46204
317/635-4500

code 4/DELUXE.1-.13
7/10/86

860068111

LEGAL DESCRIPTION
EAGLE COVE * SECTION 1

Part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East in Marion County, Indiana, more particularly described as follows:

Commencing at the Southeast corner of the Southwest Quarter of said Section 14; thence South 89 degrees 53 minutes 43 seconds West along the South line thereof 2672.17 feet to the Southwest corner of said Quarter Section; thence North 00 degrees 25 minutes 35 seconds East along the West line thereof 1311.85 feet; thence North 89 degrees 53 minutes 43 seconds East parallel with the South line of said Southwest Quarter 58.89 feet to the Southeastern line of an easement in favor of Indianapolis Power and Light Company as described in Deed Record 1791, page 133 and Deed Record 1797, page 307; thence North 22 degrees 44 minutes 23 seconds East along said Southeastern line of said easement 1288.02 feet to the POINT OF BEGINNING of this description; thence continuing North 22 degrees 44 minutes 23 seconds East along said easement line 50.00 feet to the Northeast corner of lot 12 in Eagle Bay, Section 1, as per plat thereof recorded as Instrument Number 83-68953 in the Office of the Recorder of Marion County, Indiana; thence South 89 degrees 56 minutes 43 seconds East along the South line of said Eagle Bay, Section 1 and Eagle Bay, Section 2, as per plat thereof recorded as Instrument Number 84-55902 in the Office of the Recorder of Marion County, Indiana a distance of 337.37 feet; thence North 60 degrees 00 minutes 00 seconds East along the Southern line of said Eagle Bay, Section 2 a distance of 259.57 feet to the Southwestern right-of-way line of Eagle Creek Parkway; thence South 29 degrees 59 minutes 46 seconds East along said right-of-way line 507.86 feet; thence South 70 degrees 00 minutes 00 seconds West 500.00 feet; thence South 00 degrees 25 minutes 16 seconds East 110.00 feet; thence South 89 degrees 34 minutes 44 seconds West 98.00 feet; thence South 89 degrees 00 minutes 25 minutes 16 seconds East 50.00 feet; thence South 89 minutes 45 seconds West 162.00 feet; thence North 09 degrees 54 seconds East 240.00 feet; thence North 37 degrees 21 minutes 40 seconds East 158.00 feet; thence North 37 degrees 35 minutes 04 seconds West 158.00 feet to a point on a 60.31135 degree curve to the left, the radius point of said curve being South 37 degrees 35 minutes 04 seconds East 95.00 feet from said point; thence Southwesterly along said curve 5.33 feet to a point on said curve, the radius point of said curve being South 40 degrees 47 minutes 51 seconds East 95.00 feet from said point; thence North 40 degrees 47 minutes 51 seconds West 165.27 feet to the place of beginning, containing 7.864 acres, more or less.

860068111

EXHIBIT "A"

COMMON AREAS
EAGLE COVE - SECTION 1

COMMON AREA # 1

Beginning at the Southwest corner of Lot 47 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~86-4860~~ in the Office of the Recorder of Marion County, Indiana; thence South 89 degrees 34 minutes 44 seconds West 46.16 feet; thence North 09 degrees 54 minutes 45 seconds West 59.17 feet; thence North 70 degrees 00 minutes 00 seconds East 46.86 feet to the Northwest corner of Lot 46 in said Eagle Cove, Section 1; thence South 20 degrees 00 minutes 00 seconds East a distance of 35.10 feet to the Southwest corner of Lot 46; thence South 00 degrees 25 minutes 16 seconds East along the West line of the aforesaid Lot 47 a distance of 41.00 feet to the place of beginning, containing 0.076 acres more or less.

COMMON AREA # 2

Beginning at the Southwest corner of Lot 45 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~86-4860~~ in the Office of the Recorder of Marion County, Indiana; thence South 70 degrees 00 minutes 00 seconds West 37.97 feet; thence North 09 degrees 54 minutes 45 seconds West 52.04 feet; thence North 37 degrees 21 minutes 40 seconds East 34.27 feet to the Northwest corner of said Lot 45; thence South 20 degrees 00 minutes 00 seconds East along the West line of the said Lot 45 a distance of 69.72 feet to the place of beginning, containing 0.045 acres more or less,

COMMON AREA # 3

Beginning at the Southwest corner of Lot 23 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~86-4860~~ in the Office of the Recorder of Marion County, Indiana; thence along the rear lines of Lots 23 thru 45 in said Eagle Cove Section I by the following seven courses; (1) South 89 degrees 56 minutes 43 seconds East 265.46 feet; (2) North 52 degrees 08 minutes 28 seconds East 58.56 feet; (3) South 74 degrees 59 minutes 46 seconds East 14.14 feet; (4) South 29 degrees 59 minutes 46 seconds East 126.00 feet; (5) South 28 degrees 00 minutes 15 seconds West 56.63 feet; (6) North 39 degrees 55 minutes 32 seconds West 85.09 feet; (7) South 70 degrees 00 minutes 00 seconds West 393.58 feet; thence leaving said rear lot lines North 37 degrees 21 minutes 40 seconds East 175.58 feet; thence North 37 degrees 35 minutes 04 seconds West 71.84 feet to the place of beginning, containing 0.992 acres more or less.

860068111

EXHIBIT "B"

LEGAL DESCRIPTION
EAGLE COVE * SECTION 2

Part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East in Marion County, Indiana, more particularly described as follows:

Commencing at the Southeast corner of the Southwest Quarter of said Section 14; thence South 89 degrees 53 minutes 43 seconds West along the South line thereof 2672.17 feet to the Southwest corner of said Quarter Section; thence North 00 degrees 25 minutes 35 seconds East along the West line thereof 1311.85 feet; thence North 89 degrees 53 minutes 43 seconds East parallel with the South line of said Southwest Quarter 58.89 feet to the Southeastern line of an easement in favor of Indianapolis Power and Light Company as described in Deed Record 1791, page 133 and Deed Record 1797, page 307, said point being the POINT OF BEGINNING; thence North 22 degrees 44 minutes 23 seconds East 1288.02 feet; thence South 40 degrees 47 minutes 51 seconds East 165.27 feet to a point on a 60.311 degree curve to the right the radius point of said curve being South 40 degrees 47 minutes 51 seconds East 95.00 feet from point; thence Northeastly along said curve 5.33 feet to a point on said curve, the radius point of said curve being South 37 degrees 35 minutes 04 seconds East 95.00 feet from said point; thence South 37 degrees 35 minutes 04 seconds East 158.00 feet; thence South 37 degrees 21 minutes 40 seconds West 240.00 feet; thence South 09 degrees 54 minutes 45 seconds East 162.00 feet; thence North 89 degrees 34 minutes 44 seconds East 178.00 feet; thence North 00 degrees 25 minutes 16 seconds West 50.00 feet; thence North 89 degrees 34 minutes 44 seconds East 98.00 feet; thence South 00 degrees 25 minutes 16 seconds East 641.06 feet; thence South 89 degrees 53 minutes 43 seconds West 868.95 feet to the place of beginning, containing 13.376 acres more or less.

ALSO,

A part of Lot 18 of Eagle Bay I lying within Indianapolis Power and Light Company transmission line easement:

Land being part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East of the Second Principal Meridian in Marion County, Indiana, being part of Lot 18 of Eagle Bay Section I, the plat of which is recorded as Instrument No. 83-68953 in the Office of the Recorder of said County, more particularly described as follows:

Beginning at the Southwest corner of said Lot 18; thence North 00 degrees 25 minutes 35 seconds East along the West line of said Lot 18 a distance of 317.98 feet to the Westerly line of the 175 foot transmission line easement to Indianapolis Power and Light Company as recorded in Deed Record 1797, page 307; thence North 22 degrees 44 minutes 23 seconds East along the Westerly line of said easement 383.47 feet to the Northerly line of said Lot 18, said point being a point on a curve concave Northerly having a central angle of 51 degrees 29 minutes 38 seconds and a radius of 50.00 feet; thence Easterly and Northeastly along said Northerly line an arc distance of 44.94 feet (said arc being subtended by a chord having a bearing of North 81 degrees 25 minutes 25 seconds East and a length of 43.44 feet) to a point on the Easterly line of said Lot 18; thence South 34 degrees 19 minutes 17 seconds East along said

860068111

EXHIBIT "C"

Easterly line 164.30 feet; thence South 22 degrees 44 minutes 23 seconds West along said Easterly line 588.02 feet to the South line of said Lot 18; thence South 89 degrees 53 minutes 43 seconds West along said South line 58.89 feet to the POINT OF BEGINNING, containing 2.237 acres, more or less; subject to highways, rights-of-way and easements.

ALSO,

A part of lot 17 of Eagle Bay I, lying within Indianapolis Power and Light Company transmission line easement;

Land being part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East of the Second Principal Meridian in Marion County, Indiana, being part of Lot 17 of Eagle Bay Section I, the plat of which is recorded as Instrument No. 83-68953 in the Office of the Recorder of said county, more particularly described as follows:

Beginning at Southeast corner of said Lot 17; thence North 34 degrees 19 minutes 17 seconds East along the Southwesterly line of said Lot 17 a distance of 164.30 feet to a point on the Westerly line of said Lot 17, said point being a point on a curve concave Westerly having a central angle of 115 degrees 55 minutes 16 seconds and a radius of 50.00 feet; thence Northeasterly, Northerly and Northwesterly along said curve and along said Westerly line an arc distance of 101.16 feet (said arc being subtended by a chord having a bearing of North 02 degrees 17 minutes 00 seconds West and a length of 84.77 feet) to the point of reverse curvature of a curve concave Northeasterly having a central angle of 1 degree 30 minutes 46 seconds and a radius of 48.00 feet; thence Northwesterly along said curve an arc distance of 1.27 feet (said arc being subtended by a chord having a bearing of North 59 degrees 29 minutes 31 seconds West and a length of 1.27 feet) to the Westerly line of a 175 foot Transmission Line Easement to Indianapolis Power and Light Company recorded in Deed Record 1797, page 307 in the Office of the Recorder of said County; thence North 22 degrees 44 minutes 23 seconds East along said Westerly line 233.68 feet to a point on the Northerly line of said Lot 17; thence South 67 degrees 15 minutes 37 seconds East along said Northerly line 175.00 feet to the Northeast corner of said Lot 17; thence South 22 degrees 44 minutes 23 seconds West along the Easterly line of said Lot 17 a distance of 400.00 feet to the POINT OF BEGINNING, containing 1.323 acres, more or less; subject to highways, rights-of-ways and easements.

ALSO,

A part of lots 13, 14, 15, and 16 in Eagle Bay, Section I, lying within an Indianapolis Power and Light Company transmission line easement recorded in Deed Record 1797 page 307 in the Office of the Recorder of Marion County, Indiana;

One hundred seventy-five (175) feet by parallel lines off the entire eastern side of lots 13, 14, 15, and 16 in Eagle Bay, Section I, as per plat thereof recorded as Instrument Number 83-68953 in the Office of the Recorder of Marion County, Indiana, containing 1.105 acres, more or less, subject to all legal highways, rights-of-way, easements and restrictions of record.

May 5, 1986

860068111

BY-LAWS
OF
EAGLE COVE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

General

Section 1. Name. The name of the corporation is Eagle Cove Homeowners Association, Inc., hereinafter referred to as "Association."

Section 2. Principal Office. The post office address of the principal office of the Association is 2935 East 96th Street, Suite A, Indianapolis, Indiana 46240, but meetings of Members and Directors may be held at such places within the State of Indiana, in or near Hamilton or Marion Counties, in the case of Members' meetings, as may be designated by the Board of Directors.

Section 3. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE II

Definitions

Section 1. "Articles" means the Articles of Incorporation of the Association (as hereinafter defined) filed, or to be filed, with the Office of the Secretary of State of Indiana, as the same are or hereafter may be amended from time to time.

Section 2. "Association" means Eagle Cove Homeowners Association, Inc., a formed or to-be-formed Indiana not-for-profit corporation, its successors and assigns.

Section 3. "Board of Directors" means the Board of Directors of the Association.

Section 4. "Common Area" means those portions of the Property (as hereinafter defined), including improvements thereto, facilities and personal property owned or leased by the Association from time to time for the common use, benefit and enjoyment of the Owners (as hereinafter defined). Unless expressly stated to the contrary, the term Common Area as used herein (whether or not so expressed) shall include all private streets and all other portions of the Property not designated as Lots (as hereinafter defined). The Common Area to be conveyed to the Association at

the time of conveyance of the first Lot to an Owner is described in Exhibit "B".

Section 5. "Declarant" and "Declaration" means Eagle Cove Associates, its successors and assigns as a declarant, if such successors or assigns should acquire more than one (1) undeveloped Lot from the Declarant for the purposes of development pursuant to the Declaration of Covenants, Conditions and Restrictions of Eagle Cove (the "Declaration"), as amended.

Section 6. "Development Period" means the period of time commencing with Declarant's acquisition of the Property and ending when Declarant has completed the development and sale of, and no longer owns, any Lot or any other portion of the real estate in the Property (as hereinafter defined).

Section 7. "Dwelling Unit" means any single-family residence situated upon a Lot (as hereinafter defined) whether attached or detached.

Section 8. "Lot" means any parcel of land designated as such upon the Plat (as hereinafter defined) or, after construction of a Dwelling Unit, that parcel of land upon which a Dwelling Unit is constructed that is conveyed to an Owner (as hereinafter defined) by the Declarant. A "Lot" may contain portions of real estate greater or less than its originally platted dimensions should the Declarant deem it advisable in order to accommodate the construction of a Dwelling Unit.

Section 9. "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, including contract sellers, but otherwise excluding those having such interest merely as security for the performance of an obligation. Unless specifically indicated to the contrary, the term Owner as used herein shall include the Declarant, so long as the Declarant shall own any Lot.

Section 10. "Plat" means the subdivision plat of the Property (as hereinafter defined) identified as "Plat of Eagle Cove, Section 1", recorded the 6th day of June, 1986 as Instrument Number 86-48607, in the Office of the Recorder of Marion County, Indiana, as the same may be hereafter amended or supplemented by law or pursuant to the Declaration.

Section 11. "Property" means the real estate described in Exhibit "A" and any addition annexed pursuant to the Declaration, as amended, the description of which is set forth in Exhibit "C".

860068111

ARTICLE III

Membership and Meetings of Members

Section 1. Membership and Voting. Membership in the Association and voting rights of Members are governed by the Articles. Except as otherwise provided in the Articles, in the Declaration or in Article V of these By-Laws, each question shall be determined by a majority of the eligible votes cast by the Members present, in person or by proxy, at a meeting at which a quorum is present. The Members may take any action without a meeting that could be taken at a meeting, in the manner provided in the Articles. Additionally, any action required or permitted to be taken at any meeting of the Board of Directors, may be taken without a meeting, if prior to such action a written consent to such action is signed by all members of the Board of Directors, and such written consent is filed with the Minutes of the proceeding of the Board.

Section 2. Annual Meeting. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at a time and place to be specified by the Board of Directors, unless such date is not within six (6) months after the end of the Fiscal Year. If the annual meeting date is not within six (6) months after the close of the Fiscal Year, the meeting will be held on a date within said period set by the Board of Directors and thereafter on the same day of the same month of each year, at a time and place to be specified by the Board of Directors. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 3. Special Meetings. Special meetings of the Members may be called at any time by the President of the Association, or by a majority of the Board of Directors, or upon written request of Members who together are entitled to vote one-fourth (1/4) of all the votes of the Class A Membership.

Section 4. Notice of Meetings. Except as otherwise required by the Declaration, written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by delivering or mailing a copy of such notice at least fifteen (15) days before such meeting, to each Member entitled to vote thereat, at or addressed to the Member's address last appearing in the records of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose or purposes of the meeting. Notice of any meeting may be waived by a

written waiver filed with the Secretary or by attendance at the meeting in person or by proxy.

Section 5. Quorum. The presence at the meeting, in person or by proxy, of Members entitled to cast one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action, except as otherwise required by the Articles or the Declaration. If, however, such quorum shall not be present at any meeting, the Members present and entitled to vote thereat are empowered to adjourn the meeting from time to time, without notice other than announcement at the meeting, until such later time or date that a quorum shall be present in person or by proxy.

Section 6. Voting by Co-Owners and Entities. The vote appurtenant to any Lot in which more than one person owns an interest may be exercised by any of such persons present at any meeting, unless the Association is advised (by objection or protest at the meeting or written notice prior thereto) by any other person owning an interest in such Lot that the Owners of the Lot are unable to agree upon the manner in which the vote appurtenant to such Lot shall be cast at such meeting or on any particular question to come before such meeting. In such event the vote appurtenant to the Lot shall not be counted at the meeting or on the particular question noted, as the case may be. In the event any Lot is owned by a corporation, then the vote appurtenant to such Lot shall be cast by a person designated in a certificate signed by the President or any Vice President of such corporation and attested by the Secretary or an Assistant Secretary of such corporation and filed with the Secretary of the Association prior to the meeting. The vote appurtenant to any Lot owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and unless any objection or protest by any other such trustee or partner is noted at such meeting or in writing prior thereto, the Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes.

Section 7. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot. No proxy shall be valid after eleven (11) months from the date of its execution unless a longer time is expressly provided in the proxy.

Section 8. Suspension of Voting Rights. No Class A Member shown on the Books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due to the Association shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors.

Section 9. Rights of Mortgagees. An institutional mortgagee (as defined in Article XII, Section 2) of any Lot who desires

notice of the annual and special meetings of the Members shall notify the Secretary to that effect by Registered Mail - Return Receipt Requested. Any such notice shall contain the name and post office address of such institutional mortgagee and the name of the person to whom such notice should be addressed. The Secretary of the Association shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual or special meeting of the Members to each such institutional mortgagee, in the same manner, and subject to the same requirements and limitations as are provided for notices to the Members in Section 4 of this Article III. Any representative to attend any annual or special meeting of the Members and such representative may participate in the discussion at any such meeting and may, upon his request made to the Chairman in advance of the meeting, address the Members present at any such meeting. Such representative shall have no voting rights at any such meeting.

