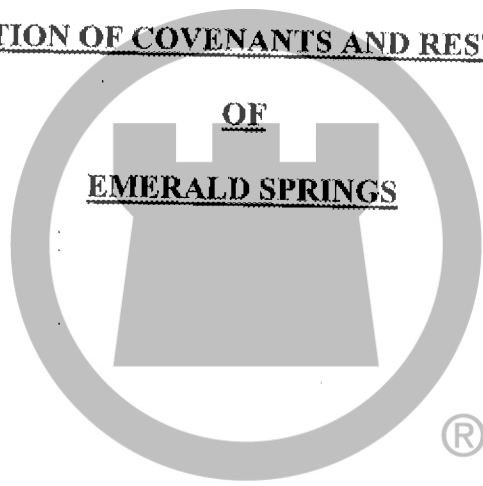


50 108

CAROLYN GRASS 50P
HANCOCK COUNTY RECORDER
RDL Date 10/10/2003 Time 14:30:56
FEE: 108.00
I 030022096 Page 1 of 50

DECLARATION OF COVENANTS AND RESTRICTIONS



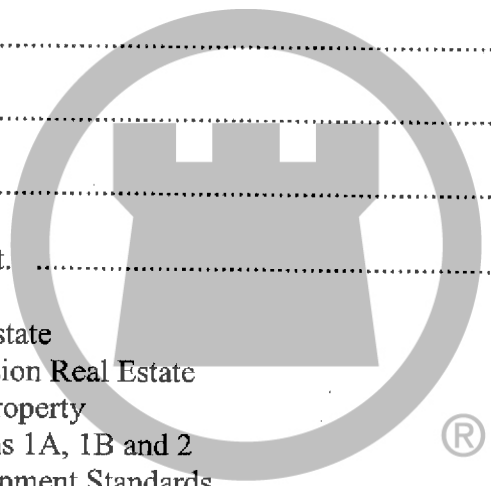
CHICAGO TITLE

TABLE OF CONTENTS

	<u>Page</u>
1. Definitions	1
2. Declaration	4
3. Description of Section 1.	4
4. Description of Emerald Springs	5
5. Lot Boundaries and Access.	5
6. Common Area.	5
7. Landscape Maintenance Access Easement.	5
8. Ownership of Common Area	5
9. Delegation of Use of the Common Area.	6
10. Easements in Common Area	6
11. Corporation; Membership; Voting; Functions.	6
(a) Membership in Corporation.....	6
(b) Voting Rights.	6
(c) Functions.....	7
12. Board of Directors.....	7
(a) Management.....	7
(b) Initial Board of Directors.	7
(c) Additional Qualifications.....	8
(d) Term of Office and Vacancy.....	8
(e) Removal of Directors.....	8
(f) Duties of the Board of Directors.....	9
(g) Powers of the Board of Directors.....	10
(h) Limitation on Board Action.	10
(i) Compensation.	11
(j) Non-Liability of Directors.	11
(k) Additional Indemnity of Directors.....	11
(l) Bond.....	11
13. Initial Management.	11

14.	Real Estate Taxes.	12
15.	Utilities.	12
16.	Maintenance, Repairs and Replacements.	12
17.	Architectural Control.	13
	(a) The Architectural Review Board.	13
	(c) Purposes.	13
	(c) Conditions.	13
	(d) Procedures.	14
18.	Assessments.	14
	(a) Annual Accounting.	14
	(b) Proposed Annual Budget.	14
	(c) Regular Assessments.	15
	(d) Special Assessments.	16
	(e) Additional Assessments.	17
	(f) Regular Assessments Prior to the Applicable Date.	17
	(g) Failure of Owner to Pay Assessments.	19
	(h) Subordination of Assessment Lien to Mortgage.	19
19.	Mortgages and Unpaid Assessments.	19
	(a) Notice to Corporation.	20
	(b) Notice of Unpaid Assessments.	20
	(c) Right of Mortgagee to Pay Real Estate Taxes or Insurance Premiums.	20
20.	Insurance.	20
	(a) Casualty Insurance.	20
	(b) Public Liability Insurance.	21
	(c) Other Insurance.	21
	(d) General Provisions.	21
	(e) Owners to Maintain Insurance.	21
21.	Casualty and Restoration of Common Area.	22
22.	Covenants and Restrictions.	22
23.	Expanding the Real Estate That is Subject to the Declaration.	26
24.	Amendment of Declaration.	26