Section 10. Action Taken by Conference Phone. Any or all the members of the Association may participate in a meeting of the Board by means of a conference telephone or similar communication equipment, by which all persons participating in the meeting, can communicate with each other, and participation in this manner constitutes presence in person at the meeting.

ARTICLE IV

Board of Directors General Information

Section 1. General Powers and Duties. The Board of Directors shall manage the affairs of the Association.

Section 2. Number. The Board of Directors shall be composed of three (3) members, who need not be Members of the Association.

Section 3. Term of Office. The members of the initial Board of Directors shall serve until the first annual meeting of the Members of the Association. Thereafter, such Director shall be elected to serve a term of one (1) year and until his successor is elected and qualified. A Director may serve any number of consecutive terms.

Section 4. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association, at a meeting of the Members called expressly for that purpose. A Director also may be removed by a majority vote of the other members of the Board of Directors if he fails to attend three (3) or more consecutive meetings of the Board.

Section 5. Compensation. Directors shall receive no compensation for their services as directors of the Association.

However, any Director may be reimbursed for actual expenses incurred in the performance of his duties.

ARTICLE V

Nomination and Election of Directors

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor by any Member eligible to vote at the meeting. The Nominating Committee shall consist of a Chairman who shall be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by written ballot. In the election of Directors, each Member or his proxy may cast, in respect to each vacancy, as many votes as he is entitled to cast under the provisions of the Articles. The three (3) persons receiving the highest, second highest and third highest numbers of votes, respectively (whether or not a majority of the votes cast, shall be elected. Cumulative voting is not permitted.

Section 3. Vacancy. When a vacancy occurs on the Board of Directors by reason of the death, resignation, removal or incapacity of a Director, or for any other reason except the expiration of a Director's term or an increase in the number of Directors prescribed in these By-Laws, the remaining Directors shall by majority vote elect a Director to serve until the next annual meeting of the Members of the Association. When a vacancy occurs by reason of an increase in the number of Directors prescribed in these By-Laws, the vacancy shall be filled by a vote of the Members of the Association, pursuant to Sections 1 and 2 of this Article V.

ARTICLE VI

Meetings of Directors

Section 1. Quorum and Voting. A majority of the Board of Directors shall be necessary to constitute a quorum for the transaction of any business except the filling of vacancies on the Board of Directors, and the act of a majority of the Directors

present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2. Annual Meeting. The newly elected Board of Directors shall meet annually, without notice, immediately following the annual meeting of the Members, for the purpose of electing officers of the Association for the ensuing year and transacting such other business as properly may come before the meeting.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Association or by a majority of the Board of Directors upon not less than three (3) days written notice. A special meeting may be held at such place as is specified in the call of the special meeting. The purpose of any such meeting need not be specified.

Section 4. Regular Meetings. Regular meetings of the Board of Directors may be held without notice, other than the adoption of a resolution of the Board establishing the meeting schedule, at such place and hour as may be fixed by resolution of the Board. Should any regular meeting date fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 5. Waiver of Notice. Notice of the time, place, and call of any meeting of the Board may be waived in writing if the waiver sets out in reasonable detail the purpose or purposes of which the meeting is called and the time and place thereof. Attendance at any meeting of the Board shall constitute a waiver of notice of such meeting and of the time, place and call thereof.

Section 6. Action Taken Without a Meeting. The Board of Directors may take any action without a meeting that could be taken at a meeting, in the manner provided in the Articles. Additionally, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof, may be taken without a meeting, if prior to such action a written consent to such action is signed by all members of the Board of Directors or of such committee, as the case may be, and such written consent is filed with the minutes of proceeding of the Board or committee.

Section 7. Action Taken by Conference Phone. Any or all the members of the Board of Directors may participate in a meeting of the Board or committee, by means of a conference telephone or similar communication equipment, by which all persons participating in the meeting can communicate with each other, and participation in this manner constitutes presence in person at the meeting.

860068111

ARTICLE VII

Specific Powers and Duties of the Board of Directors

Section 1. Powers. Without limitation on the Board's general power to manage the affairs of the Association, the Board of Directors shall have power to:

A. adopt and publish rules and regulations governing the use of the Lots, the Common Area and any facilities at any time located on the Properties, and the personal conduct of the Members and guests thereon, and to establish penalties for the infraction thereof;

B. suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations; and,

C. exercise for the Association all powers, duties and authority vested in or delegated to the Association (and not reserved to the membership) by the provisions of these By-Laws, the Articles or the Declaration and applicable law.

Section 2. Duties. Without limitation on the Board's general duty to manage the affairs of the Association, it shall be the duty of the Board of Directors to:

A. cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

B. supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

C. as more fully provided in the Declaration, to:

1. fix and send written notice of assessments; and,

2. foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date, or bring an action at law against the owner personally obligated to pay the same.

D. issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by

the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

E. procure and maintain the insurance coverages required by the Declaration;

F. cause all officers or employees having fiscal responsibilities to be bonded, as required by the Declaration, and,

G. cause the Property to be maintained to the extent of the Association's responsibility therefor as provided in the Declaration.

ARTICLE VIII

Duties of Officers

Section 1. Enumeration of Officers. The officers of this Association shall be a President who shall at all times be a member of the Board of Directors, a Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time-to-time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year and until his successor is elected and qualified, unless he shall sooner resign, or shall be removed or otherwise become disqualified to serve.

Section 4. Other Offices. The Board may elect one or more additional vice presidents, assistant secretaries or other officers as the Board may deem necessary or appropriate, each of whom shall hold office for one (1) year (and until his successor is elected and qualified) or such shorter period, and shall have such authority and perform such duties, as the Board may from time-to-time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer, or those of Vice President and Treasurer, may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The general duties of the officers, subject at all times to further delineation and delegation of duties by the Board, are as follows:

A. President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

B. Vice President. The Vice President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise such other duties as may be required by the Board.

C. Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association (if one is adopted) and affix it on all appropriate documents; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association, together with their addresses, and shall perform such other duties as required by the Board.

D. Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the Members.

ARTICLE IX

Committees

The Association shall appoint an Architectural Control Committee, as provided in the Declaration; and a Nominating

Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE X

Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member and institutional mortgagee (as hereinafter defined). The Declaration, the Articles and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

Assessments

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. As more particularly set forth in the Declaration, if an assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight percent (8%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment; and no Owner may waive or otherwise escape liability for the assessments provided for in the Declaration by non-use of the Common Area or abandonment of his Lot.

ARTICLE XII

Notice on Mortgages

Section 1. Notice to Board of Directors. Any Member who mortgages the Lot to which his membership is appurtenant shall promptly notify the Board of Directors of the name and address of his mortgagee and, if requested to do so, shall file a conformed copy of such mortgage with the Board of Directors. The Board of Directors shall maintain a suitable roster pertaining to such mortgages. Any mortgagee of any Lot that desires that a record of its name and address be maintained by the Association may forward such information to the Secretary for the purpose of assisting in compliance with the notice provisions of these By-Laws.

Section 2. Definition. As used in this Article, the term "mortgagee" shall mean any mortgagee and shall not be limited to institutional mortgagees, and the term "mortgage" shall include a deed of trust. As used generally by these By-Laws, the term "institutional holder" or "institutional mortgagee" shall include the insurer of any mortgage and the following mortgagees: banks, trust companies, insurance companies, savings and loan associations, pension funds, real estate investment trusts, FNMA, FHLMC, and any corporation, including a corporation of, or affiliated with, the United States Government, or any agency thereof.

ARTICLE XIII

Contracts Loans and Checks

Section 1. Authorization. The Board of Directors may authorize any officer or officers or agent or agents of the Association to enter into any contract or execute any instrument on its behalf. Such authorization may be general or confined to specific instances. Except as provided in these By-Laws, no officer, agent, or employee shall have any power to bind the Association or to render it liable for any purpose or amount unless so authorized by the Board of Directors.

Section 2. Signatures. All checks, drafts, or other orders for payment of money by the Association shall be signed by the President, Secretary, Treasurer, or such other person as the Board of Directors may from time to time designate by resolution.

ARTICLE XIV

Corporate Seal

The Association need not have a seal, except as may otherwise be specifically required by applicable law, and no seal is required to make any action of or document executed by the Association effective. If a seal is adopted, it shall be in circular form having within its circumference the words "EAGLE COVE HOMEOWNERS ASSOCIATION, INC."

ARTICLE XV

Amendments and Construction

Section 1. Procedure. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of members present in person or by proxy. If the Property has been approved for mortgage financing, insured or issued by the Federal Housing Administration ("FHA") or the Veterans

Administration ("VA"), the FHA or VA shall have the right to veto amendments while there is Class B membership.

Section 2. Conflict with Declaration or Articles. In the case of any conflict between the Articles and these By-Laws, the Articles shall control, and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

This instrument was prepared by: John W. Tousley, Attorney at Law, 600 Union Federal Building, 45 North Pennsylvania Street, Indianapolis, Indiana 46204, 317/635-4500.

code ADELUXE 25-31
Rev. 7/10/86

860068111

LEGAL DESCRIPTION
EAGLE COVE * SECTION 1

Part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East in Marion County, Indiana, more particularly described as follows:

Commencing at the Southeast corner of the Southwest Quarter of said Section 14; thence South 89 degrees 53 minutes 43 seconds West along the South line thereof 2672.17 feet to the Southwest corner of said Quarter Section; thence North 00 degrees 25 minutes 35 seconds East along the West line thereof 1311.85 feet; thence North 89 degrees 53 minutes 43 seconds East parallel with the South line of said Southwest Quarter 58.89 feet to the Southeastern line of an easement in favor of Indianapolis Power and Light Company as described in Deed Record 1791, page 133 and Deed Record 1797, page 307; thence North 22 degrees 44 minutes 23 seconds East along said Southeastern line of said easement 1288.02 feet to the POINT OF BEGINNING of this description; thence continuing North 22 degrees 44 minutes 23 seconds East along said easement line 50.00 feet to the Northeast corner of lot 12 in Eagle Bay, Section 1, as per plat thereof recorded as Instrument Number 83-6855, in the Office of the Recorder of Marion County, Indiana; thence South 89 degrees 56 minutes 43 seconds East along the South line of said Eagle Bay, Section 1 and Eagle Bay, Section 2, as per plat thereof recorded as Instrument Number 84-55902 in the Office of the Recorder of Marion County, Indiana a distance of 337.37 feet; thence North 60 degrees 00 minutes 00 seconds East along the Southern line of said Eagle Bay, Section 2 a distance of 259.57 feet to the Southwest right-of-way line of Eagle Creek Parkway; thence South 29 degrees 59 minutes 46 seconds East along said right-of-way line 507.86 feet; thence South 70 degrees 00 minutes 00 seconds West 500.00 feet; thence South 00 degrees 25 minutes 16 seconds East 110.00 feet; thence South 89 degrees 34 minutes 44 seconds West 98.00 feet; thence South 00 degrees 25 minutes 16 seconds East 50.00 feet; thence South 89 degrees 34 minutes 44 seconds West 178.00 feet; thence North 09 degrees 54 minutes 45 seconds West 162.00 feet; thence North 37 degrees 21 minutes 40 seconds East 240.00 feet; thence North 37 degrees 35 minutes 04 seconds West 158.00 feet to a point on a 60.31135 degree curve to the left, the radius point of said curve being South 37 degrees 35 minutes 04 seconds East 95.00 feet from said point; thence Southwesterly along said curve 5.33 feet to a point on said curve, the radius point of said curve being South 40 degrees 47 minutes 51 seconds East 95.00 feet from said point; thence North 40 degrees 47 minutes 51 seconds West 165.27 feet to the place of beginning, containing 7.864 acres, more or less.

860068111

EXHIBIT "A"

COMMON AREAS
EAGLE COVE - SECTION 1

COMMON AREA # 1

Beginning at the Southwest corner of Lot 47 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~86-4860~~ in the Office of the Recorder of Marion County, Indiana; thence South 89 degrees 34 minutes 44 seconds West 46.16 feet; thence North 09 degrees 54 minutes 45 seconds East 59.17 feet; thence North 70 degrees 00 minutes 00 seconds East 46.86 feet to the Northwest corner of Lot 46 in said Eagle Cove, Section 1; thence South 20 degrees 00 minutes 00 seconds East a distance of 35.10 feet to the Southwest corner of Lot 46; thence South 00 degrees 25 minutes 16 seconds East along the West line of the aforesaid Lot 47 a distance of 41.00 feet to the place of beginning, containing 0.076 acres more or less.

COMMON AREA # 2

Beginning at the Southwest corner of Lot 45 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~86-4860~~ in the Office of the Recorder of Marion County, Indiana; thence South 70 degrees 00 minutes 00 seconds West 37.97 feet; thence North 09 degrees 54 minutes 45 seconds West 52.04 feet; thence North 97 degrees 21 minutes 40 seconds East 34.27 feet to the Northwest corner of said Lot 45; thence South 20 degrees 00 minutes 00 seconds East along the West line of the said Lot 45 a distance of 69.72 feet to the place of beginning, containing 0.045 acres more or less.

COMMON AREA # 3

Beginning at the Southwest corner of Lot 23 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~86-4860~~ in the Office of the Recorder of Marion County, Indiana; thence along the rear lines of Lots 23 thru 45 in said Eagle Cove Section 1 by the following seven courses; (1) South 89 degrees 56 minutes 43 seconds East 265.46 feet; (2) North 52 degrees 08 minutes 28 seconds East 58.56 feet; (3) South 74 degrees 59 minutes 46 seconds East 14.14 feet; (4) South 29 degrees 59 minutes 46 seconds East 126.00 feet; (5) South 28 degrees 00 minutes 15 seconds West 56.63 feet; (6) North 39 degrees 55 minutes 32 seconds West 85.09 feet; (7) South 70 degrees 00 minutes 00 seconds West 393.58 feet; thence leaving said rear lot lines North 37 degrees 21 minutes 40 seconds East 175.58 feet; thence North 37 degrees 35 minutes 04 seconds West 71.84 feet to the place of beginning, containing 0.992 acres more or less.

860068111

EXHIBIT "B"

Easterly line 164.30 feet; thence South 22 degrees 44 minutes 23 seconds West along said Easterly line 588.02 feet to the South line of said Lot 18; thence South 89 degrees 53 minutes 43 seconds West along said South line 58.89 feet to the POINT OF BEGINNING, containing 2.237 acres, more or less; subject to highways, rights-of-way and easements.

ALSO,

A part of lot 17 of Eagle Bay I, lying within Indianapolis Power and Light Company transmission-line easement;

Land being part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East of the Second Principal Meridian in Marion County, Indiana, being part of Lot 17 of Eagle Bay Section I, the plat of which is recorded as Instrument No. 83-68953 in the Office of the Recorder of said county, more particularly described as follows:

Beginning at Southeast corner of said Lot 17; thence North 34 degrees 19 minutes 17 seconds East along the Southwesterly line of said Lot 17 a distance of 164.30 feet to a point on the Westerly line of said Lot 17, said point being a point on a curve concave Westerly having a central angle of 115 degrees 55 minutes 26 seconds and a radius of 50.00 feet; thence Northeasterly, Northwesterly and Northwesterly along said curve and along said Westerly line an arc distance of 101.16 feet (said arc being subtended by a chord having a bearing of North 02 degrees 17 minutes 00 seconds West and a length of 84.77 feet) to the point of reverse curvature of a curve concave Northeasterly having a central angle of 1 degree 30 minutes 46 seconds and a radius of 48.00 feet; thence Northwesterly along said curve an arc distance of 1.27 feet (said arc being subtended by a chord having a bearing of North 59 degrees 29 minutes 31 seconds West and a length of 1.27 feet) to the Westerly line of a 175 foot Transmission Line Easement to Indianapolis Power and Light Company recorded in Deed Record 1797, page 307 in the Office of the Recorder of said County; thence North 22 degrees 44 minutes 23 seconds East along said Westerly line 233.68 feet to a point on the Northerly line of said Lot 17; thence South 17 degrees 15 minutes 37 seconds East along said Northerly line 175.00 feet to the Northeasterly corner of said Lot 17; thence South 22 degrees 44 minutes 23 seconds West along the Easterly line of said Lot 17 a distance of 400.00 feet to the POINT OF BEGINNING, containing 1.323 acres, more or less; subject to highways, rights-of-ways and easements.

ALSO,

A part of lots 13, 14, 15, and 16 in Eagle Bay, Section I, lying within an Indianapolis Power and Light Company transmission line easement recorded in Deed Record 1797 page 307 in the Office of the Recorder of Marion County, Indiana;

One hundred seventy-five (175) feet by parallel lines off the entire eastern side of lots 13, 14, 15, and 16 in Eagle Bay, Section I, as per plat thereof recorded as Instrument Number 83-68953 in the Office of the Recorder of Marion County, Indiana, containing 1.105 acres, more or less, subject to all legal highways, rights-of-way, easements and restrictions of record.

860068111

May 5, 1986

CROSS REFERENCE

860031210

88001
52

CROSS REFERENCE: Final Plat of Eagle Cove, Section 1, recorded June 6, 1986 as Instrument No. 86-48607 in the Office of the Recorder of Marion County, Indiana Declaration of Covenants, Conditions and Restrictions of Eagle Cove, recorded June 6, 1986 as Instrument No. 86-48608 in the Office of the Recorder of Marion County, Indiana First Amended Declaration of Covenants, Conditions and Restrictions of Eagle Cove, recorded July 25, 1986 as Instrument No. 86-68111 in the Office of the Recorder of Marion County, Indiana

RECEIVED

SEP 16 1986

PIKE TOWNSHIP
ASSESSOR

SECOND AMENDED
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF
EAGLE COVE

RECEIVED
FOR EXAMINATION
SEP 16 1986
COUNTY RECORDER
MARION COUNTY, INDIANA

TABLE OF CONTENTS

	Page
Article I - Name.....	2
Article II - Definitions.	
Section 2.1 - "Articles".....	2
Section 2.2 - "Association".....	2
Section 2.3 - "Board of Directors".....	2
Section 2.4 - "Common Area".....	2
Section 2.5 - "Common Expenses".....	2
Section 2.6 - "Declarant".....	2
Section 2.7 - "Development Period".....	2
Section 2.8 - "DMD".....	3
Section 2.9 - "Dwelling Unit".....	3
Section 2.10 - "Lot".....	3
Section 2.11 - "Owner".....	3
Section 2.12 - "Plat".....	3
Section 2.13 - "Property".....	3
Article III - Property Rights.	
Section 3.1 - Owner's Easements of Enjoyment of Common Area.....	4
Section 3.2 - Delegation of Use.....	4
Section 3.3 - Certain Obligations and Access Rights to the Common Area....	5
Section 3.4 - Drainage, Utility, Sewer and Other Development Easements.....	5

RECEIVED FOR RECORD
PIKE TOWNSHIP
ASSESSOR
SEP 16 11 33 AM '86

	Page
Section 3.5 - Easement for Emergency Purposes.	7
Section 3.6 - Encroachments and Easements for Buildings.....	7
Section 3.7 - Fee Title to Lot.....	7
Section 3.8 - Street Dedication.....	7
 Article IV - Association Membership, Voting Rights, Board of Directors and Professional Management.	
Section 4.1 - Membership.....	7
Section 4.2 - Classes of Membership and Voting Rights.....	8
Section 4.3 - Board of Directors.....	8
Section 4.4 - Professional Management.....	8
 Article V - Covenant for Maintenance Assessments.	
Section 5.1 - Creation of the Lien and Personal Obligation of Assessments....	8
Section 5.2 - Roadway Maintenance.....	9
Section 5.3 - Purpose of Regular Monthly Assessments.....	9
Section 5.4 - Maximum Regular Monthly Assessments.....	10
Section 5.5 - Special Assessments for Capital Improvements and Operating Capital.....	10
Section 5.6 - Notice and Quorum for any Action Authorized under Section 4.3 and 5.4.....	10
Section 5.7 - Uniform Rate of Assessment.....	10
Section 5.8 - Date of Commencement of Monthly Assessments; Due Dates.....	11
Section 5.9 - Effect of Nonpayment of Assessments Remedies of the Association..	11
Section 5.10 - Subordination of the Lien to Mortgages; Sale or Transfer..	12
Section 5.11 - Declarant's Responsibility to Cover Deficits or Shortages.	12
 Article VI - Use Restrictions and Architectural Control.	
Section 6.1 - Lot Use and Conveyance.....	12
Section 6.2 - Architectural Control.....	13
Section 6.3 - Leasing of Lots.....	13
Section 6.4 - Signs.....	15
Section 6.5 - Home Occupations.....	15
Section 6.6 - Animals.....	15
Section 6.7 - Outside Storage.....	15
Section 6.8 - Outside Use of Lots.....	15

860091210

	Page
Section 6.9 - Setback Lines.....	16
Section 6.10 - Side Setbacks.....	16
Section 6.11 - Number of Dwelling Units.....	16
Section 6.12 - Dwelling Unit Direction.....	16
Section 6.13 - Parking.....	16
Section 6.14 - Unsightly Growth.....	16
Section 6.15 - Nuisances.....	16
Section 6.16 - Site Visability.....	16
Section 6.17 - Boats, Trucks, Etc.....	17
Section 6.18 - Lake Area.....	17
Section 6.19 - Rules and Regulations.....	17
Section 6.20 - Development and Sale Period....	17
 Article VII - Maintenance, Repairs and Replacements.	
Section 7.1 - By Owners.....	18
Section 7.2 - Common Properties and Exteriors of Dwelling Units and Lawns by the Association.....	18
Section 7.3 - Snow Removal and Other Work.....	19
 Article VIII - Party Walls.	
Section 8.1 - General Rules of Law to Apply...	20
Section 8.2 - Sharing of Repair and Maintenance.....	20
Section 8.3 - Destruction by Fire or Other Casualty.....	20
Section 8.4 - Weatherproofing.....	20
Section 8.5 - Right to Contribution Runs with Land.....	20
Section 8.6 - Arbitration.....	20
 Article IX - Insurance.	
Section 9.1 - Casualty Insurance on Insurable Common Area.....	21
Section 9.2 - Casualty Insurance on All Dwelling Units.....	21
Section 9.3 - Liability Insurance.....	21
Section 9.4 - Fidelity Bonds.....	22
Section 9.5 - Miscellaneous Insurance Provisions.....	22
Section 9.6 - Casualty and Restoration.....	22
Section 9.7 - Insufficiency of Insurance Proceeds.....	23
Section 9.8 - Surplus of Insurance Proceeds...	23
 Article X - Mortgagees.	
Section 10.1 - Mortgagee Rights.....	23

860091210

	Page
Section 10.2 - Notice to Mortgagees.....	23
Section 10.3 - Condemnation and Insurance Awards.....	24
Section 10.4 - Right of First Refusal.....	24
Section 10.5 - Unpaid Dues or Charges.....	24
Section 10.6 - Audited Statements.....	24

Article XI - Annexation.

Section 11.1 - Property Subject to Annexation by Declarant.....	24
Section 11.2 - Effective Date for Assessments and Voting Rights.....	25
Section 11.3 - Improvements.....	25
Section 11.4 - Equality of Rights.....	25
Section 11.5 - Annexation Document.....	25
Section 11.6 - Annexation of Other Areas.....	25
Section 11.7 - FHA/VA Approval.....	25

Article XII - General Provisions.

Section 12.1 - Right of Enforcement.....	26
Section 12.2 - Severability.....	26
Section 12.3 - Amendment.....	26
Section 12.4 - FHA/VA Approval.....	28
Section 12.5 - Assignment.....	29
Section 12.6 - Condemnation, Destruction or Liquidation.....	29
Section 12.7 - Metropolitan Development Commission.....	29

code 4/DELUXE.20-.23
 File No. 85068
 Rev. 8/27/86

860091210

SECOND AMENDED
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF
EAGLE COVE

THIS SECOND AMENDED DECLARATION, made on this _____ day
of _____, 1986, by Eagle Cove Associates, an Indiana
Partnership, ("Declarant"),

WITNESSES:

WHEREAS, Declarant is the owner of certain real estate
(the "Property"), located generally at Parcel "R" Eagle Highlands
on the west side of Eagle Creek Parkway, 2300 feet + north of
38th Street in Marion County, Indiana, which is more particularly
described in Exhibit "A" attached hereto and by this reference,
made a part hereof.

WHEREAS, Declarant desires to subdivide and develop the
Property by designating certain portions of the Property as
"Common Areas" (as hereinafter defined) to be owned by a
homeowners association (the "Association," as hereinafter
defined), and by designating certain other portions of the Pro-
perty into "Lots" (as hereinafter defined).

WHEREAS, Declarant recorded a Declaration of Covenants,
Conditions and Restrictions of Eagle Cove on June 6, 1986 as
Instrument No. 86-48608 and the First Amended Declaration of
Covenants Conditions and Restrictions of Eagle Cove on July 25,
1986 as Instrument No. 86-68111, all in the Office of the
Recorder of Marion County to control the development of the pro-
perty described in Exhibit "A".

WHEREAS, Declarant has not conveyed any portion of the
said property and now desires to amend the said Declaration.

NOW, THEREFORE, Declarant hereby declares that the
Declaration of Covenants, Conditions and Restrictions of Eagle
Cove is amended by the terms herein and that all the Property
shall be held, sold and conveyed subject to the following ease-
ments, restrictions, limitations, covenants and conditions, which
are for the purpose of protecting the value and desirability of,
and which shall run with, the Property and be binding on all par-
ties having any right, title or interest in the Property or any
part thereof, their heirs, successors and assigns, and shall
inure to the benefit of each owner thereof.

860091210

ARTICLE I

Name

The subdivision of the Property created by this Declaration shall be known and designated as Eagle Cove, a subdivision located in Marion County, Indiana.

ARTICLE II

Definitions

Section 2.1. "Articles" means the Articles of Incorporation of the Association (as hereinafter defined) filed, or to be filed, with the Office of the Secretary of State of Indiana, as the same are or hereafter may be amended from time to time.

Section 2.2. "Association" means Eagle Cove Homeowners Association, Inc., a formed or to-be-formed Indiana not-for-profit corporation, its successors and assigns.

Section 2.3. "Board of Directors" means the Board of Directors of the Association.

Section 2.4. "Common Area" means (1) those portions of the Property (as hereinafter defined), including improvements thereto, facilities and personal property owned or leased by the Association from time to time for the common use, benefit and enjoyment of the Owners (as hereinafter defined) and (2) items deemed Common Area for maintenance purposes only. Unless expressly stated to the contrary, the term Common Area as used herein (whether or not so expressed) shall include all portions of the Property designated as "Common Area" upon the Plat (as hereinafter defined). The Common Area to be conveyed to the Association at the time of conveyance of the first Lot to an Owner is described in Exhibit "B".

Section 2.5. "Common Expenses" shall mean and refer to expenses of administration of the Association, and expenses for the upkeep, maintenance, repair and replacement of the Common Area, and all sums lawfully assessed against the Owners by the Association, and all sums, costs and expenses declared by this Declaration to be Common Expenses.

Section 2.6. "Declarant" means Eagle Cove Associates, its successors and assigns as a declarant, if such successors or assigns should acquire more than one (1) undeveloped Lot from the Declarant for the purposes of development.

Section 2.7. "Development Period" means the period of time commencing with Declarant's acquisition of the Property and ending when Declarant has completed the development and sale of,

860091210

and no longer owns, any Lot or any other portion of the real estate in the Property (as hereinafter defined).

Section 2.8. "DMD" means the Department of Metropolitan Development of Marion County, Indiana, its successors or assigns of any or all of its rights under this Declaration.

Section 2.9. "Dwelling Unit" means any single-family residence situated upon a Lot (as hereinafter defined), whether attached or detached.

Section 2.10. "Lot" means any parcel of land designated as such upon the Plat (as hereinafter defined) or, after construction of a Dwelling Unit, that parcel of land upon which a Dwelling Unit is constructed that is conveyed to an Owner (as hereinafter defined) by the Declarant. A "Lot" may contain portions of real estate greater or less than its originally platted dimensions should the Declarant deem it advisable in order to accommodate the construction of a Dwelling Unit.

Section 2.11. "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, including contract sellers, but otherwise excluding those having such interest merely as security for the performance of an obligation. The term "Owner" shall also exclude any individual or entity purchasing a Lot solely for the purpose of constructing a for-sale dwelling thereon, until such time as the first Lot in the Property, as hereinafter defined, is conveyed to an individual or entity who intends to occupy or rent same. At such time, the term "Owner" shall include individuals or entities more commonly referred to as "Builders". Unless specifically indicated to the contrary, the term Owner as used herein shall include the Declarant, so long as the Declarant shall own any Lot.

Section 2.12. "Plat" means the subdivision plat of the Property (as hereinafter defined) identified as "Final Plat of Eagle Cove, Section 1", recorded the 6th day of June, 1986, as Instrument Number 86-48607, in the Office of the Recorder of Marion County, Indiana, as the same may be hereafter amended or supplemented by law or pursuant to this Declaration.

Section 2.13. "Property" means the real estate described in Exhibit "A", and any additions annexed thereto, pursuant to the Declaration of Covenants, Conditions and Restrictions of Eagle Cove, as amended.

860091210

ARTICLE III

Property Rights, Easements and Encroachments

Section 3.1. Owners' Easements of Enjoyment of Common Area. Every Owner shall have a non-exclusive right and easement of enjoyment, in common with all Owners, in and to the Common Area which shall be appurtenant to and shall pass with title to every Lot (in the form of a right to membership in the Association), subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated upon the Common Area;

(b) The right of the Association to suspend the voting rights and right to use of any recreational facilities by any Owner for any period during which any assessment remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(c) The right of the Association to promulgate reasonable rules and regulations governing the use of the Common Area including, without limitation, parking, swimming, boating, fishing, and upon improvements, additions or alterations to the Lots and the Common Area;

(d) The rights of Declarant as provided in this Declaration;

(e) The right of the Association to mortgage any or all of the Common Area, upon the approval of two-thirds (2/3) of the membership of each class of members of the Association;

(f) The easements reserved elsewhere in this Declaration and the right of the Association to grant further reasonable utility easements across and through the Common Area for the benefit of its members;

(g) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of each class of members has been recorded; and

(e) All other rights, obligations and duties as set forth in this Declaration, as the same may be from time to time amended or supplemented.

Section 3.2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws and any reasonable and non-discrimi-

natory rules and regulations promulgated from time to time by the Association and subject to the rights of others as set forth in Section 3.1, his or her right of enjoyment of the Common Area, to family members, guests, tenants or contract purchasers who reside on the Lot.

Section 3.3. Certain Obligations and Access Rights to the Common Area.

(a) Except as otherwise set forth in this Declaration, the Association, subject to the rights of the Owners as set forth in this Declaration, shall be responsible for the management and control, for the exclusive benefit of the Owners as provided herein, of the Common Area and for the maintenance of the same in good, clean, attractive, safe and sanitary condition, order and repair.

(b) The Association shall have and is hereby granted a general right of access and easement to all of the Common Area across the Lots, at reasonable times and at any time in case of emergency, as reasonably required by its officers, directors, employees and their agents or independent contractors, to the full extent necessary or appropriate to perform its obligations and duties as set forth in this Declaration. The easements and rights specified herein also are reserved for the benefit of Declarant so long as Declarant owns any portion of the Property and for so long as Declarant may be liable under any builder's warranty.

Section 3.4. Drainage, Utility, Sewer and Other Development Easements.

(a) Declarant hereby reserves unto itself during the Development Period, and thereafter unto any public or private utility, an undefined easement ("Drainage, Utility and Sewer Easement") for drainage, utility and sewer purposes in, on and over all of the Common Area and Lots, so as to permit Declarant to properly install and allow to be maintained all electrical, telephone, water, gas, sanitary and storm sewer, television (including but not limited to cable and/or satellite) transmission facilities, security systems and other utility services (including all necessary lines, pipes, wires, cables, ducts, antennae and other equipment and facilities) to serve any Dwelling Unit constructed on the Property. Utility and Sewer Easement shall include all areas of the Property outside the Dwelling Units to be constructed by Declarant, with the exception of any areas covered by chimneys, or patios. Improvements or permanent structures installed within the Common Area are subject to the rights (including the right to remove where reasonably necessary without duty of replacement or reimbursement) of the Declarant and any public or private utility to construct, maintain, repair or

860091210

remove any necessary facilities. This easement shall be in addition to any easement defined upon a Plat of the Property as a drainage, utility, transmission, flowage or similar type easement.

(b) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, an easement and right-of-way in and to any areas now or hereafter shown on the Plat as "Common Area - Lake," and an easement ("Lake Easement") of ingress and egress through so much of the remainder of the Property as is reasonably necessary or appropriate, to perform such actions as Declarant or the Association deem necessary or appropriate for the purpose of establishing and maintaining proper surface water drainage throughout the Property, including the construction, repair and maintenance of retention and detention ponds or lakes in accordance with the requirements of applicable law and of all governmental agencies having jurisdiction (without undertaking any obligation or duty to exceed such requirements).

(c) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, the right and an undefined easement ("Sign and Facilities Easement") to install, erect, construct and maintain an entryway sign or signs, directional signs, lighting, walkways, pathways, fences, walls and any other landscaping, architectural and recreational features or facilities considered necessary, appropriate, useful or convenient, anywhere upon the Property (except upon any Lot after the first conveyance thereof). Any signs shall comply with any applicable zoning requirements and all such facilities shall be maintained by the Association as a part of its Common Area maintenance obligations.

(d) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, the full right, title and authority to:

(i) Relocate, alter or otherwise change the location of any Drainage, Flowage, Utility, Sewer and Lake, Sign and Facilities Easement, or any facility at any time located therein or thereon;

(ii) Grant such further easements, licenses and rights-of-way, temporary or permanent, exclusive or non-exclusive, surface or otherwise, as Declarant may deem necessary or appropriate, for ingress and egress, utility and similar purposes on or within any portion of the Property, for the benefit of any of the real estate described in Exhibit "A." and,

(iii) Describe more specifically or to change the description of any Drainage, Flowage, Utility, Sewer, Lake, Sign and Facilities Easement or any other easement, license or right-of-way now or hereafter existing on the Property, by written instrument, amended Plat or amendment to the Plat recorded in the Office of the Recorder of Marion County, Indiana.

(e) The title of the Association (as to the Common Area during the Development Period) and of any Owner of any Lot shall be subject to the rights and easements reserved herein. Provided, however, that the rights reserved in this Section 3.4 shall not be exercised after the conveyance of any Lot in a manner that unreasonably and adversely affects any Dwelling Unit or portion thereof located upon such Lot or the Owner's use or enjoyment thereof, or which unreasonably restricts the rights of ingress and egress to such Lot. The rights and easements reserved by Declarant in this Section 3.4 shall run with the land, and Declarant's right to further alter or grant easements shall automatically terminate and pass to the Association one (1) year after Declarant shall have conveyed the last Lot within the Property.

Section 3.5. Easement for Emergency Purposes. An easement is hereby dedicated and granted for use in the case of an emergency by emergency vehicles such as fire trucks, police cars and ambulances and emergency personnel, public and private, over and upon the Common Area.