(a)	Generally.....	26
(b)	Amendments by Declarant Only.....	27
(c)	HUD Approval.....	28
25.	Acceptance and Ratification.	28
26.	Negligence.	29
27.	Costs and Attorneys' Fees.	29
28.	Waiver.	29
29.	Severability Clause.	29
30.	Pronouns.	29
31.	Interpretation.	29
32.	The Plat.	29
33.	Controlling Document.	29
Exhibit "A"	Real Estate	
Exhibit "B"	Expansion Real Estate	
Exhibit "C"	LLC Property	
Exhibit "D"	Sections 1A, 1B and 2	
Exhibit "E"	Development Standards	
Exhibit "F"	Fence	



CHICAGO TITLE

**DECLARATION OF COVENANTS AND RESTRICTIONS OF
EMERALD SPRINGS PROPERTY OWNERSHIP**

THIS DECLARATION made this ___ day of _____, 2003, by CENTEX HOMES, a Nevada general partnership ("Declarant").

WITNESSETH:

WHEREAS, the following facts are true:

A. Declarant is the sole owner in fee simple title to certain real estate located in Hancock County, Indiana, more particularly described in the attached Exhibit A, which is incorporated herein by reference (hereinafter referred to as the "Real Estate"). Declarant has the exclusive option and/or right to purchase additional adjacent real estate as more particularly described on Exhibit B, attached (hereto and made a part hereof the "Expansion Real Estate"). As used herein, Real Estate shall also include that portion of the Expansion Real Estate purchased by Declarant.

B. Emerald Springs Development, LLC ("Development") is the owner of certain real estate located in Hancock County, Indiana as more particularly described on Exhibit C (the "LLC Property"). The LLC Property will be developed as part of Emerald Springs as defined herein. As used herein, Real Estate shall include the LLC Property as applicable.

C. Declarant and Development are the sole owners of the fee simple title to that portion of the Real Estate more particularly described in Exhibit D attached hereto and made a part hereof (hereinafter referred to as the "Tract" or "Sections 1A, 1B and 2").

D. Declarant may from time to time subject part of the Real Estate or the Expansion Real Estate to the provisions of this Declaration subject to the requirements of Paragraph 23. As used herein, Real Estate, shall include all real estate which has been subjected to the provisions of this Declaration.

E. Declarant by execution of this Declaration assures that all properties which are conveyed which are a part of the Tract shall be conveyed subject to the terms and conditions of this Declaration, which shall run with the Tract and be binding upon all parties having any right, title or interest in the Tract, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner.

NOW, THEREFORE, Declarant hereby makes this Declaration as follows:

1. Definitions. The following terms as used in this Declaration, unless the context clearly requires otherwise, shall mean the following:

- (a) "Access Easement for Sidewalks" means those areas identified in any recorded Plat to be burdened by such easement. Each such area shall contain public sidewalks which public sidewalks will be dedicated to the Town of McCordsville. Declarant shall have the right to enter upon such areas and the areas adjacent thereto for the purpose of installing and constructing such public sidewalks. No Owner shall be allowed to add, alter, change, modify or damage the public sidewalks or undertake any activity in the Access Easement, other than lawn maintenance as applicable.
- (b) "Applicable Date" means the date determined pursuant to Paragraph 11 of this Declaration.
- (c) "Articles" or "Articles of Incorporation" means the Articles of Incorporation of the Corporation, as hereinafter defined. The Articles of Incorporation are incorporated herein by reference.
- (d) "Board of Directors" means the governing body of the Corporation elected by the Members in accordance with the Bylaws of the Corporation.
- (e) "Bylaws" shall mean the Bylaws of the Corporation and shall provide for the election of directors and officers and other governing officials of the Corporation.
- (f) "Common Area" means the ground designated as such upon the recorded Plat of Emerald Springs.
- (g) "Common Expense" means expenses for administration of the Corporation, expenses for the upkeep, maintenance, repair and replacement of the Common Area and Landscape Improvements and all sums lawfully assessed against the Members of the Corporation.
- (h) "Corporation" means Emerald Springs Homeowners Association, Inc., its successors and assigns, a not-for-profit corporation, whose Members shall be the Owners of Lots, or appointees as provided in Paragraph 11 of this Declaration; such Corporation being more particularly described in Paragraph 11 of this Declaration.
- (i) "Declarant" shall mean and refer to Centex Homes, a Nevada general partnership, and any successors and assigns of it whom it designates in one or more written recorded instruments, to have the rights of Declarant hereunder including, but not limited to, any mortgagee acquiring title to any portion of the Tract pursuant to the exercise of rights under, or foreclosure of, a mortgage executed by Declarant.
- (j) "Development Period" means that period of time during which the Declarant or Emerald Springs Development, LLC owns any Lot(s) within Emerald Springs.
- (k) "Dwelling Unit" means one of the living units located upon a Lot.
- (l) "Emerald Springs" means the name by which the Real Estate which is the subject of this Declaration, shall be known.