Section 3.6. Encroachments and Easements for Buildings. If, by reason of the location, construction, settling or shifting of a Dwelling Unit, any part of a residence appurtenant to a Lot (hereinafter in this Section 3.6 referred to as the "Encroaching Unit") now encroaches or shall hereafter encroach upon any minor portion of any other adjacent Lot or any Common Area, then in such event, an exclusive easement shall be deemed to exist and run to the Owner of the Encroaching Unit for the maintenance, use and enjoyment of the Encroaching Unit and all appurtenances thereto.

Section 3.7. Fee Title to Lot. The fee title to any Lot described as bounded by any street, lane, walkway, park, playground, lake, pond, or any other common property which has not been dedicated or accepted by the public and the fee title to any Lot shown on the recorded plat of Eagle Cove as abutting upon any such common property shall not extend upon such common property and the fee title to such common property is reserved to the grantor to be conveyed to the Eagle Cove Homeowners Association for the common enjoyment of all residents in Eagle Cove.

Section 3.8. Street Dedication. All streets now or hereafter located upon the Property are hereby dedicated to the public.

ARTICLE IV

860091210

Association Membership, Voting Rights,
Board of Directors and Professional Management

Section 4.1. Membership. Initially, the person(s) who serve as incorporator(s) of the Association shall be the member(s) (the

"Initial Member(s)"). The Initial Member(s) shall remain member(s) of the Association until the Association Articles of Incorporation are accepted by the Indiana Secretary of State, at which time the Initial Member(s) shall cease to be member(s) unless they also qualify as Class A or Class B members. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Apart from the Initial Member(s), a membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot.

Section 4.2. Classes of Membership and Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant. Class A members shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as the members holding an interest in such Lot determine among themselves, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant. The Declarant shall be entitled to three (3) votes for each Lot owned. For purposes of this calculation, it shall be assumed that Declarant owns 140 Lots, which number shall be reduced as Lots are conveyed by the Declarant to an Owner. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier: (a) when the total number of votes outstanding in the Class A membership is equal to the total number of votes outstanding in the Class B membership; or, (b) the 1st day of June, 1991.

Section 4.3. Board of Directors. The Owners shall elect a Board of Directors of the Association as prescribed by the Association's Articles and By-Laws. The Board of Directors shall manage the affairs of the Association. Directors need not be members of the Association.

Section 4.4. Professional Management. No contract or agreement for professional management of the Association, nor any other contract between Declarant and the Association, shall be for a term in excess of three (3) years. Any such agreement or contract shall provide for termination by either party with or without cause and without payment of any termination fee upon written notice of ninety (90) days or less.

860091210

ARTICLE V

Covenant for Maintenance Assessments

Section 5.1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot now or hereafter owned by

it within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

(a) Regular Monthly Assessments (for maintenance, repairs and ordinary operating expenses);

(b) Special Assessments for capital improvements and operating deficits, as provided in Section 5.5, and for special maintenance or repairs as provided in Sections 6.14 and 7.1.

Such assessments shall be established, shall commence upon such dates and shall be collected as hereinafter provided. All such assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to such Owner's successors in title unless expressly assumed by them.

Section 5.2. Roadway Maintenance. The Association shall be responsible for the maintenance of the roadways in the Property, unless they are accepted for public dedication. Unless accepted for public dedication, a portion of the Regular Monthly Assessment shall be set aside in a separate insured interest-bearing account for the purpose of maintaining, repairing and replacing the roadways (the "Roadway Assessment"). Any Roadway Assessment shall not be mingled with any other funds or used for any other purpose, except as set forth in this Section 5.2.

Section 5.3. Purpose of Regular Monthly Assessments. The Regular Monthly Assessments levied by the Association shall be used exclusively, in the reasonable discretion of the Board of Directors of the Association, for the promotion of the recreation, health, safety and welfare of the residents in the Property, for the improvement, maintenance and repair of the Common Area, for the performance of the obligations and duties of the Association and for other purposes only as specifically provided herein. A portion of the Regular Monthly Assessments shall be set aside or otherwise allocated in a reserve fund for the purpose of providing repair and replacement of the Common Area, and other capital improvements which the Association is required to maintain.

860091210

Section 5.4. Maximum Regular Monthly Assessments.

- (a) Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum Regular Monthly Assessment on any Lot shall be \$ 49.00 per Lot.
- (b) From and after January 1 of such year, the maximum Regular Monthly Assessment may be increased each calendar year not more than 10% above the maximum Regular Monthly Assessment for the previous year without a vote of the membership.
- (c) From and after January 1 of such year, the maximum Regular Monthly Assessment may be increased each calendar year by more than 10% above the maximum Regular Monthly Assessment for the previous year, with the approval of two-thirds (2/3) of those members of each class of members who cast votes in person or by proxy at a meeting duly called for this purpose.
- (d) The Board of Directors from time to time may fix the Regular Monthly Assessment, without any vote of the membership, at any amount not in excess of the maximum.

Section 5.5. Special Assessments for Capital Improvements and Operating Deficits. In addition to the Regular Monthly Assessments authorized above, the Association may levy a Special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement which the Association is required to maintain, or to recover any operating deficits which the Association may from time to time incur, provided that any such assessment shall have the assent of two-thirds (2/3) of those members of each class of members who cast votes in person or by proxy at a meeting duly called for this purpose.

Section 5.6. Notice and Quorum for Any Action Authorized Under Section 5.4 and 5.5. Written notice of any meeting called for the purpose of taking any action authorized under Section 5.4 and 5.5 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5.7. Uniform Rate of Assessment. Regular Monthly Assessments and Special Assessments for capital improvements and

to recover operating deficits must be fixed at a uniform rate for all Lots, except that Declarant and any individual or entity purchasing a Lot or Lots solely for the purpose of construction of a for-sale Dwelling Unit thereon (a "Builder") shall pay only twenty-five percent (25%) of the Regular Monthly Assessments and Special Assessments so long as any Dwelling Unit constructed upon a Lot by Declarant or Builder has not been conveyed to an Owner intending to occupy or rent said Dwelling Unit as a residence or leased to an individual or entity for use as a residence.

Section 5.8. Date of Commencement of Monthly Assessments; Due Dates. The Regular Monthly Assessment provided for herein shall commence as to each Lot on the first day of the first month following the conveyance of the Common Area. The Board of Directors shall fix any increase in the amount of the monthly assessments at least thirty (30) days in advance of the effective date of such increase. Written notice of any increase in the Regular Monthly Assessment, and written notice of any Special Assessment and such other assessment notices as the Board of Directors shall deem appropriate, shall be sent to every Owner subject thereto. The due dates for all assessments, and the assessment and collection period (i.e., annual, monthly, lump-sum or otherwise) for any Special Assessments, shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate in recordable form signed by an Officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate from the Association regarding the status of assessments for any Lot shall be binding upon the Association as of the date of its issuance.

Section 5.9. Effect of Nonpayment of Assessments; Remedies of the Association. If any assessment (or periodic installment of such assessment, if applicable) is not paid on the due date established therefor pursuant to Section 5.8 hereof, then the entire unpaid assessment (together with interest thereon, costs and attorneys' fees as hereinafter provided and as provided in Section 5.1) shall become delinquent and shall constitute a continuing lien on the Lot to which such assessment relates, binding upon the then Owner, his heirs, devisees, successors and assigns. The personal obligation of the then Owner to pay such assessments, however, shall not pass to such Owner's successors in title unless expressly assumed by them. If any assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight percent (8%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, or both. In such event, there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action; and in the event a judgment is obtained such judgment shall include interest on the assessment as above provided, costs of the action and

860091210

reasonable attorneys' fees to be fixed by the Court. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 5.10. Subordination of the Lien to Mortgages, Sale or Transfer. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. The sale or transfer of any Lot pursuant to the foreclosure of any first mortgage on such Lot (without the necessity of joining the Association in any such foreclosure action) or any proceedings or deed in lieu thereof shall extinguish the lien of all assessments becoming due prior to the date of such sale or transfer. No sale or transfer of any Lot (whether voluntary or pursuant to foreclosure or otherwise) shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof; and, except as hereinabove provided, the sale or transfer of any Lot shall not affect the lien of assessments becoming due prior to the date of such sale or transfer except to the extent that a purchaser may be protected against the lien for prior assessments by a binding certificate from the Association, issued pursuant to Section 5.8, as to whether or not such assessments have been paid.

Section 5.11. Declarant's Responsibility to Cover Deficits or Shortages. The Declarant shall cover any deficit or shortage in the funds necessary to operate the Association that may arise in the development until such time as control of the Association is transferred to the Class A members.

ARTICLE VI

Use Restrictions and Architectural Control

Section 6.1. Lot Use and Conveyance. All Lots shall be used exclusively for residential purposes, except that Declarant, during the Development Period, reserves (a) the rights provided in Sections 6.10 and 6.20 respecting the Property generally, and (b) the right to subdivide, dedicate or otherwise convey or designate all or any portion of any one or more Lots which it may own from time to time for recreational or other common uses and benefit of all Owners and other members of the Association. Any Lot or portion thereof so designated for common use shall become part of the Common Area, and reasonable rules and regulations shall be promulgated and enforced with respect thereto so that the use and enjoyment of adjacent Lots by the Owners thereof shall not be unreasonably disturbed. Except as provided in the Declaration, no Lot shall be subdivided to form units of less area. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the covenants, conditions and restrictions contained herein.

860091210

Section 6.2. Architectural Control. No building, fence, wall or other structure, except original construction of Dwelling Units by or on behalf of Declarant or a Builder, shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein, other than by the Declarant, a Builder or Board of Directors, be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. Any change in the appearance or the color of any part of the exterior of a residence shall be deemed a change thereto and shall require the approval therefor as above provided. In the event that written approval is not received as required hereunder within thirty (30) days after complete plans and specifications have been submitted, approval will not be required and this Section will be deemed to have been fully complied with.

Section 6.3. Leasing of Lots.

(a) Any Lot may be leased by the Owner, subject to compliance with the following requirements:

(i) All leases shall be in writing, and no lease shall be entered into for a term of less than one (1) year without the prior approval of the Board of Directors.

(ii) All leases shall contain provisions adequate to require the lessee to comply with the provisions of this Declaration and the By-Laws of the Association, and with all rules and regulations promulgated by the Association from time to time, to the same extent as if the lessee were an Owner and a member of the Association; and shall provide for direct action by the Association against the lessee with or without joinder of the Owner, at the Association's option.

(iii) All leases shall make the lessee personally liable (jointly and severally with the Owner) for assessments levied by the Association during the term of the lease pursuant to the terms of this Declaration and the By-Laws, to the same extent as if the lessee were the Owner and a member of the Association, and shall expressly subordinate the lessee's interest to the lien of the assessments provided for in this Declaration. Provided, however, that a lessee may be protected against the lien for assessments due prior to the date of the lease by procuring a binding certificate from the Association, as provided in the Declaration, as to whether or not such assessments have been paid.

(iv) No lease shall provide, or be interpreted or construed to provide, for a release of the Owner from his respon-

sibility to the Association for compliance with the provisions of this Declaration, the By-Laws and any rules and regulations of the Association, or from the Owner's personal liability to the Association for assessments. This requirement shall not be construed to prohibit indemnity provisions as between the Owner and lessee.

(b) Any Owner desiring to enter into a lease for his Lot shall submit the form of the proposed lease to the Board of Directors (which form need not include the identity of the lessee or the rental amount) for review for compliance with the requirements of this Section 6.3. The Board of Directors may employ an attorney in connection with any such review, and a reasonable fee may be charged to the applicant to offset the expense so incurred. In the event the Board fails to approve or disapprove the lease within fifteen (15) days after submission by the applicant, the lease shall be deemed approved. A copy of each lease by an Owner shall be provided to the Board of Directors by the Owner within thirty (30) days after execution.

(c) Subject to any contrary provisions set forth in any lease of a Lot, each lease shall be deemed to transfer to the lessee during the term of such lease all rights, privileges, obligations and limitations attendant to membership in the Association, including (except in the case of lease by Declarant) an irrevocable proxy to exercise the Owner's voting rights appurtenant to the leased Lot in all elections and on all issues presented for a vote of members, except any vote upon:

(i) An amendment to the Declaration, the Articles or By-Laws;

(ii) Annexation of additional property;

(iii) A Special Assessment for a capital improvement pursuant to Section 5.5; or,

(iv) Mortgage or dedication of all or any portion of the Common Area pursuant to Section 3.1 or Section 3.4.

(d) The provisions of paragraphs (a) and (c) of this Section 6.3 shall apply to a lease by Declarant or a Builder, after a Lot is owned by it for more than one (1) year, and Declarant or a Builder shall be deemed for all purposes to retain all voting rights in the Association appurtenant to all Lots owned by it, notwithstanding any lease or any inconsistent provisions contained in any lease. Neither Declarant or a Builder shall be required to submit any lease or leases to the Board of Directors for review as to form. However, within thirty (30) days after entering into any lease of a Lot, Declarant or a Builder shall provide to the Board of Directors a written notice setting forth the location of the Lot, the term of the lease and the identity of the lessee.

(e) Any lease or attempted lease of a Lot in violation of the provisions of this Section 6.3 shall be voidable at the election of the Association or any other party having the right to enforce the provisions of this Declaration, except that neither party to such lease may assert this provision of this Section 6.3 to avoid its obligations thereunder.

Section 6.4. Signs. During the Development Period, no "for sale" or other advertising signs of any kind (other than interior window signs) shall be displayed on any Lot without the prior written approval of Declarant. Thereafter, the placement of "for sale" or advertising or other signs of any nature, kind or description anywhere on the Property shall be subject to such reasonable rules and regulations as may be adopted by the Association.

Section 6.5. Home Occupations. No home occupation shall be conducted or maintained on any Lot other than one which is incidental to a business, profession or occupation of the Owner or occupant of any such Lot, and which is generally or regularly conducted in another location away from such Lot.

Section 6.6. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any of said Lots, except that dogs, cats or other household pets may be kept provided they are not kept, bred or maintained for any commercial purposes.

Section 6.7. Outside Storage. All clotheslines, equipment, garbage cans, service yards, woodpiles or storage piles shall be kept from view of neighboring homes and streets. All rubbish, trash or garbage shall be regularly removed from the premises, and shall not be allowed to accumulate thereon. Trash may be stored in such enclosed containers, if any, provided by the Association for that purpose. All clotheslines shall be confined to patio areas.

Section 6.8. Outside Use of Lots. Except in an individual patio area appurtenant to a Dwelling Unit, no planting or gardening shall be done, and no fences, hedges, walls or other improvements shall be erected or maintained upon the Property except such as are installed in accordance with the initial construction of the buildings located thereon or as approved by the Association's Board of Directors or their designated representatives. Except for the right of ingress and egress, the Owners of Lots are hereby prohibited and restricted from using any of the Property outside the exterior building lines, patio and carport areas, except as may be allowed by the Association's Board of Directors. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Owners of Lots in the Eagle Cove subdivision and is necessary for the protection of said Owners.

Section 6.9. Setback Lines. Front and rear building setback lines are established on the Plat which setback lines are incorporated herein by this reference.

Section 6.10. Side Setbacks. Adjacent Dwelling Units may be attached. If a Dwelling Unit is not attached, there shall be at least ten feet (10') between it and any adjacent Dwelling Unit.

Section 6.11. Number of Dwelling Units. The number of Dwelling Units shall not exceed the number of platted lots within the Property.

Section 6.12. Dwelling Unit Direction. Dwelling Units located upon Lots 46 and 49 shall face Eagle Cove East Drive. Dwelling Units located upon Lots 1 and 35 shall face Eagle Cove West Drive. Dwelling Units located upon Lots 131 and 132 (if platted) shall face Eagle Cove West Drive.

Section 6.13. Parking. No parking shall be allowed within street right-of-way. All Dwelling Units adjacent to any lake located upon the Property shall have two (2) car garages with automatic garage door openers.

Section 6.14. Unsightly Growth. In order to maintain the standards of the Property, no weeds, underbrush or other unsightly growths shall be permitted to grow or remain upon any land, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. Failure to comply shall warrant the Declarant or DMD. to cut weeds or clear the refuse from the Property at the expense of the Owner, and there shall be a lien against said Property for the expense thereof, which lien shall be due and payable immediately. If such lien is not promptly paid, the Association or DMD may file suit and recover such amount together with reasonable attorneys fees and costs of collection.

Section 6.15. Nuisances. No nuisance shall be permitted to exist or operate upon the Property.

Section 6.16. Site Visibility. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) feet and six (6) feet above the street shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting points twenty-five (25) feet from the intersection of said street lines, or in the case of a rounded property corner from the intersection of the street lines extended. The same sightline limitations shall apply to any lot within ten (10) feet from the intersection of a street line with the edge of a driveway pavement or alley line. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

860091210

Section 6.17. Boats, Trucks, Etc. No boats, campers, trailers of any kind, recreational vehicles or commercial vehicles of any kind shall be permitted to park on the Property for more than four (4) hours unless fully enclosed inside a building, or unless the same is necessary and incident to the Declarant or Association's business on the Property.

Section 6.18. Lake Area. Access to the Lake is restricted to the Common Area adjacent to the Lake except for those individuals whose Dwelling Units are immediately adjacent to the Lake. No individual using the Lake has the right to trespass upon shoreline not within a Common Area, subject to the rights of the Declarant, the Association, their employees, heirs, successors and assigns as set forth in the Declaration. No one shall do or permit any action or activity which could result in pollution of the Lake, diversion of water, elevation of Lake level, earth disturbance resulting in silting or any other conduct which could result in an adverse effect upon water quality, drainage or proper lake management except as provided in the Declaration. The Lake may not be used for swimming, boating, fishing or for any other purpose, except for drainage of the Property, unless expressly approved by the Association Board of Directors in writing and allowed by law. Only the Declarant and the Association shall have the right to store items or develop recreational facilities upon any Common Area adjacent to the Lake.

Section 6.19. Rules and Regulations. The Board of Directors from time to time may promulgate further rules and regulations concerning the use of Lots and the Common Area. A majority of those Owners voting at a meeting called for the purpose may rescind or modify any rule or regulation adopted by the Board of Directors. Copies of all rules and regulations shall be furnished by the Board to all Owners, at the Owner's last known address, prior to the time when the same shall become effective. The Association shall have current copies of the Declaration, Articles and By-Laws, and other rules concerning the Property as well as its own books, records and financial statements available for inspection by Dwelling Unit Owners or by holders, insurers and guarantors of first mortgages, that are secured by Dwelling Units in the Property. These documents shall be available during normal business hours or under other reasonable circumstances.

Section 6.20. Development and Sale Period. Nothing contained in this Article VI shall be construed or interpreted to restrict the activities of Declarant or a Builder in connection with the development of the Property and sale of Lots. During the Development Period, Declarant or a Builder shall be entitled to engage in such activities and to construct, install, erect and maintain such facilities, upon any portion of the Property at any time owned or leased by Declarant or a Builder, as in the sole opinion of Declarant or a Builder may be reasonably required, or convenient or incidental to, the development of the Property and sale of the

Lots; such facilities may include, without limitation, storage areas, signs, parking areas, model residences, construction offices, sales offices and business offices.

ARTICLE VII

Maintenance, Repairs and Replacements

Section 7.1. By Owners. Except as provided in Section 7.2(b) of this Article, each Owner shall, at his own expense be responsible for, and shall promptly perform as the need therefor arises, all maintenance, repairs, decoration and replacement of his own Dwelling Unit, both interior and exterior. In addition, each Owner shall furnish and be responsible for the maintenance of all portions of his Lot, except (a) for such portions thereof as may, in accordance with the terms of this Declaration, be designated as part of the Common Area solely for purposes of maintenance only and (b) lawn maintenance as provided in Section 7.2 below. All fixtures and equipment installed within or as part of the Dwelling Unit, commencing at the points where the utility lines, pipes, wires, conduits or systems enter the Lot upon which said Dwelling Unit is located, shall be maintained and kept in repair by the Owner thereof. Each Owner shall promptly perform all maintenance and repair of his Lot and Dwelling Unit which, if neglected, might adversely affect any other Lot or Dwelling Unit or any part of the Common Area. Such maintenance and repairs include, but are not limited to, internal water lines, plumbing, electric lines gas lines, appliances, and all other fixtures, equipment and accessories belonging to the Owner and a part of or appurtenant to his Dwelling Unit or Lot.

Section 7.2. Common Properties and Exteriors of Dwelling Units and Lawns by the Association.

(a) Maintenance, repairs, replacements and upkeep of the Common Area shall be furnished by the Association, as part of its duties, and the cost thereof shall constitute a part of the Common Expenses.

(b) The Association, as part of its duties, and as part of the Common Expenses, shall provide for:

(i) Maintenance, repairs, replacement and upkeep of the exteriors of each Dwelling Unit. Such exteriors including, but not limited to, roofs, gutters, doors, windows (excluding glass which shall be considered a part of interior maintenance) and exterior walls shall be considered part of the Common Area for purposes of maintenance only.

(ii) Maintenance of the lawns, which shall be considered part of the Common Area for purposes of maintenance only. Main-

tenance of lawns shall include, but shall not be limited to, the watering, fertilizing, mowing and replanting when necessary of the grass; and the care, fertilizing, trimming, removal and replacement of trees planted by the Declarant or builder of a Dwelling Unit. It shall not include the care and maintenance of shrubs, trees which were not planted by Declarant or builder of a Dwelling Unit, flowers or other plants on any lot.

The Board of Directors may adopt such other rules and regulations concerning maintenance, repair, use and enjoyment of the Common Area (or items deemed Common Area for purposes of maintenance only) as it deems necessary.

(c) Notwithstanding any obligation or duty of the Association to repair or maintain any of the Common Area (or items deemed Common Area for purposes of maintenance only), if, due to the willful, intentional or negligent acts or omissions of an Owner or a member of his family or of a guest, tenant, invitee or other occupant or visitor of such Owner, damage shall be caused to the Common Area (or items deemed as such for purposes of maintenance only), or if maintenance, repairs or replacements shall be required thereby which would otherwise be at the Common Expense, then such Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Association, unless such loss is covered by the Association's insurance with such policy having a waiver of subrogation clause. If not paid by such Owner upon demand by the Association, the cost of repairing such damage shall be added to and become a part of the assessment to which such Owner's Lot is subject.

(d) The authorized representatives of the Association, the Board of Directors and the Managing Agent for the Association (if any) shall be entitled to reasonable access to any Lot as may be required in connection with maintenance only, repairs or replacements of or to the Common Area and items deemed as Common Area for purposes of maintenance only, including, but not limited to, access to any easements reserved by any subdivision plat of any portion of the Property for such purposes.

Section 7.3. Snow Removal and Other Work. The Association may, at the discretion of the Board of Directors, perform snow removal for Owners. Snow removal shall be limited to driveways and service walks. It shall not include patios, porches, entries or steps.

The Association is not prohibited from providing other services to Owners upon the following conditions:

(a) The Owner is charged a reasonable fee for such maintenance work that is designed to reimburse the Association for the full cost thereof;

860091210

(b) The Association is willing to perform similar work for any other Owners in Eagle Cove;

(c) There shall be no discrimination among the Owners in the performance of any such work.

Such services may be provided by the Association, subject to the above conditions, at the discretion of the Board of Directors.

ARTICLE VIII

Party Walls

Section 8.1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of two or more Dwelling Units constructed upon the Property and placed on the dividing lines between the Dwelling Units shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 8.2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared equally by the Owners who make use of the wall in proportion to such use.

Section 8.3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, he shall contribute to the cost of restoration thereof in equal proportions without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 8.4. Weatherproofing. Notwithstanding any other provisions of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 8.5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 8.6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be a

majority of all the arbitrators. (Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor, the Board of Directors of the Association shall select an arbitrator for the refusing party).

ARTICLE IX

Insurance

Section 9.1. Casualty Insurance on Insurable Common Area. The Association shall keep all insurable improvements and fixtures of the Common Area actually owned by the Association, as opposed to property designated as Common Area for the purposes of maintenance only, insured against loss or damage by fire for the full insurance replacement cost thereof, and may obtain insurance against such other hazards and casualties as are customarily covered for similar types of projects, including those covered by the standard "all risk" endorsements. The Association may also insure any other property whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to such Common Area shall be written in the name of, and the proceeds thereof shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are Common Expenses included in the Regular Monthly Assessments made by the Association.

Section 9.2. Casualty Insurance on All Dwelling Units. In addition to casualty insurance on the Common Area, the Association through the Board of Directors, shall obtain and continue in effect, on behalf of all Owners, adequate blanket casualty and fire insurance in such form as the Board of Directors deems appropriate in an amount equal to the full replacement value, without deduction for depreciation or co-insurance, of all of the Dwelling Units, including the structural portions and fixtures thereof, owned by such Owners. Insurance premiums from any such blanket insurance coverage, and any other insurance premiums paid by the Association shall be a Common Expense of the Association to be included in the regular Monthly Assessments of the Owners as levied by the Association. The insurance coverage with respect to the Dwelling Units shall be written in the name of, and the proceeds thereof shall be payable to the Association as Trustee for the Homeowners and, if applicable, the first mortgagee of each Lot. The Association shall repair or replace the same from the insurance proceeds available.

Section 9.3. Liability Insurance. The Association shall purchase a master comprehensive general liability insurance

policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time. Such comprehensive general liability insurance policy shall cover the Association, its Board of Directors, any committee or organ of the Association or Board of Directors, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Association. It shall also cover all Common Areas, public ways and any other areas under the Association's control or supervision.

Section 9.4. Fidelity Bonds. The Association shall have blanket fidelity bonds for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The Association bonds shall name the Association as the obligee and the premium shall be paid as a common expense by the Association. Any management agent that handles funds for the Association shall be covered by its own fidelity bond, which must provide the same coverage required of the Association. The Association shall be named as an additional obligee in the management agent's bond. The fidelity bond shall cover the maximum funds that will be in the custody of the Association or its management agent at any time while the bond is in force. In addition, the fidelity bond coverage must at least equal the sum of three months' assessments on all Dwelling Units in the Property, plus the Association's reserve funds. The fidelity bonds must include a provision that calls for ten days' written notice to the Association or insurance trustee before the bond can be cancelled or substantially modified for any reason. The same notice must also be given to each servicer that services a Fannie Mae owned mortgage in the Property.

Section 9.5. Miscellaneous Insurance Provisions. The Association shall obtain any other insurance required by law to be maintained, including but not limited to workmen's compensation insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate. Such insurance coverage shall also provide for and cover cross liability claims of one insured party against another insured party. Such insurance shall inure to the benefit of the Association, its Board of Directors and any managing agent acting on behalf of the Association.

Section 9.6. Casualty and Restoration. Damage to or destruction of any Common Area due to fire or any other casualty or disaster shall be promptly repaired and reconstructed by the Association and the proceeds of insurance, if any, shall be applied for that purpose. For purposes of this Section, repair, reconstruction and restoration shall mean construction or rebuilding of the damaged property to as near as possible the same condition as it existed immediately prior to the damage or destruction, with the same or a similar type of architecture.

860091210

Section 9.7. Insufficiency of Insurance Proceeds. If the insurance proceeds received by the Association as a result of any such fire or any other casualty or disaster are not adequate to cover the cost of repair and reconstruction, or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing the Common Area or any improvements damaged or destroyed (or the costs thereof in excess of insurance proceeds received, if any) shall be paid by the Association which shall then have the right to levy a special assessment against all Lots for such deficiency.

Section 9.8. Surplus of Insurance Proceeds. In the event that there is any surplus of insurance proceeds after the reconstruction or repair of the damage has been fully completed and all costs paid, such sums may be retained by the Association as a reserve or may be used in the maintenance and operation of the Property, or, in the discretion of the Board of Directors, may be distributed to the Owners or the Dwelling Units affected and their Mortgagees who are the beneficial owners of the fund. The action of the Board of Directors in proceeding to repair or reconstruct damage shall not constitute a waiver of any rights against another Owner for committing willful or malicious damage.

ARTICLE X

Mortgagees

Section 10.1. Mortgagee Rights. In addition to any other rights provided elsewhere in this Declaration to mortgagees, any lender or lenders holding a first mortgage or first mortgages upon any Lot or Lots, jointly or singly, may pay any real estate taxes or other taxes or charges which are in default and which may or have become a charge or lien against any Common Area or any other property owned by the Association; and may pay any overdue premiums on any hazard, casualty, liability or other insurance policies or secure new insurance coverage on the lapse of any policies for any such property owned by the Association or covering any property for which the Association has an obligation to maintain insurance coverage. Any such lender or lenders making payments in accordance with this Section 10.1 shall be entitled to immediate reimbursement therefor from the Association along with any costs incurred, including reasonable attorneys' fees.

Section 10.2. Notice to Mortgagees. The Association, upon request, shall provide to any lender holding a first mortgage upon any Lot, a written certificate or notice specifying unpaid assessments and other defaults of the Owner of such Lot, if any, in the performance of such Owner's obligations under this Declaration, the Articles of Incorporation of the Association, its By-Laws or any other applicable documents, which default has not been cured within sixty (60) days. A reasonable charge may

be made by the Association for the issuance of any such certificate or notice, and any such certificate properly executed by an officer of the Association shall be binding upon the Association, as provided in Section 5.8.

Section 10.3. Condemnation and Insurance Awards. No provisions of this Declaration, or any amendment thereto, shall give an Owner, or any other party, priority over any rights of the first mortgagee of a Lot pursuant to its mortgage in the case of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of Common Area property.

Section 10.4. Right of First Refusal. Any "right of first refusal" in the Declaration, Association Articles, Association By-Laws or any other document governing the development and administration of the Property will not impair the rights of a first mortgagee to:

- (a) Foreclose or take title to a Dwelling Unit, and the Lot upon which the Dwelling Unit is situated, pursuant to the remedies in the mortgage;
- (b) Accept a deed or assignment in lieu of foreclosure in the event of default by a mortgagor; or
- (c) Sell or lease a unit acquired by the mortgagee.

Section 10.5. Unpaid Dues or Charges. Any first mortgagee who obtains title to a Dwelling Unit, and the Lot upon which the Dwelling Unit is situated, pursuant to the remedies in the mortgage or through foreclosure, will not be liable for the Dwelling Unit's unpaid dues or charges accrued before the acquisition of the title to the Unit by the mortgagee.

Section 10.6. Audited Statements. The Association must provide an audited statement for the preceding fiscal year if the holder, insurer or guarantor of any first mortgage that is secured by a Dwelling Unit in the Property submits a written request for it.

ARTICLE XI

Annexation

Section 11.1. Property Subject to Annexation by Declarant. Declarant reserves the right to annex additional lands within the area described in Exhibit "C" without the consent of the Owners, or any other party within seven (7) years from the recordation date of the Declaration. The number of Dwelling Units within the total development shall be limited to 140.

860091210

Section 11.2. Effective Date for Assessments and Voting Rights. The regular assessment provided for in the Declaration shall commence as to each Lot within the annexed area on the first day of the first month following the conveyance of any common area within the annexed area. If there is no common area within the annexed area, the regular monthly assessments shall commence as to each Lot on the first day of the first month following the recording of the Plat of any annexed area. Voting rights of the Owners of the Lots within the annexed property shall be effective upon the same date, except the Declarant shall have the voting rights provided for in Article IV, Section 4.2.

Section 11.3. Improvements. All improvements intended for future phases will be substantially completed prior to annexation. Any future improvements will be consistent with the initial improvements within the Property in terms of quality of construction.

Section 11.4. Equality of Rights. All Lot Owners within an annexed area shall have the same rights, liabilities and obligations as any other Owner within the Property, subject to the rights, liabilities and obligations specifically set forth as to the Declarant or a Builder in other sections of this Declaration.

Section 11.5. Annexation Document. Annexation shall be by written document including, but not necessarily limited to, the following information:

- (a) A description of the property to be annexed;
- (b) The identity of the Declarant;
- (c) The effective date of annexation;
- (d) A description of the Common Area to be owned by the Association;
- (e) A cross-reference to this Declaration, as amended; and
- (f) Any other information which the Declarant may deem necessary to identify the annexed area.

Section 11.6. Annexation of Other Areas. Additional land outside of the area described in Exhibit "C" may be annexed to the Property with the consent of FNMA eligible mortgage holders representing at least 67 percent of the votes of the mortgaged units and with the consent of two-thirds (2/3) of each class of members.

Section 11.7. FHA/VA Approval. If the Property has been approved for FHA/VA insured issued mortgage financing, the FHA and the VA must first determine that the annexation, whether by

Declarant or otherwise, is in accord with the general plan heretofore approved by them.

ARTICLE XII

General Provisions

Section 12.1. Right of Enforcement. In the event of a violation, or threatened violation, of any of the covenants, conditions and restrictions herein enumerated, Declarant, the Association or any Owner and all parties claiming under them shall have the right to enforce the covenants, conditions and restrictions contained herein, and pursue any and all remedies, at law or in equity, available under applicable Indiana law, with or without proving any actual damages, including the right to secure injunctive relief or secure removal by due process of any structure not in compliance with the covenants, conditions and restrictions contained herein, and shall be entitled to recover reasonable attorneys' fees and the costs and expenses incurred as a result thereof.

Section 12.2. Severability and Waiver. Invalidation of any one of the covenants, restrictions or provisions contained in this Declaration by judgment or court order shall not in any way affect any of the other provisions hereof, which shall remain in full force and effect. No delay or failure by any person to enforce any of the restrictions or to invoke any available remedy with respect to a violation or violations thereof shall under any circumstances be deemed or held to be a waiver by that person of the right to do so thereafter, or as estoppel of that person to assert any right available to him upon the occurrence, recurrence or continuation of any violation or violations of the restrictions.

Section 12.3. Amendment. During the first twenty (20) years following its recordation, this Declaration may be amended or modified at any time by an instrument recorded in the Office of the Recorder of Marion County, Indiana, approved and signed by at least ninety percent (90%) of the then Owners, and thereafter by an instrument signed by at least seventy-five percent (75%) of the then Owners. Provided, however, that none of the rights or duties of Declarant reserved or set out hereunder may be amended or changed without Declarant's prior written approval. Except as prohibited below, this Declaration may also be amended by Declarant, if it then has any ownership interest in the Property, at any time within two (2) years after the recordation hereof. Any amendment must be recorded. Neither the Association, the Owners or Declarant shall effect any of the following changes without the prior written approval of two-thirds (2/3) of the first mortgagees of the Lots (based upon one (1) vote for each mortgage owned) and two-thirds (2/3) of the Owners of Lots (excluding Declarant or builder):

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area owned directly or indirectly by the Association for the benefit of the Owners of the Dwelling Units. The granting of easements for public utilities or other public purposes consistent with the intended use of the Common Area by the Dwelling Unit Owners is not a transfer in the meaning of this clause;

(b) Change the method of determining the obligations, assessments, dues or other charges that may be levied against a Dwelling Unit Owner;

(c) By act or omission change, waive or abandon any scheme of regulations or their enforcement pertaining to the architectural design or the exterior appearance of units, the exterior maintenance of units, the maintenance of the Common Area, party walks, common fences and driveways, and the upkeep of lawns and plantings in the Property;

(d) Fail to maintain fire and extended coverage on insurable Common Area on a current replacement cost basis in an amount at least 100 percent of the insurable value (based on current replacement costs);

(e) Use hazard insurance proceeds for losses to any Common Area for other than the repair, replacement, or reconstruction of the Common Area.