(m) "Expansion Real Estate" means the Real Estate described in Exhibit B, which is not currently owned by Declarant, but which may be acquired by Declarant and made part of Emerald Springs as provided in paragraph A of this Declaration.

(n) "Lake Fence" means the 42" black vinyl chain link fence installed by or on behalf of Declarant and located along the rear property line of lots 1-16, 36-38, 39-40, 42-52 and 53-65 and located along the property line adjacent to the Common Area of Lots 1, 16, 38, 39, 42, 52, 53 and 65.

(o) "Landscape Maintenance Access Easement" shall mean and refer to those areas identified in any recorded Plat to be burdened by such easement. The landscaping located within the Landscape Maintenance Access Easement shall be maintained by the Corporation and the Corporation shall have an easement of ingress and egress on and over the areas adjacent thereto for the purpose of this maintenance obligation. The landscaping and other improvements planted or installed by the Declarant and/or the Corporation within the Landscape Maintenance Access Easement may not be removed by any Owner, nor may any Owner add any landscaping or improvements to such easement area without the prior approval of the Architectural Review Board.

(p) "Lot" means any plot of ground designated as such upon the recorded Plat of Emerald Springs and upon which one (1) Dwelling Unit is constructed, may be constructed or exists thereon. When Lot is used it shall be deemed to include the Dwelling Unit, if any, located thereon.

(q) "Member" means a member of the Corporation.

(r) "Mortgagee" means the holder of a first mortgage lien on a Lot.

(s) "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who owns the fee simple title to a Lot.

(t) "Phase 1" means the real estate described in Paragraph B of the recitals above.

(u) "Plat" means the surveys of Section 1A, 1B and 2 and the Lots, Common Areas and Easements shown thereon prepared by Stoepelwerth & Associates, certified by Dennis Olmstead, a registered land surveyor, under date of ~~Jan 25~~^{Feb 25} 2003, recorded as Instrument Nos. 030022093, 030022094 and 030022095 in the Office of the Recorder of Hancock County, Indiana, and incorporated herein by reference and any additional plat that may be filed, upon subjecting additional portions of the Real Estate or Expansion Real Estate to this Declaration.

(v) "Sign Landscape Easement" means those areas identified in any recorded Plat to be burdened by such easement. Each such area shall contain signage for Emerald Springs together with any landscaping associated with such signage in such area. The signage and landscaping located within the Sign Landscape Easement shall be maintained by the Corporation and the Corporation shall have an easement of ingress and egress on and over the areas adjacent thereto for the purpose of this maintenance obligation. The signage and landscaping installed by the Declarant and/or the Corporation within the Sign

Landscape Easement may not be removed by any Owner, nor may any Owner add any improvements to such area without the approval of the Architectural Review Board.

(w) "Tract" means the real estate described in Paragraph B of the recitals above and such other portions of the Real Estate, Expansion Real Estate and other property which have, as of any given time, been subjected to this Declaration, either by this Declaration or a Supplemental Declaration as herein provided.

(x) "Utility, Drainage and Sewer Easements" means the areas of ground on the Plat marked Drainage, Utility and Sanitary Sewer Easement; Drainage, Utility and Sewer Easement; and Drainage and Utility Easement. The Utility, Drainage and Sewer Easements are hereby created and reserved for the use of all public utility companies (not including transportation companies), governmental agencies and the Corporation for access to and installation, maintenance, repair or removal of poles, mains, ducts, drains, lines, wires, cables and other equipment and facilities for the furnishing of utility services, including cable television services. The Utility, Drainage and Sewer Easements are hereby created and reserved for (i) the use of Declarant for access to and construction, maintenance, operation, repair and control of any retention and detention ponds and improvements comprising and/or related to the storm water drainage system, either by surface drainage or appropriate underground installations, for the Real Estate and adjoining property and (ii) the use of the Corporation for access to and maintenance, repair and replacement of such drainage system. The Owner of any Lot subject to a Utility, Drainage and Sewer Easement shall be required to keep the Easement area on his Lot free from obstructions so that the storm water drainage will be unimpeded and will not be changed or altered without a permit from the Hancock County Surveyor and prior written approval of the Declarant. The Utility, Drainage and Sewer Easements are hereby created and reserved for installation and maintenance of an underground sanitary sewer system. The delineation of the Utility, Drainage and Sewer Easement areas on the Plat shall not be deemed a limitation on the rights of any entity for whose use any such easement is created and reserved to go on any portion of any Lot subject to such easement temporarily to the extent reasonably necessary for the exercise of the rights granted to it by this Paragraph. Except as installed by Declarant or by third parties as provided above, no structures or improvements, including without limitation decks, patios, fences, walkways, landscaping or pools, shall be erected or maintained upon said Utility, Drainage and Sewer Easements. The Drainage Easements are also subject to such additional terms and conditions as are shown on the Plat. Notwithstanding the foregoing, the Regulated Drainage Easements are as shown and defined on the Plat.