(f) Change the voting rights, assessments, assessment liens or subordination of assessment liens, except as provided for in this Declaration;

(g) Change the the manner in which reserves for maintenance, repair and replacement of Common Areas have been set up and previously maintained by the Association;

(h) Change the rights to the use of the Common Area, except as provided for in this Declaration;

(i) Change the boundaries of any Dwelling Unit, and the Lot upon which the Dwelling Unit is situated, except as provided for in this Declaration;

(j) Any change concerning convertability of Dwelling Units into Common Area or vice versa, except as provided for in this Declaration;

(k) Allow for the expansion or contraction of the development, or the addition, annexation or withdrawal of property to or from the development, except for the Declarant's right to annex the Property set forth in Exhibit "C";

860091210

(l) Any requirements for insurance or fidelity bonds set forth in this Declaration;

(m) Any change in the manner in which units may be leased except as set forth in this Declaration;

(n) Any imposition of any restriction on a Dwelling Unit Owner's right to sell or transfer his or her Dwelling Unit;

(o) Any decision by the Association to establish self-management when professional management has been required previously by an FNMA eligible mortgage holder;

(p) Restoration and repair of the Common Area (after a hazard damage or partial condemnation) in a manner other than specified in the Declaration;

(q) Any action to terminate the legal status of the development after substantial destruction or condemnation occurs;

(r) Any provision that expressly benefits mortgage holders, insurers or guarantors; or

(s) Any termination of legal status of the development for reasons other than substantial destruction or condemnation of the Property.

If an addition or amendment is not considered as a material change, such as the correction of a technical error or the clarification of a statement within the Declaration, Association Articles, Association By-Laws or other constituent documents, there shall be an implied approval to be assumed when an eligible mortgage holder fails to submit a response to any written proposal for an amendment within thirty (30) days after proposal is made. The covenants, restrictions and all other provisions of this Declaration shall run with the land and shall be binding upon the persons owning any portion of the Property and all parties claiming under them for a period of twenty (20) years from the date of recording, and thereafter shall automatically extend for successive periods of ten (10) years each unless prior to the expiration of such ten-year period this Declaration is amended or changed in whole or in part as hereinabove provided.

Section 12.4. FHA/VA Approval. If the Property has been approved for financing insured or issued by the Federal Housing Administration ("FHA") or the Veterans Administration ("VA"), as long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional property (except for the property described in Exhibit "C"), dedication of Common Area (except as provided in this Declaration), and amendment of this Declaration.

860091210

Section 12.5. Assignment. Declarant may assign or otherwise transfer any and all of its rights as Declarant.

Section 12.6. Condemnation, Destruction or Liquidation. The Association shall be designated to represent the Dwelling Unit Owners in any proceedings, negotiations, settlements or agreements for the handling of any losses or proceeds from condemnation, destruction or liquidation of all or a part of the Common Area, or from the termination of the development. Each Dwelling Unit Owner, by his acceptance of a deed, appoints the Association as his attorney-in-fact for this purpose. Proceeds from the settlement will be payable to the Association for the benefit of the Dwelling Unit Owners and their mortgage holders. Any distribution of funds in connection with the termination of this development shall be made on a reasonable and an equitable basis.

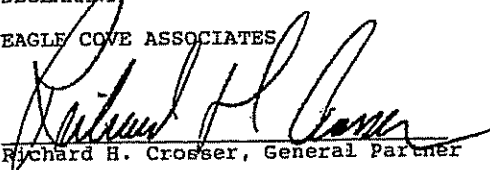
Section 12.7. Metropolitan Development Commission. The Metropolitan Development Commission, its successors and assigns, shall have no right, power or authority to enforce any covenants, commitments, restrictions or other limitations contained in this Plat other than those covenants, commitments, restrictions or limitations that expressly run in favor of the Metropolitan Development Commission; provided further that nothing herein shall be construed to prevent the Metropolitan Development Commission from enforcing any provisions of the subdivision control ordinance, 58-AO-3, as amended, or any conditions attached to approval of this Plat by the Plat Committee.

IN WITNESS WHEREOF, EAGLE COVE ASSOCIATES, an Indiana Partnership, has caused this Second Amended Declaration to be executed as of the date first written above.

"DECLARANT"

EAGLE COVE ASSOCIATES

By:


Richard H. Crosser, General Partner

860091210

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me the undersigned, a Notary Public for Marion County, State of Indiana, personally appeared Richard H. Crosser, General Partner of Eagle Cove Associates, an Indiana Partnership, and he being first duly sworn by me upon his oath, says that the facts alleged in the foregoing instrument are true.

Signed and sealed this 12th day of September, 1986.

Signature: Kyle A. Wallace

Printed name: Kyle A. Wallace

County of Residence: Marion

My commission expires: 7-18-88

RETURN TO: John W. Tousley, Attorney at Law, 600 Union Federal Building, Indianapolis, Indiana 46204

Prepared by:
John W. Tousley
Attorney at Law
600 Union Federal Building
Indianapolis, Indiana 46204
317/635-4500

code 4/DELUXE.1-.13
File No. 85068
Rev. 8/27/86

860091210

LEGAL DESCRIPTION
EAGLE COVE * SECTION 1

Part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East in Marion County, Indiana, more particularly described as follows:

Commencing at the Southeast corner of the Southwest Quarter of said Section 14; thence South 89 degrees 53 minutes 43 seconds West along the South line thereof 2672.17 feet to the Southwest corner of said Quarter Section; thence North 00 degrees 25 minutes 35 seconds East along the West line thereof 1311.85 feet; thence North 09 degrees 53 minutes 43 seconds East parallel with the South line of said Southwest Quarter 58.89 feet to the Southeastern line of an easement in favor of Indianapolis Power and Light Company as described in Deed Record 1791, page 131 and Deed Record 1797, page 307; thence North 22 degrees 44 minutes 23 seconds East along said Southeastern line of said easement 1288.02 feet to the POINT OF BEGINNING of this description; thence continuing North 22 degrees 44 minutes 23 seconds East along said easement line 50.00 feet to the Northeast corner of Lot 12 in Eagle Bay, Section 1, as per plat thereof recorded as Instrument Number 83-68953 in the Office of the Recorder of Marion County, Indiana; thence South 89 degrees 56 minutes 43 seconds East along the South line of said Eagle Bay, Section 1 and Eagle Bay, Section 2, as per plat thereof recorded as Instrument Number 84-55902 in the Office of the Recorder of Marion County, Indiana a distance of 337.37 feet; thence North 60 degrees 00 minutes 00 seconds East along the Southern line of said Eagle Bay, Section 2 a distance of 259.57 feet to the Southwestern right-of-way line of Eagle Creek Parkway; thence South 29 degrees 59 minutes 46 seconds East along said right-of-way line 507.86 feet; thence South 70 degrees 00 minutes 00 seconds West 500.00 feet; thence South 00 degrees 25 minutes 16 seconds East 110.00 feet; thence South 89 degrees 34 minutes 44 seconds West 98.00 feet; thence South 00 degrees 25 minutes 26 seconds East 50.00 feet; thence South 89 degrees 34 minutes 44 seconds West 178.00 feet; thence North 09 degrees 54 minutes 45 seconds West 162.00 feet; thence North 37 degrees 21 minutes 40 seconds East 240.00 feet; thence North 37 degrees 35 minutes 04 seconds West 150.00 feet to a point on a 60.31135 degree curve to the left, the radius point of said curve being South 37 degrees 35 minutes 04 seconds East 95.00 feet from said point; thence Southwesterly along said curve 5.53 feet to a point on said curve, the radius point of said curve being South 40 degrees 47 minutes 51 seconds East 95.00 feet from said point; thence North 40 degrees 47 minutes 51 seconds West 165.27 feet to the place of beginning, containing 7.864 acres, more or less.

860091210

EXHIBIT "A"

COMMON AREAS
EAGLE COVE - SECTION 1

COMMON AREA # 1

Beginning at the Southwest corner of Lot 47 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~86-48607~~ in the Office of the Recorder of Marion County, Indiana; thence South 89 degrees 34 minutes 44 seconds West 46.16 feet; thence North 09 degrees 54 minutes 45 seconds East 59.17 feet; thence North 70 degrees 00 minutes 00 seconds East 46.86 feet to the Northwest corner of Lot 46 in said Eagle Cove, Section 1; thence South 20 degrees 00 minutes 00 seconds East a distance of 35.10 feet to the Southwest corner of Lot 46; thence South 00 degrees 25 minutes 16 seconds East along the West line of the aforesaid Lot 47 a distance of 41.09 feet to the place of beginning, containing 0.076 acres more or less.

COMMON AREA # 2

Beginning at the Southwest corner of Lot 45 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~86-48607~~ in the Office of the Recorder of Marion County, Indiana; thence South 70 degrees 00 minutes 00 seconds West 37.97 feet; thence North 09 degrees 54 minutes 45 seconds West 52.04 feet; thence North 37 degrees 21 minutes 40 seconds East 34.27 feet to the Northwest corner of said Lot 45; thence South 20 degrees 00 minutes 00 seconds East along the West line of the said Lot 45 a distance of 69.72 feet to the place of beginning, containing 0.045 acres more or less.

COMMON AREA # 3

Beginning at the Southwest corner of Lot 23 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number ~~86-48607~~ in the Office of the Recorder of Marion County, Indiana; thence along the rear lines of Lots 23 thru 45 in said Eagle Cove Section 1 by the following seven courses; (1) South 89 degrees 56 minutes 43 seconds East 265.46 feet; (2) North 52 degrees 08 minutes 20 seconds East 58.56 feet; (3) South 74 degrees 59 minutes 46 seconds East 14.14 feet; (4) South 29 degrees 59 minutes 46 seconds East 126.00 feet; (5) South 28 degrees 00 minutes 15 seconds West 56.63 feet; (6) North 39 degrees 55 minutes 32 seconds West 85.09 feet; (7) South 70 degrees 00 minutes 00 seconds West 393.58 feet; thence leaving said rear lot lines North 37 degrees 21 minutes 40 seconds East 175.58 feet; thence North 37 degrees 35 minutes 04 seconds West 71.04 feet to the place of beginning, containing 0.992 acres more or less.

860091210

EXHIBIT "B"

LEGAL DESCRIPTION
EAGLE COVE * SECTION 2

Part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East in Marion County, Indiana, more particularly described as follows:

Commencing at the Southeast corner of the Southwest Quarter of said Section 14; thence South 89 degrees 53 minutes 43 seconds West along the South line thereof 2672.17 feet to the Southwest corner of said Quarter Section; thence North 00 degrees 25 minutes 35 seconds East along the West line thereof 1311.85 feet; thence North 89 degrees 53 minutes 43 seconds East parallel with the South line of said Southwest Quarter 58.89 feet to the Southeastern line of an easement in favor of Indianapolis Power and Light Company as described in Deed Record 1791, page 133 and Deed Record 1797, page 307, said point being the POINT OF BEGINNING; thence North 22 degrees 44 minutes 23 seconds East 1288.02 feet; thence South 40 degrees 47 minutes 51 seconds East 162.27 feet to a point on a 60.311 degree curve to the right the radius point of said curve being South 40 degrees 47 minutes 51 seconds East 95.00 feet from point; thence Northeasterly along said curve 5.33 feet to a point on said curve, the radius point of said curve being South 37 degrees 05 minutes 04 seconds East 95.00 feet from said point; thence South 37 degrees 35 minutes 04 seconds East 158.00 feet; thence South 37 degrees 21 minutes 40 seconds West 240.00 feet; thence South 09 degrees 54 minutes 45 seconds East 162.00 feet; thence North 89 degrees 34 minutes 44 seconds East 178.00 feet; thence North 00 degrees 25 minutes 16 seconds West 50.00 feet; thence North 89 degrees 34 minutes 44 seconds East 98.00 feet; thence South 00 degrees 25 minutes 16 seconds East 641.06 feet; thence South 89 degrees 53 minutes 43 seconds West 868.95 feet to the place of beginning, containing 13.376 acres more or less.

ALSO,

A part of Lot 18 of Eagle Bay I lying within Indianapolis Power and Light Company transmission line easement:

Land being part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East of the Second Principal Meridian in Marion County, Indiana, being part of Lot 18 of Eagle Bay Section I, the plat of which is recorded as Instrument No. 83-68953 in the Office of the Recorder of said County, more particularly described as follows:

Beginning at the Southwest corner of said Lot 18; thence North 00 degrees 25 minutes 35 seconds East along the West line of said Lot 18 a distance of 317.98 feet to the Westerly line of the 175 foot transmission line easement to Indianapolis Power and Light Company as recorded in Deed Record 1797, page 307; thence North 22 degrees 44 minutes 23 seconds East along the Westerly line of said easement 383.47 feet to the Northerly line of said Lot 18, said point being a point on a curve concave Northerly having a central angle of 51 degrees 29 minutes 38 seconds and a radius of 50.00 feet; thence Easterly and Northeasterly along said Northerly line an arc distance of 44.94 feet (said arc being subtended by a chord having a bearing of North 81 degrees 25 minutes 25 seconds East and a length of 43.44 feet) to a point on the Easterly line of said Lot 18; thence South 34 degrees 19 minutes 17 seconds East along said

860091210

Easterly line 164.30 feet; thence South 22 degrees 44 minutes 23 seconds West along said Easterly line 588.07 feet to the South line of said Lot 18; thence South 89 degrees 53 minutes 43 seconds West along said South line 58.89 feet to the POINT OF BEGINNING, containing 2.237 acres, more or less; subject to highways, rights-of-way and easements.

ALSO,

A part of lot 17 of Eagle Bay I, lying within Indianapolis Power and Light Company transmission line easement;

Land being part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East of the Second Principal Meridian in Marion County, Indiana, being part of Lot 17 of Eagle Bay Section I, the plot of which is recorded as Instrument No. 83-68953 in the Office of the Recorder of said county, more particularly described as follows:

Beginning at Southeast corner of said Lot 17; thence North 34 degrees 19 minutes 17 seconds East along the Southwesterly line of said Lot 17 a distance of 164.30 feet to a point on the Westerly line of said Lot 17, said point being a point on a curve concave Westerly having a central angle of 115 degrees 55 minutes 16 seconds and a radius of 50.00 feet; thence Northeasterly, Northerly and Northwesterly along said curve and along said Westerly line an arc distance of 101.16 feet (said arc being subtended by a chord having a bearing of North 02 degrees 17 minutes 00 seconds West and a length of 84.77 feet) to the point of reverse curvature of a curve concave Northeasterly having a central angle of 1 degree 30 minutes 46 seconds and a radius of 40.00 feet; thence Northwesterly along said curve an arc distance of 1.27 feet (said arc being subtended by a chord having a bearing of North 59 degrees 29 minutes 31 seconds West and a length of 1.27 feet) to the Westerly line of a 175 foot Transmission Line Easement to Indianapolis Power and Light Company recorded in Deed Record 1797, page 307 in the Office of the Recorder of said County; thence North 22 degrees 44 minutes 23 seconds East along said Westerly line 233.68 feet to a point on the Northerly line of said Lot 17; thence South 67 degrees 15 minutes 37 seconds East along said Northerly line 175.00 feet to the Northeasterly corner of said Lot 17; thence South 22 degrees 44 minutes 23 seconds West along the Easterly line of said Lot 17 a distance of 400.00 feet to the POINT OF BEGINNING, containing 1.323 acres, more or less; subject to highways, rights-of-way and easements.

ALSO,

A part of lots 13, 14, 15, and 16 in Eagle Bay, Section I, lying within an Indianapolis Power and Light Company transmission line easement recorded in Deed Record 1797 page 307 in the Office of the Recorder of Marion County, Indiana:

One hundred seventy-five (175) feet by parallel lines off the entire eastern side of lots 13, 14, 15, and 16 in Eagle Bay, Section I, as per plat thereof recorded as Instrument Number 83-68953 in the Office of the Recorder of Marion County, Indiana, containing 1.105 acres, more or less, subject to all legal highways, rights-of-way, easements and restrictions of record.

860091210

May 5, 1986

BY-LAWS
OF
EAGLE COVE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

General

Section 1. Name. The name of the corporation is Eagle Cove Homeowners Association, Inc., hereinafter referred to as "Association."

Section 2. Principal Office. The post office address of the principal office of the Association is 2935 East 96th Street, Suite A, Indianapolis, Indiana 46240, but meetings of Members and Directors may be held at such places within the State of Indiana, in or near Hamilton or Marion Counties, in the case of Members' meetings, as may be designated by the Board of Directors.

Section 3. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE II

Definitions

Section 1. "Articles" means the Articles of Incorporation of the Association (as hereinafter defined) filed, or to be filed, with the Office of the Secretary of State of Indiana, as the same are or hereafter may be amended from time to time.

Section 2. "Association" means Eagle Cove Homeowners Association, Inc., a formed or to-be-formed Indiana not-for-profit corporation, its successors and assigns.

Section 3. "Board of Directors" means the Board of Directors of the Association.

Section 4. "Common Area" means (1) those portions of the Property (as hereinafter defined), including improvements thereto, facilities and personal property owned or leased by the Association from time to time for the common use, benefit and enjoyment of the Owners (as hereinafter defined) and (2) items deemed Common Area for maintenance purposes only. Unless expressly stated to the contrary, the term Common Area as used herein (whether or not so expressed) shall include all private streets and all other portions of the Property not designated as Lots (as hereinafter defined). The Common Area to be conveyed to

the Association at the time of conveyance of the first Lot to an Owner is described in Exhibit "B".

Section 5. "Common Expenses" shall mean and refer to expenses of administration of the Association, and expenses for the upkeep, maintenance, repair and replacement of the Common Area, and all sums lawfully assessed against the Owners by the Association, and all sums, costs and expenses declared by the Declaration to be Common Expenses.