2. Declaration. Declarant hereby expressly declares that the Tract shall be held, conveyed and transferred in accordance with the provisions of this Declaration.

3. Description of Sections 1A, 1B and 2. Section 1A consists of thirty-two (32) Lots numbered 60-69, 77-80 and 95-112, inclusive, together with the Common Area and all Easements as designated on the Plat. Section 1B consists of twenty-eight (28) Lots numbered 53-59, 70-76 and 81-94, inclusive, together with the Common Area and all Easements as designated on the Plat. Section 2 consists of sixty (60) Lots numbered 1-52, 224-226 and 265-

269, inclusive, together with the Common Area and all Easements as designated on the Plat. The Common Area, Easements and the size of the Lots are as designated on the Plat.

4. Description of Emerald Springs. Emerald Springs consists of one hundred twenty (120) Lots numbered 1-112, 224-226 and 265-269 inclusive, together with the Common Area and Easements as designated on the Plat. The Common Area, Easements and the size of the Lots are as designated on the Plat. The legal description for each Lot in Emerald Springs shall be as follows:

Lot ___ in Emerald Springs, a subdivision in Hancock County, Indiana as per plat thereof recorded _____ as Instrument Number ____, in the Office of the Recorder of Hancock County, Indiana.

5. Lot Boundaries and Access. The boundaries of each Lot in Emerald Springs shall be as shown on the Plat. All Lots shall be accessed only from the interior streets of the Tract.

6. Common Area. Common Area includes all the area designated as such on any recorded Plat of Emerald Springs, including, but not limited to, the lakes, ponds, drainage areas and recreational areas, if any, but excluding all Lots and Easements. Declarant has the right, but not the obligation, to construct recreational facilities in any of the Common Area, and if such facilities are constructed, such facilities shall be part of the Common Area.

7. Landscape Maintenance Access Easement. Declarant hereby declares, creates, grants and reserves the Landscape Maintenance Access Easement as shown on the Plat as a non-exclusive easement for the use of the Declarant and the Corporation for installation, maintenance and removal of trees, shrubbery, flowers and other plantings, entryway signage and additional similar landscape improvements (all of which items, as existing from time to time, shall constitute "Landscape Improvements"). Landscape Improvements shall also include the Lake Fence. Except as installed by the Declarant or the Corporation, and except for any utility facilities or drainage facilities which may be installed in any easement that may now or hereafter be declared, granted or reserved in or upon any portion of the Real Estate and designated on the Plat as a Landscape Maintenance Access Easement, no structures or other improvements shall be installed or maintained in or upon any Landscape Maintenance Access Easements. Notwithstanding the foregoing provisions of this Paragraph and the provisions of any Plat or other recorded instrument executed by Declarant designating a Landscape Maintenance Access Easement, a Landscape Maintenance Access Easement shall automatically terminate as to that portion of such easement area that is located within or upon any public right-of-way hereafter dedicated to the public upon the recording of a Plat or other instrument creating such public right-of-way.

8. Ownership of Common Area. The Common Area shall be conveyed to or owned by the Corporation, and shall be held for the use and enjoyment of the Members, all of whom shall have the right and easement of enjoyment in and to the Common Area which right shall pass with title to every Lot, subject to the provisions of this Declaration, including but not limited to, the following:

(a) The right of the Corporation, upon approval by a written instrument signed by two-thirds of all Class A Members, two-thirds of all Class B Members and by two-thirds of all first mortgagees, to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such Common Area purposes and subject to such conditions as may be agreed by the Corporation.

(b) The right of the Corporation to adopt such rules and regulations regarding the Common Area as it deems necessary as provided in Paragraph 12.

(c) The Common Area in Emerald Springs shall be conveyed to or owned by the Corporation on the Applicable Date or earlier; provided, however, that the conveyance of the Common Area to the Corporation shall not prevent Declarant from improving the Common Area as Declarant deems appropriate (including, but not limited to construction of lakes and recreational facilities, including any recreational or similar facilities which are solely for the benefit of a particular section of Emerald Springs at any time prior to the Applicable Date.

9. Delegation of Use of the Common Area. Any Member may delegate, in accordance with provisions of this Declaration and the rules or regulations promulgated by the Corporation, his right of enjoyment and use of the Common Area and facilities to members of his family, his tenants or contract purchasers who reside on any Lot.

10. Easements in Common Area. Each Owner shall have an easement in common with each other Owner to use all pipes, wires, ducts, cables, conduits, utility lines and other common facilities, if any, located in the Common Area and Easements. Such easement and right to use shall pass with title to the Lot even though not expressly mentioned in the document passing title.

An easement is also granted to the Corporation, its officers, agents and employees and to any management company selected by the Corporation to enter in or to cross over the Common Area, Easements and Lots to perform its duties; provided, however, except in the case of an emergency, reasonable notice shall be given the Lot Owner.

11. Corporation; Membership; Voting; Functions.

(a) Membership in Corporation. Declarant and each Owner of a Lot which is subject to assessment shall, automatically upon becoming an Owner, be and become a Member of the Corporation and shall remain a Member until such time as his ownership of a Lot ceases at which time his membership shall terminate and will be transferred to the new Owner of his Lot; provided, however, that any person who holds the interest of an Owner in a Lot merely as security for the performance of an obligation shall not be a Member until and unless he realizes upon his security, at which time he shall automatically be and become an Owner and a Member of the Corporation.

(b) Voting Rights. The Corporation shall have two (2) classes of membership with the following voting rights:

(i) Class A. Class A Members shall be all Owners except Class B Members. Each Class A Member shall be entitled to one (1) vote for each Lot of which such Member is the Owner with respect to each matter submitted to a vote of Members upon which the Class A Members are entitled to vote. When more than one (1) person constitutes the Owner of a particular Lot, all such persons shall be Members of the Corporation, but all of such persons shall have only one (1) vote for such Lot, which vote shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Lot.

(ii) Class B. Class B Members shall be Declarant and all successors and assigns of Declarant designated by Declarant as Class B Members in a written notice mailed or delivered to the resident agent of the Corporation. Each Class B Member shall be entitled to three (3) votes for each Lot of which it is the Owner on all matters requiring a vote of the Members of the Corporation. The Class B membership shall cease and terminate upon the Applicable Date, which shall be the first to occur of (i) the date upon which the written resignation of the Class B Members as such is delivered to the resident agent of the Corporation, (ii) the date when seventy-five percent (75%) of all Lots in all platted and/or planned sections of Emerald Springs have been conveyed by Declarant, or (iii) September 30, 2010.

(c) Functions. The Corporation has been formed for the purpose of providing for the maintenance, repair, upkeep, replacement, administration, operation and ownership of the Common Area to pay taxes assessed against and payable with respect to the Common Area and to pay any other necessary expenses and costs in connection with the Common Area and to perform such other functions as may be designated for it to perform under this Declaration.

12. Board of Directors.

(a) Management. The business and affairs of the Corporation shall be governed and managed by the Board of Directors. No person shall be eligible to serve as a member of the Board of Directors unless he is, or is deemed in accordance with this Declaration to be, an Owner, or is a person appointed by Declarant as provided in subparagraph (b) of this Paragraph 12.

(b) Initial Board of Directors. The Initial Board of Directors shall be composed of the persons designated in the Articles, to-wit: Tom Kutz, Mike McClure and Trent Wikstrom (herein referred to as the "Initial Board"), all of whom have been or shall be appointed by Declarant. Notwithstanding anything to the contrary contained in this Declaration, the Articles or the Bylaws (a) the Initial Board shall hold office until the Applicable Date, and (b) in the event of any vacancy or vacancies occurring in the Initial Board for any reason or cause whatsoever prior to the Applicable Date, determined as provided above, every such vacancy shall be filled by a person appointed by Declarant, who shall thereafter be deemed a member of the Initial Board. Each Owner, by acceptance of a deed to a Lot, or by acquisition of any interest in a Dwelling Unit by any method shall be deemed to have appointed Declarant as such Owner's agent, attorney-in-fact and proxy, which shall be deemed coupled with an interest and irrevocable until the

Applicable Date determined as provided above, to exercise all of said Owner's right to vote, and to vote as Declarant determines, on all matters as to which Members of the Corporation are entitled to vote under the Declaration, the Articles, the Bylaws or otherwise. This appointment of Declarant as such Owner's agent, attorney-in-fact and proxy shall not be affected by incompetence of the Owner granting the same. Each person serving on the Initial Board, whether as an original member thereof or as a member thereof appointed by Declarant to fill a vacancy, shall be deemed a Member of the Corporation and an Owner solely for the purpose of qualifying to act as a member of the Board of Directors and for no other purpose. No such person serving on the Initial Board shall be deemed or considered a Member of the Corporation nor an Owner of a Lot for any other purpose (unless he is actually the Owner of a Lot and thereby a Member of the Corporation).