Section 6. "Declarant" and "Declaration" means Eagle Cove Associates, its successors and assigns as a declarant, if such successors or assigns should acquire more than one (1) undeveloped Lot from the Declarant for the purposes of development pursuant to the Declaration of Covenants, Conditions and Restrictions of Eagle Cove (the "Declaration"), as amended.

Section 7. "Development Period" means the period of time commencing with Declarant's acquisition of the Property and ending when Declarant has completed the development and sale of, and no longer owns, any Lot or any other portion of the real estate in the Property (as hereinafter defined).

Section 8. "Dwelling Unit" means any single-family residence situated upon a Lot (as hereinafter defined) whether attached or detached.

Section 9. "Lot" means any parcel of land designated as such upon the Plat (as hereinafter defined) or, after construction of a Dwelling Unit, that parcel of land upon which a Dwelling Unit is constructed that is conveyed to an Owner (as hereinafter defined) by the Declarant. A "Lot" may contain portions of real estate greater or less than its originally platted dimensions should the Declarant deem it advisable in order to accommodate the construction of a Dwelling Unit.

Section 10. "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, including contract sellers, but otherwise excluding those having such interest merely as security for the performance of an obligation. Unless specifically indicated to the contrary, the term Owner as used herein shall include the Declarant, so long as the Declarant shall own any Lot.

Section 11. "Plat" means the subdivision plat of the Property (as hereinafter defined) identified as "Plat of Eagle Cove, Section I", recorded the 6th day of June, 1986 as Instrument Number 86-48607, in the Office of the Recorder of Marion County, Indiana, as the same may be hereafter amended or supplemented by law or pursuant to the Declaration.

860091210

Section 12. "Property" means the real estate described in Exhibit "A" and any addition annexed pursuant to the Declaration, as amended, the description of which is set forth in Exhibit "C".

ARTICLE III

Membership and Meetings of Members

Section 1. Membership and Voting. Membership in the Association and voting rights of Members are governed by the Articles. Except as otherwise provided in the Articles, in the Declaration or in Article V of these By-Laws, each question shall be determined by a majority of the eligible votes cast by the Members present, in person or by proxy, at a meeting at which a quorum is present. The Members may take any action without a meeting that could be taken at a meeting, in the manner provided in the Articles. Additionally, any action required or permitted to be taken at any meeting of the Board of Directors, may be taken without a meeting, if prior to such action a written consent to such action is signed by all members of the Board of Directors, and such written consent is filed with the Minutes of the proceeding of the Board.

Section 2. Annual Meeting. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at a time and place to be specified by the Board of Directors, unless such date is not within six (6) months after the end of the Fiscal Year. If the annual meeting date is not within six (6) months after the close of the Fiscal Year, the meeting will be held on a date within said period set by the Board of Directors and thereafter on the same day of the same month of each year, at a time and place to be specified by the Board of Directors. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 3. Special Meetings. Special meetings of the Members may be called at any time by the President of the Association, or by a majority of the Board of Directors, or upon written request of Members who together are entitled to vote one-fourth (1/4) of all the votes of the Class A Membership.

Section 4. Notice of Meetings. Except as otherwise required by the Declaration, written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by delivering or mailing a copy of such notice at least fifteen (15) days before such meeting, to each Member entitled to vote thereat, at or addressed to the Member's address last appearing in the records of the Association,

860091210

or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose or purposes of the meeting. Notice of any meeting may be waived by a written waiver filed with the Secretary or by attendance at the meeting in person or by proxy.

Section 5. Quorum. The presence at the meeting, in person or by proxy, of Members entitled to cast one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action, except as otherwise required by the Articles or the Declaration. If, however, such quorum shall not be present at any meeting, the Members present and entitled to vote thereat are empowered to adjourn the meeting from time to time, without notice other than announcement at the meeting, until such later time or date that a quorum shall be present in person or by proxy.

Section 6. Voting by Co-Owners and Entities. The vote appurtenant to any Lot in which more than one person owns an interest may be exercised by any of such persons present at any meeting, unless the Association is advised (by objection or protest at the meeting or written notice prior thereto) by any other person owning an interest in such Lot that the Owners of the Lot are unable to agree upon the manner in which the vote appurtenant to such Lot shall be cast at such meeting or on any particular question to come before such meeting. In such event the vote appurtenant to the Lot shall not be counted at the meeting or on the particular question noted, as the case may be. In the event any Lot is owned by a corporation, then the vote appurtenant to such Lot shall be cast by a person designated in a certificate signed by the President or any Vice President of such corporation and attested by the Secretary or an Assistant Secretary of such corporation and filed with the Secretary of the Association prior to the meeting. The vote appurtenant to any Lot owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and unless any objection or protest by any other such trustee or partner is noted at such meeting or in writing prior thereto, the Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes.

Section 7. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot. No proxy shall be valid after eleven (11) months from the date of its execution unless a longer time is expressly provided in the proxy.

Section 8. Suspension of Voting Rights. No Class A Member shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due to the

Association shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors.

Section 9. Rights of Mortgagees. An institutional mortgagee (as defined in Article XII, Section 2) or any Lot who desires notice of the annual and special meetings of the Members shall notify the Secretary to that effect by Registered Mail - Return Receipt Requested. Any such notice shall contain the name and post office address of such institutional mortgagee and the name of the person to whom such notice should be addressed. The Secretary of the Association shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual or special meeting of the Members to each such institutional mortgagee, in the same manner, and subject to the same requirements and limitations as are provided for notice to the Members in Section 4 of this Article III. Any representative to attend any annual or special meeting of the Members and such representative may participate in the discussion at any such meeting and may, upon his request made to the Chairman in advance of the meeting, address the Members present at any such meeting. Such representative shall have no voting rights at any such meeting.

Section 10. Action Taken by Conference Phone. Any or all the members of the Association may participate in a meeting of the Board by means of a conference telephone or similar communication equipment, by which all persons participating in the meeting, can communicate with each other, and participation in this manner constitutes presence in person at the meeting.

ARTICLE IV

Board of Directors General Information

Section 1. General Powers and Duties. The Board of Directors shall manage the affairs of the Association.

Section 2. Number. The Board of Directors shall be composed of three (3) members, who need not be Members of the Association.

Section 3. Term of Office. The members of the initial Board of Directors shall serve until the first annual meeting of the Members of the Association. Thereafter, such Director shall be elected to serve a term of one (1) year and until his successor is elected and qualified. A Director may serve any number of consecutive terms.

Section 4. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association, at a meeting of the Members called expressly for

860091210

that purpose. A Director also may be removed by a majority vote of the other members of the Board of Directors if he fails to attend three (3) or more consecutive meetings of the Board.

Section 5. Compensation. Directors shall receive no compensation for their services as directors of the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of his duties.

ARTICLE V

Nomination and Election of Directors

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor by any Member eligible to vote at the meeting. The Nominating Committee shall consist of a Chairman who shall be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by written ballot. In the election of Directors, each Member or his proxy may cast, in respect to each vacancy, as many votes as he is entitled to cast under the provisions of the Articles. The three (3) persons receiving the highest, second highest and third highest numbers of votes, respectively (whether or not a majority of the votes cast, shall be elected. Cumulative voting is not permitted.

Section 3. Vacancy. When a vacancy occurs on the Board of Directors by reason of the death, resignation, removal or incapacity of a Director, or for any other reason except the expiration of a Director's term or an increase in the number of Directors prescribed in these By-Laws, the remaining Directors shall by majority vote elect a Director to serve until the next annual meeting of the Members of the Association. When a vacancy occurs by reason of an increase in the number of Directors prescribed in these By-Laws, the vacancy shall be filled by a vote of the Members of the Association, pursuant to Sections 1 and 2 of this Article V.

860091210

ARTICLE VI

Meetings of Directors

Section 1. Quorum and Voting. A majority of the Board of Directors shall be necessary to constitute a quorum for the transaction of any business except the filling of vacancies on the Board of Directors, and the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2. Annual Meeting. The newly elected Board of Directors shall meet annually, without notice, immediately following the annual meeting of the Members, for the purpose of electing officers of the Association for the ensuing year and transacting such other business as properly may come before the meeting.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Association or by a majority of the Board of Directors upon not less than three (3) days written notice. A special meeting may be held at such place as is specified in the call of the special meeting. The purpose of any such meeting need not be specified.

Section 4. Regular Meetings. Regular meetings of the Board of Directors may be held without notice, other than the adoption of a resolution of the Board establishing the meeting schedule, at such place and hour as may be fixed by resolution of the Board. Should any regular meeting date fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 5. Waiver of Notice. Notice of the time, place, and call of any meeting of the Board may be waived in writing if the waiver sets out in reasonable detail the purpose or purposes of which the meeting is called and the time and place thereof. Attendance at any meeting of the Board shall constitute a waiver of notice of such meeting and of the time, place and call thereof.

Section 6. Action Taken Without a Meeting. The Board of Directors may take any action without a meeting that could be taken at a meeting, in the manner provided in the Articles. Additionally, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof, may be taken without a meeting, if prior to such action a written consent to such action is signed by all members of the Board of Directors or of such committee, as the case may be, and such written consent is filed with the minutes of proceeding of the Board or committee.

860091210

Section 7. Action Taken by Conference Phone. Any or all the members of the Board of Directors may participate in a meeting of the Board or committee, by means of a conference telephone or similar communication equipment, by which all persons participating in the meeting can communicate with each other, and participation in this manner constitutes presence in person at the meeting.

ARTICLE VII

Specific Powers and Duties of the Board of Directors

Section 1. Powers. Without limitation on the Board's general power to manage the affairs of the Association, the Board of Directors shall have power to:

A. Adopt and publish rules and regulations governing the use of the Lots, the Common Area and any facilities at any time located on the Properties, and the personal conduct of the Members and guests thereon, and to establish penalties for the infraction thereof;

B. Suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations; and,

C. Exercise for the Association all powers, duties and authority vested in or delegated to the Association (and not reserved to the membership) by the provisions of these By-Laws, the Articles or the Declaration and applicable law.

Section 2. Duties. Without limitation on the Board's general duty to manage the affairs of the Association, it shall be the duty of the Board of Directors to:

A. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

B. Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

C. As more fully provided in the Declaration, to:

1. Fix and send written notice of assessments; and,
2. Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date,

or bring an action at law against the owner personally obligated to pay the same.

D. Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

E. Procure and maintain the insurance coverages required by the Declaration;

F. Cause all officers or employees having fiscal responsibilities to be bonded, as required by the Declaration, and,

G. Cause the Property to be maintained to the extent of the Association's responsibility therefor as provided in the Declaration.

ARTICLE VIII

Duties of Officers

Section 1. Enumeration of Officers. The officers of this Association shall be a President who shall at all times be a member of the Board of Directors, a Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time-to-time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year and until his successor is elected and qualified, unless he shall sooner resign, or shall be removed or otherwise become disqualified to serve.

Section 4. Other Offices. The Board may elect one or more additional vice presidents, assistant secretaries or other officers as the Board may deem necessary or appropriate, each of whom shall hold office for one (1) year (and until his successor is elected and qualified) or such shorter period, and shall have such authority and perform such duties, as the Board may from time-to-time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the

860091210

Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer, or those of Vice President and Treasurer, may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The general duties of the officers, subject at all times to further delineation and delegation of duties by the Board, are as follows:

A. President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

B. Vice President. The Vice President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise such other duties as may be required by the Board.

C. Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association (if one is adopted) and affix it on all appropriate documents; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association, together with their addresses, and shall perform such other duties as required by the Board.

D. Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the Members.

860091210

ARTICLE IX

Committees

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE X

Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member and institutional mortgagee (as hereinafter defined). The Declaration, the Articles and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

Assessments

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. As more particularly set forth in the Declaration, if an assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight percent (8%) per annum; the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment; and no Owner may waive or otherwise escape liability for the assessments provided for in the Declaration by non-use of the Common Area or abandonment of his Lot.

ARTICLE XII

Notice on Mortgages

Section 1. Notice to Board of Directors. Any Member who mortgages the Lot to which his membership is appurtenant shall

860091210

promptly notify the Board of Directors of the name and address of his mortgages and, if requested to do so, shall file a conformed copy of such mortgage with the Board of Directors. The Board of Directors shall maintain a suitable roster pertaining to such mortgages. Any mortgagee of any Lot that desires that a record of its name and address be maintained by the Association may forward such information to the Secretary for the purpose of assisting in compliance with the notice provisions of these By-Laws.

Section 2. Definition. As used in this Article, the term "mortgagee" shall mean any mortgagee and shall not be limited to institutional mortgagees, and the term "mortgage" shall include a deed of trust. As used generally by these By-Laws, the term "institutional holder" or "institutional mortgagee" shall include the insurer of any mortgage and the following mortgagees: banks, trust companies, insurance companies, savings and loan associations, pension funds, real estate investment trusts, FNMA, FHLMC, and any corporation, including a corporation of, or affiliated with, the United States Government, or any agency thereof.

ARTICLE XIII

Contracts Loans and Checks

Section 1. Authorization. The Board of Directors may authorize any officer or officers or agent or agents of the Association to enter into any contract or execute any instrument on its behalf. Such authorization may be general or confined to specific instances. Except as provided in these By-Laws, no officer, agent, or employee shall have any power to bind the Association or to render it liable for any purpose or amount unless so authorized by the Board of Directors.

Section 2. Signatures. All checks, drafts, or other orders for payment of money by the Association shall be signed by the President, Secretary, Treasurer, or such other person as the Board of Directors may from time to time designate by resolution.

ARTICLE XIV

Corporate Seal

The Association need not have a seal, except as may otherwise be specifically required by applicable law, and no seal is required to make any action or document executed by the Association effective. If a seal is adopted, it shall be in circular form having within its circumference the words "EAGLE COVE HOMEOWNERS ASSOCIATION, INC."

860091210

ARTICLE XV

Amendments and Construction

Section 1. Procedure. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of members present in person or by proxy. If the Property has been approved for mortgage financing, insured or issued by the Federal Housing Administration ("FHA") or the Veterans Administration ("VA"), the FHA or VA shall have the right to veto amendments while there is Class B membership.

Section 2. Conflict with Declaration or Articles. In the case of any conflict between the Articles and these By-Laws, the Articles shall control, and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

This instrument was prepared by: John W. Tousley, Attorney at Law, 600 Union Federal Building, 45 North Pennsylvania Street, Indianapolis, Indiana 46204, 317/635-4500.

code 4DELUXE.25-.31
File 85068
Rev. 8/28/86

860091210

Easterly line 164.30 feet; thence South 22 degrees 44 minutes 23 seconds West along said Easterly line 500.02 feet to the South line of said Lot 18; thence South 89 degrees 53 minutes 43 seconds West along said South line 58.89 feet to the POINT OF BEGINNING, containing 2.237 acres, more or less; subject to highways, rights-of-way and easements.

ALSO,

A part of lot 17 of Eagle Bay I, lying within Indianapolis Power and Light Company transmission line easement;

Land being part of the Southwest Quarter of Section 14, Township 15 North, Range 2 East of the Second Principal Meridian in Marion County, Indiana, being part of Lot 17 of Eagle Bay Section I, the plat of which is recorded as Instrument No. 83-68953 in the Office of the Recorder of said county, more particularly described as follows:

Beginning at Southeast corner of said Lot 17; thence North 34 degrees 19 minutes 17 seconds East along the Southwesterly line of said Lot 17 a distance of 164.30 feet to a point on the Westerly line of said Lot 17, said point being a point on a curve concave Westerly having a central angle of 115 degrees 55 minutes 16 seconds and a radius of 50.00 feet; thence Northeasterly, Northerly and Northwesterly along said curve and along said Westerly line an arc distance of 101.16 feet (said arc being subtended by a chord having a bearing of North 02 degrees 17 minutes 00 seconds West and a length of 04.77 feet) to the point of reverse curvature of a curve concave Northeasterly having a central angle of 1 degree 30 minutes 46 seconds and a radius of 40.00 feet; thence Northeasterly along said curve an arc distance of 1.27 feet (said arc being subtended by a chord having a bearing of North 59 degrees 29 minutes 31 seconds West and a length of 1.27 feet) to the Westerly line of a 175 foot Transmission Line Easement to Indianapolis Power and Light Company recorded in Deed Record 1797, page 307 in the Office of the Recorder of said County; thence North 22 degrees 44 minutes 23 seconds East along said Westerly line 233.60 feet to a point on the Northerly line of said Lot 17; thence South 67 degrees 15 minutes 37 seconds East along said Northerly line 175.00 feet to the Northeasterly corner of said Lot 17; thence South 22 degrees 44 minutes 23 seconds West along the Easterly line of said Lot 17 a distance of 400.00 feet to the POINT OF BEGINNING, containing 1.323 acres, more or less; subject to highways, rights-of-ways and easements.

ALSO,

A part of lots 13, 14, 15, and 16 in Eagle Bay, Section I, lying within an Indianapolis Power and Light Company transmission line easement recorded in Deed Record 1797 page 307 in the Office of the Recorder of Marion County, Indiana;

One hundred seventy-five (175) feet by parallel lines off the entire eastern side of lots 13, 14, 15, and 16 in Eagle Bay, Section I, as per plat thereof recorded as Instrument Number -68953 in the Office of the Recorder of Marion County, Indiana, containing 1.105 acres, more or less, subject to all legal highways, rights-of-way, easements and restrictions of record.