(c) Additional Qualifications. Where an Owner consists of more than one person or is a partnership, corporation, trust or other legal entity, then one of the persons constituting the multiple Owner, or a partner or an officer or trustee shall be eligible to serve on the Board of Directors, except that no single Lot or Dwelling Unit may be represented on the Board of Directors by more than one person at a time.

(d) Term of Office and Vacancy. Subject to the provisions of subparagraph (b) of this Paragraph 12, at least one (1) member of the Board of Directors shall be elected at each annual meeting of the Corporation. The Initial Board shall be deemed to be elected and re-elected as the Board of Directors at each annual meeting until the Applicable Date provided herein. After the Applicable Date, the Board of Directors will consist of five (5) members, elected by the Owners. Each member of the Board of Directors shall be elected for a term of three (3) years, except that at the first election after the Applicable Date (which, if appropriate, may be a special meeting) two members of the Board of Directors shall be elected for a three (3) year term, two members for a two (2) year term, and one for a one (1) year term so that the terms of at least one-fifth (1/5) of the members of the Board shall expire annually. If such election is at a special meeting, the Directors elected shall serve for the applicable period plus the time from the special meeting to the first annual meeting. There shall be separate nominations for the office of each member of the Board to be elected at such first election after the Applicable Date. Each Director shall hold office throughout the term of his election and until his successor is elected and qualified. Subject to the provisions of subparagraph (b) of this Paragraph 12 as to the Initial Board, any vacancy or vacancies occurring in the Board shall be filled by a vote of a majority of the remaining members of the Board or by vote of the Owners if a Director is removed in accordance with subparagraph (e) of this Paragraph 12. The Director so filling a vacancy shall serve until the next annual meeting of the members and until his successor is elected and qualified. At the first annual meeting following any such vacancy, a Director shall be elected for the balance of the term of the Director so removed or in respect to whom there has otherwise been a vacancy.

(e) Removal of Directors. A Director or Directors, except the members of the Initial Board, may be removed with or without cause by vote of a majority of the votes entitled to be cast at a special meeting of the Owners duly called and constituted for such purpose. In such case, his successor shall be elected at the same meeting from eligible

Owners nominated at the meeting. A Director so elected shall serve until the next annual meeting of the Owners and until his successor is duly elected and qualified.

(f) Duties of the Board of Directors. The Board of Directors shall be the governing body of the Corporation representing all of the Owners and being responsible for the functions and duties of the Corporation, including, but not limited to, providing for the administration of the Corporation, the management, maintenance, repair, upkeep and replacement of the Common Area and Landscape Improvements (unless the same are otherwise the responsibility or duty of Owners) and the collection and disbursement of the Common Expenses. The Board may, on behalf of the Corporation, employ a reputable and recognized professional property management agent (herein called the "Managing Agent") upon such terms as the Board shall find, in its discretion, reasonable and customary. The Managing Agent, if one is employed, shall assist the Board in carrying out its duties, which include, but are not limited to:

- (i) Protection, surveillance and replacement of the Common Area; provided, however, that this duty shall not include or be deemed or interpreted as a requirement that the Corporation, the Board or any Managing Agent must provide any on-site or roving guards, security service or security system for protection or surveillance, and the same need not be furnished;
- (ii) Landscaping, maintenance and upkeep of the Common Area and Landscape Improvements (except as is otherwise the obligation of an Owner); such maintenance obligation specifically includes, but is not limited to, signage, drainage areas and facilities, ponds, lakes and the Lake Fence.
- (iii) Assessment and collection from the Owners of each Owner's respective share of the Common Expenses;
- (iv) Preparation of the proposed annual budget, a copy of which will be mailed or delivered to each Owner at the same time as the notice of annual meeting is mailed or delivered;
- (v) Preparing and delivering annually to the Owners a full accounting of all receipts and expenses incurred in the prior year; such accounting shall be delivered to each Owner simultaneously with delivery of the proposed annual budget for the current year;
- (vi) Procuring and maintaining for the benefit of the Corporation and the Board the insurance coverages required under this Declaration and such other insurance coverages as the Board, in its sole discretion, may deem necessary or advisable;
- (vii) Paying taxes assessed against and payable with respect to the Common Area and paying any other necessary expenses and costs in connection with the Common Area; and
- (viii) Cause to be maintained (i) any and all street lights originally installed by Declarant with photo cells in quantity and content approximately equal to those originally installed by Declarant; and (ii) any and all street signs originally installed by Declarant in the same style and design as originally installed.

(g) Powers of the Board of Directors. The Board of Directors shall have such powers as are reasonable and necessary to accomplish the performance of their duties. These powers include, but are not limited to, the power:

- (i) To employ a Managing Agent to assist the Board in performing its duties;
- (ii) To purchase, lease or otherwise obtain for the Corporation, to enable it to perform its functions and duties, such equipment, materials, labor and services as may be necessary in the judgment of the Board of Directors;
- (iii) To employ legal counsel, architects, contractors, accountants and others as in the judgment of the Board of Directors may be necessary or desirable in connection with the business and affairs of the Corporation;
- (iv) To employ, designate, discharge and remove such personnel as in the judgment of the Board of Directors may be necessary for the Board of Directors to perform its duties;
- (v) To include the costs of all of the above and foregoing as Common Expenses and to pay all of such costs therefrom;
- (vi) To open and maintain a bank account or accounts in the name of the Corporation;
- (vii) To promulgate, adopt, revise, amend and alter from time to time such additional rules and regulations with respect to use, occupancy, operation and enjoyment of the Tract and the Common Area (in addition to those set forth in this Declaration) as the Board, in its discretion, deems necessary or advisable; provided, however, that copies of any such additional rules and regulations so adopted by the Board shall be promptly delivered or mailed to all Owners. Such rules and regulations may provide that an Owner's failure to comply with such rules and regulations may result in (i) the imposition of fines by the Corporation against such Owner; and/or (ii) such Owner losing the right to use the Common Area and related facilities.

(h) Limitation on Board Action. After the Applicable Date, the authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than Five Thousand Dollars (\$5,000.00) without obtaining the prior approval of a majority of the Owners, except that in the following cases such approval shall not be necessary:

- (i) Contracts for replacing or restoring portions of the Common Area damaged or destroyed by fire or other casualty where the cost thereof is payable out of insurance proceeds actually received;
- (ii) Proposed contracts and proposed expenditures expressly set forth in the proposed annual budget; and
- (iii) Expenditures necessary to deal with emergency conditions in which the Board of Directors reasonably believes there is insufficient time to call a meeting of the Owners.

(i) Compensation. No Director shall receive any compensation for his services as such except to such extent as may be expressly authorized by a majority vote of the Owners. The Managing Agent, if any is employed, shall be entitled to reasonable compensation for its services, the cost of which shall be a Common Expense.

(j) Non-Liability of Directors. The Directors shall not be liable to the Owners or any other persons for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith or gross negligence. The Corporation shall indemnify and hold harmless and defend each of the Directors against any and all liability to any person, firm or corporation arising out of contracts made by the Board on behalf of the Corporation, unless any such contract shall have been made in bad faith. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Corporation.

(k) Additional Indemnity of Directors. The Corporation shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives, made a party to any action, suit or proceeding by reason of the fact that he is or was a Director of the Corporation, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except as otherwise specifically provided herein in actions, suits or proceedings where such Director is adjudged liable for bad faith, gross negligence or willful misconduct in the performance of his duties. The Corporation shall also reimburse any such Director the reasonable costs of settlement of or judgment rendered in any action, suit or proceeding, if it shall be found by a majority vote of the Owners that such Director was not guilty of gross negligence or misconduct. In making such findings and notwithstanding the adjudication in any action, suit or proceeding against a Director, no Director shall be considered or deemed to be guilty of or liable for negligence or misconduct in the performance of his duties where, acting in good faith, such Director relied on the books and records of the Corporation or statements or advice made by or prepared by the Managing Agent (if any) or any officer or employee thereof, or any accountant, attorney or other person, firm or corporation employed by the Corporation to render advice or service unless such Director had actual knowledge of the falsity or incorrectness thereof; nor shall a Director be deemed guilty of or liable for negligence or misconduct by virtue of the fact that he failed or neglected to attend a meeting or meetings of the Board of Directors.

(l) Bond. The Board of Directors may provide surety bonds and may require the Managing Agent (if any), the treasurer of the Corporation, and such other officers as the Board deems necessary, to provide surety bonds, indemnifying the Corporation against larceny, theft, embezzlement, forgery, misappropriation, willful misapplication, and other acts of fraud or dishonesty, in such sums and with such sureties as may be approved by the Board of Directors and any such bond shall specifically include protection for any insurance proceeds received for any reason by the Board. The expense of any such bonds shall be a Common Expense.