May 5, 1906

860091210

LEGAL DESCRIPTION
EAGLE COVE * SECTION 2

Part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East in Marion County, Indiana, more particularly described as follows:

Commencing at the Southeast corner of the Southwest Quarter of said Section 14; thence South 89 degrees 53 minutes 43 seconds West along the South line thereof 2672.17 feet to the Southwest corner of said Quarter Section; thence North 00 degrees 25 minutes 35 seconds East along the West line thereof 1311.85 feet; thence North 09 degrees 53 minutes 43 seconds East parallel with the South line of said Southwest Quarter 50.89 feet to the Southeastern line of an easement in favor of Indianapolis Power and Light Company as described in Deed Record 1791, page 133 and Deed Record 1797, page 307, said point being the POINT OF BEGINNING; thence North 22 degrees 44 minutes 23 seconds East 1200.02 feet; thence South 40 degrees 47 minutes 51 seconds East 165.27 feet to a point on a 60.311 degree curve to the right the radius point of said curve being South 40 degrees 47 minutes 51 seconds East 95.00 feet from point; thence Northeasterly along said curve 5.33 feet to a point on said curve, the radius point of said curve being South 37 degrees 35 minutes 04 seconds East 95.00 feet from said point; thence South 37 degrees 35 minutes 04 seconds East 158.00 feet; thence South 37 degrees 21 minutes 40 seconds West 240.00 feet; thence South 09 degrees 54 minutes 45 seconds East 162.00 feet; thence North 89 degrees 34 minutes 44 seconds East 178.00 feet; thence North 00 degrees 25 minutes 16 seconds West 50.00 feet; thence North 89 degrees 34 minutes 44 seconds East 90.00 feet; thence South 00 degrees 25 minutes 16 seconds East 641.66 feet; thence South 89 degrees 53 minutes 43 seconds West 868.95 feet to the place of beginning, containing 13.376 acres more or less.

ALSO,

A part of Lot 18 of Eagle Bay I lying within Indianapolis Power and Light Company transmission line easement:

Land being part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East of the Second Principal Meridian in Marion County, Indiana, being part of Lot 18 of Eagle Bay Section 1, the plat of which is recorded as Instrument No. 83-68953 in the Office of the Recorder of said County, more particularly described as follows:

Beginning at the Southwest corner of said Lot 18; thence North 00 degrees 25 minutes 35 seconds East along the West line of said Lot 18 a distance of 317.90 feet to the Westerly line of the 175 foot transmission line easement to Indianapolis Power and Light Company as recorded in Deed Record 1797, page 307; thence North 22 degrees 44 minutes 23 seconds East along the Westerly line of said easement 383.47 feet to the Northerly line of said Lot 18, said point being a point on a curve concave Northerly having a central angle of 51 degrees 29 minutes 38 seconds and a radius of 50.00 feet; thence Easterly and Northeasterly along said Northerly line an arc distance of 44.94 feet (said arc being subtended by a chord having a bearing of North 81 degrees 25 minutes 25 seconds East and a length of 43.44 feet) to a point on the Easterly line of said Lot 18; thence South 34 degrees 19 minutes 17 seconds East along said

860091210

EXHIBIT "C"

COMMON AREAS
EAGLE COVE - SECTION 1

COMMON AREA # 1

Beginning at the Southwest corner of Lot 47 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number *86-4860* in the Office of the Recorder of Marion County, Indiana; thence South 89 degrees 34 minutes 44 seconds West 46.16 feet; thence North 09 degrees 54 minutes 45 seconds West 59.17 feet; thence North 70 degrees 00 minutes 00 seconds East 46.86 feet to the Northwest corner of Lot 46 in said Eagle Cove, Section 1; thence South 20 degrees 00 minutes 00 seconds East a distance of 35.10 feet to the Southwest corner of Lot 46; thence South 00 degrees 25 minutes 16 seconds East along the West line of the aforesaid Lot 47 a distance of 41.00 feet to the place of beginning, containing 0.076 acres more or less.

COMMON AREA # 2

Beginning at the Southwest corner of Lot 45 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number *86-4860* in the Office of the Recorder of Marion County, Indiana; thence South 70 degrees 00 minutes 00 seconds West 37.97 feet; thence North 09 degrees 54 minutes 45 seconds West 52.04 feet; thence North 37 degrees 21 minutes 40 seconds East 34.27 feet to the Northwest corner of said Lot 45; thence South 20 degrees 00 minutes 00 seconds East along the West line of the said Lot 45 a distance of 69.72 feet to the place of beginning, containing 0.045 acres more or less.

COMMON AREA # 3

Beginning at the Southwest corner of Lot 23 in Eagle Cove, Section 1 the plat of which is recorded as Instrument Number *86-4860* in the Office of the Recorder of Marion County, Indiana; thence along the rear lines of Lots 23 thru 45 in said Eagle Cove Section 1 by the following seven courses; (1) South 89 degrees 56 minutes 43 seconds East 265.46 feet; (2) North 52 degrees 08 minutes 20 seconds East 58.56 feet; (3) South 74 degrees 59 minutes 46 seconds East 14.14 feet; (4) South 29 degrees 59 minutes 46 seconds East 126.00 feet; (5) South 28 degrees 00 minutes 15 seconds West 56.63 feet; (6) North 39 degrees 55 minutes 32 seconds West 85.09 feet; (7) South 70 degrees 00 minutes 00 seconds West 393.58 feet; thence leaving said rear lot lines North 37 degrees 21 minutes 40 seconds East 175.58 feet; thence North 37 degrees 35 minutes 04 seconds West 71.84 feet to the place of beginning, containing 0.992 acres more or less.

860091210

EXHIBIT "B"

LEGAL DESCRIPTION
EAGLE COVE * SECTION 1

Part of the Southwest Quarter of Section 14, Township 16 North, Range 2 East in Marion County, Indiana, more particularly described as follows:

Commencing at the Southeast corner of the Southwest Quarter of said Section 14; thence South 09 degrees 53 minutes 43 seconds West along the South line thereof 2672.17 feet to the Southwest corner of said Quarter Section; thence North 00 degrees 25 minutes 35 seconds East along the West line thereof 1311.85 feet; thence North 09 degrees 53 minutes 43 seconds East parallel with the South line of said Southwest Quarter 58.89 feet to the Southeastern line of an easement in favor of Indianapolis Power and Light Company as described in Deed Record 1791, page 133 and Deed Record 1797, page 307; thence North 22 degrees 44 minutes 23 seconds East along said Southeastern line of said easement 1288.02 feet to the POINT OF BEGINNING of this description; thence continuing North 22 degrees 44 minutes 23 seconds East along said easement line 50.00 feet to the Northeast corner of lot 12 in Eagle Cove, Section 1, as per plat thereof recorded as Instrument Number 03-68953 in the Office of the Recorder of Marion County, Indiana; thence South 09 degrees 56 minutes 43 seconds East along the South line of said Eagle Cove, Section 1 and Eagle Cove, Section 2, as per plat thereof recorded as Instrument Number 04-55902 in the Office of the Recorder of Marion County, Indiana a distance of 337.37 feet; thence North 60 degrees 00 minutes 00 seconds East along the Southern line of said Eagle Cove, Section 2 a distance of 259.57 feet to the Southwestern right-of-way line of Eagle Creek Parkway; thence South 29 degrees 59 minutes 46 seconds East along said right-of-way line 507.86 feet; thence South 70 degrees 00 minutes 00 seconds West 500.00 feet; thence South 00 degrees 25 minutes 16 seconds East 110.00 feet; thence South 89 degrees 34 minutes 44 seconds West 98.00 feet; thence South 00 degrees 25 minutes 16 seconds East 50.00 feet; thence South 89 degrees 34 minutes 44 seconds West 178.00 feet; thence North 09 degrees 54 minutes 45 seconds West 162.00 feet; thence North 37 degrees 21 minutes 40 seconds East 240.00 feet; thence North 37 degrees 35 minutes 04 seconds West 158.00 feet to a point on a 60.31135 degree curve to the left, the radius point of said curve being South 37 degrees 35 minutes 04 seconds East 95.00 feet from said point; thence Southwesterly along said curve 5.33 feet to a point on said curve, the radius point of said curve being South 40 degrees 47 minutes 51 seconds East 95.00 feet from said point; thence North 40 degrees 47 minutes 51 seconds West 165.27 feet to the place of beginning, containing 7.864 acres, more or less.

860091210

EXHIBIT "A"

CROSS REFERENCE

880126402

CROSS REFERENCE

SECOND AMENDMENT TO DEVELOPMENT LOAN
AGREEMENT AND REAL ESTATE MORTGAGE

THIS SECOND AMENDMENT, dated the 1st day of November, 1988, by and between EAGLE COVE ASSOCIATES, an Indiana general partnership ("Borrower"), and MERCHANTS NATIONAL BANK & TRUST COMPANY OF INDIANAPOLIS, a national banking association ("Merchants"),

WITNESSETH:

WHEREAS, Borrower and Merchants entered into a certain development loan agreement, dated April 11, 1986, as amended by a certain first amendment to development loan agreement and real estate mortgage, dated July 21, 1987, and recorded July 31, 1987 as Instrument No. 87-87617, in the Office of the Recorder of Marion County, Indiana ("Amendment") ("Loan Agreement"); and

WHEREAS, advances by Merchants to Borrower under the Loan Agreement were evidenced by a certain promissory note, dated April 11, 1986, in the principal amount of Four Hundred Twenty-Three Thousand and no/100 Dollars (\$423,000.00) as replaced by a certain replacement promissory note, dated July 21, 1987, in the principal amount of Five Hundred Fifty Thousand and no/100 Dollars (\$550,000.00) ("Note"); and

WHEREAS, the Note is secured by a certain real estate mortgage, dated April 11, 1986, and recorded April 23, 1986, as Instrument No. 86-33344, in the Office of the Recorder of Marion County, Indiana, as amended by the Amendment ("Mortgage"); and

WHEREAS, Borrower and Merchants have agreed to replace the Note with a Replacement promissory note of even date herewith from Borrower to Merchants in the principal amount of One Hundred Sixty-Seven Thousand Seven Hundred Thirty and no/100 Dollars (\$167,730.00) which is due and payable on or before November 1, 1989 ("Replacement Note"); and

WHEREAS, Borrower and Merchants desire to amend the Loan Agreement and the Mortgage by this Second Amendment;

NOW, THEREFORE, in consideration of the premises and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Merchants hereby agree as follows:

1. All references in the Loan Agreement to the Loan and the Note shall be amended to refer to the loan as evidenced by the Replacement Note. All references in the Loan Agreement to the Mortgage shall be amended to refer to the Mortgage, as modified by this Second Amendment.
2. All references in the Mortgage to the Note shall be amended to refer to the Replacement Note.
3. The Replacement Note shall be secured by the Mortgage, as amended by this Second Amendment.
4. Except as amended by paragraphs 1, 2 and 3 above, the Loan Agreement and Mortgage shall remain in full force and effect in accordance with their respective terms.

RECEIVED FOR RECORD
88 DEC 13 AM 10:19
BETH O'LAUGHLIN
MARION COUNTY RECORDER

IN WITNESS WHEREOF, Borrower and Merchants have caused this Second Amendment to be executed and dated the date first above written.

EAGLE COVE ASSOCIATES

By: Richard H. Crosser
Richard H. Crosser, General Partner

By: John B. Scheumann
John B. Scheumann, General Partner
"Borrower"

MERCHANTS NATIONAL BANK & TRUST
COMPANY OF INDIANAPOLIS

By: Theresa M. Harbor
THERESA M. HARBOR, ASSISTANT
"Merchants" CASHIER

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Richard H. Crosser and John B. Scheumann, general partners of Eagle Cove Associates, an Indiana general partnership, each of whom, after having been duly sworn, acknowledged the execution of the foregoing First Amendment for and on behalf of said partnership.

Witness my hand and Notarial Seal this 5th day of December, 1988.

Deborah J. Belange
(Deborah J. Belange) Notary Public

My Commission Expires:
3-26-90

My County of Residence is:
Tippecanoe

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for such County and State, personally appeared Theresa M. Harbor, one of the Asst. Cashiers of Merchants National Bank & Trust Company of Indianapolis, who, having been duly sworn, acknowledged the

880126402

execution of the foregoing First Amendment for and on behalf of such banking association.

Witness my hand and Notarial Seal this 9th day of December, 1988.

PAUL J. CROSS
TERRELCROSS) Notary Public

My Commission Expires:

11-29-92

My County of Residence is:

MARION

This Instrument was prepared by Bruce E. Smith, Attorney.

880126402

5

**SPECIAL AMENDMENTS FOR LAWN
MAINTENANCE AND FOR PASSAGE OF AMENDMENTS
TO THE SECOND AMENDED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF EAGLE COVE**

These Special Amendments made this 19th day of April, 1994 by the Eagle Cove Homeowners Association, Inc., a Not-for-Profit Indiana Corporation (hereinafter known as "The Association"), states the following:

WITNESSETH THAT:

WHEREAS, there is presently in full force and effect the following instruments containing various declarations, covenants and restrictions controlling and governing the real estate subdivision development commonly known as "Eagle Cove" as follows:

Declaration of Covenants, Conditions and Restrictions of Eagle Cove, recorded June 6, 1986 as Instrument No. 86-48608 in the Office of the Recorder of Marion County, Indiana (hereinafter known as "Declaration"); and

First Amended Declaration of Covenants, Conditions and Restrictions of Eagle Cove, recorded July 25, 1986 as Instrument No. 86-68111 in the Office of the Recorder of Marion County, Indiana (hereinafter known as "First Amended Declaration"); and

Second Amended Declaration of Covenants, Conditions and Restrictions of Eagle Cove, recorded September 16, 1986 as Instrument No. 86-0091210 in the Office of the Recorder of Marion County, Indiana (hereinafter known as "Second Amended Declaration");

WHEREAS, The Association and Owners of Dwelling Units of Lots located in the subdivision known as Eagle Cove desire to amend said Second Amended Declaration for the purposes to adopt a Special Amendment for Lawn Maintenance to modify and change the terms

04/26/94 02:05PM JOAN H. ROMERIL MARION CITY RECORDER TLD 15.00 PAGES: 5

Inst # 1994-0066157

of Article VII, Maintenance, Repairs and Replacements, Section 7.2 (b)(ii) regarding certain duties and obligations of The Association to maintain and care for the lawns of each Owner of the Lots located within the Eagle Cove Subdivision and to further adopt a Special Amendment regarding a change to the percentage of Owners needed to approve any amendments to the Second Amended Declaration as provided in Article XII, General Provisions, Section 12.3 Amendment;

WHEREAS, the Declaration, the First Amended Declaration and the Second Amended Declaration are incorporated herein by reference and all of the covenants, rights, restrictions and liabilities contained in such documents shall apply to and govern the interpretation of these Special Amendments. The definitions as defined and used in the Second Amended Declaration shall have the same meaning as in these Special Amendments and reference is hereby specifically made to Article II, Definitions of the Second Amended Declaration, containing such definitions of terms. The provisions of these Special Amendments shall apply to the property and the administration and conduct of the affairs of The Association;

WHEREAS, pursuant to Article XII, General Provisions, Section 12.3, Amendment, these Special Amendments have been passed by approval of not less than ninety percent (90%) of the Owners of Lots in accordance with the terms and conditions of the Second Amended Declaration;

NOW, THEREFORE, The Association and Owners hereby amend the Second Amended Declaration to include these Special Amendments as follows:

**FIRST SPECIAL AMENDMENT
RELATED TO LAWN MAINTENANCE**

Article VII, Maintenance, Repairs and Replacements, Section 7.2, Common Properties and Exteriors of Dwelling Units and Lawn by the Association, (b)(ii), Maintenance of Lawns, shall now read as follows:

(ii) Maintenance of lawns by The Association shall be limited to the following responsibilities and duties:

- (1) The mowing and cutting of grass at times and intervals as determined necessary in the discretion of the Board of Directors; and,
- (2) The application of fertilizers and pesticides at times and intervals as determined necessary in the discretion of the Board of Directors.

The Owner of each Lot shall have the sole and complete responsibilities for the following duties regarding maintenance of their respective lawns:

- (1) The watering of lawns, shrubs, trees, flower beds and other plants;
- (2) The replanting, removal and replacement of lawns, shrubs, trees, flower beds and other plants; and
- (3) The trimming and maintenance of trees and shrubs.

If an Owners fails to satisfactorily perform any of his or her duties on their respective Lot, the Association may, but is not required to do so, perform such duties. Under such circumstances, the Owner shall then reimburse and pay The Association for any expenses incurred for such maintenance as determined by the Board of Directors.

**SECOND SPECIAL AMENDMENT
RELATED TO PASSAGE OF AMENDMENTS**

Article XII, General Provisions, Section 12.3, Amendment, shall now read as follows:

The Second Amended Declaration of Covenants, Conditions and Restrictions of Eagle Cove may be amended or modified at any time by an instrument recorded in the Office of the Recorder of Marion County, Indiana, approved and signed by at least sixty-five percent (65%) of the then Owners. Provided, however . . . (there shall be no further changes to the remaining language of said Section 12.3 and such language shall remain in full force and effect.)

THESE SPECIAL AMENDMENTS are subject to the Second Amended Declaration dated September 12, 1986, and appropriate amendments thereto, as such instruments are duly recorded in the Office of the Recorder of Marion County, Indiana.

IN WITNESS WHEREOF, the undersigned have caused these Special Amendments to be executed the day and year first written above.

EAGLE COVE HOMEOWNERS ASSOCIATION, INC.

By: DONALD E. WELLS

Donald E. Wells, President

ATTEST:

DONNA J. MAUER
Donna J. Mauer
Secretary

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Subscribed and sworn to before me, a Notary Public in and for said County and State,
this 19 day of April, 1994.

My Commission Expires:

April 22, 1995

Mary L. Harmon
Notary Public

MARY L. HARMON
Printed

Residing in Hendricks
County, Indiana

This instrument prepared by Gary Dilk, Buschmann, Carr & Shanks, P.C., P.C., 1020
Market Tower, Ten West Market Street, Indianapolis, Indiana 46204-2963