13. Initial Management. The Initial Board of Directors has entered or may hereafter enter into a management agreement with Declarant or a corporation or other entity affiliated with

Declarant or a third party management company for a term not to exceed three (3) years with either party having the right to terminate upon ninety (90) days' notice under which Declarant, such affiliate of Declarant or such third party management company will provide supervision, management and maintenance of the Common Area (except as such is the obligation of the individual Owners) and in general, perform all of the duties and obligations of the Corporation. Such management agreement may be renewed by the parties for additional terms of three (3) or less years. Such management agreement is or will be subject to termination by Declarant (or its affiliate as appropriate) at any time prior to expiration of its term, in which event the Corporation shall thereupon and thereafter resume performance of all of its duties and obligations. Notwithstanding anything to the contrary contained herein, so long as a management agreement is in effect, Declarant shall have and Declarant hereby reserves to itself the exclusive right to manage the Tract and perform all the functions of the Corporation.

14. Real Estate Taxes. Real estate taxes are to be separately assessed and taxed to each Lot. In the event that for any year the real estate taxes are not separately assessed and taxed to each Lot but are assessed and taxed on the Real Estate or part thereof as a whole, without a breakdown for each Lot, then each Owner shall pay his proportionate share of the real estate taxes assessed to the land comprising the Real Estate or that part thereof that is assessed as a whole, which shall be the ratio that the square footage in his Lot bears to the total square footage of all the land comprising the Real Estate or part thereof assessed as a whole. Real estate taxes assessed on the improvements on the Real Estate shall be paid by the Owner of such improvements. Any real estate taxes or other assessments which are chargeable against the Common Area shall be paid by the Corporation and treated as a Common Expense.

15. Utilities. Each Owner shall pay for his own utilities which are separately metered. Utilities which are not separately metered, if any, shall be treated as and paid as part of the Common Expense unless otherwise determined by the Corporation.

16. Maintenance, Repairs and Replacements. Maintenance, repairs, replacements and upkeep of the Common Area and Landscape Improvements (except as such is the obligation of the individual Owners) shall be furnished by the Corporation, as a part of its duties, and the cost thereof shall constitute a part of the Common Expenses. After the Applicable Date and for so long as the Declarant owns any Lot(s), Declarant may, upon five (5) days notice to the Corporation, undertake any maintenance, repair or upkeep which the Corporation is obligated, but has failed, to undertake. Declarant may then bill the Corporation for the cost of such maintenance, repair or upkeep. Such bill, if not paid by the Corporation within thirty (30) days of receipt, shall bear interest at the rate of (12%) per annum.

Each Owner shall be responsible for maintaining and keeping his Lot, Dwelling Unit, and all other structural improvements located on his Lot in a good, clean, neat, sanitary and well maintained condition and shall do such work thereon as is required to cause such Lot and structural improvements to be so maintained. The obligation to maintain a Lot shall exist, whether or not a Dwelling Unit exists on such Lot, and the Owner of such Lot shall keep such Lot maintained in the same manner as such Lot would be maintained if a Dwelling Unit existed thereon.

Each Owner shall also maintain (i) the dusk-to-dawn lights installed on his Lot in good working condition, including but not limited to, replacement of photo cells; and (ii) the mailbox and post installed on his Lot in good working condition. Any repair or replacement of mailboxes and/or posts shall be of the same design and quality as originally installed by Declarant.

Notwithstanding any obligation or duty of the Corporation to repair or maintain the Common Area or Landscape Improvements, if, due to the willful, intentional or negligent acts or omissions of an Owner or of a member of his family or of a guest, tenant, invitee or other occupant or visitor of such Owner, damage shall be caused, or if maintenance, repairs or replacements shall be required thereby, which would otherwise be a Common Expense, then such Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Corporation, unless such loss is covered by the Corporation's insurance with such policy having a waiver of subrogation clause. If not paid by such Owner upon demand by the Corporation, 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.

If any Owner shall fail (i) maintain and keep his Lot, Dwelling Unit and other structural improvements located on his Lot in a good, clean and sanitary condition as determined by the Board of Directors or (ii) comply with the terms of this Paragraph 16, the Corporation may perform any work necessary to do so and charge the Owner thereof for such cost, which cost shall be added to and become a part of the Owner's assessment, and such cost shall be immediately due, and shall be secured by the Corporation's lien on the Owner's Lot.

So long as the Tract is subject to this Declaration each Owner, by his acceptance of a deed to any Lot, irrevocably grants to the Corporation, its agents and employees, the right, in the form of a permanent easement, to enter upon, across and over the Lot owned by such Owner under such conditions as are reasonably necessary to effect the maintenance, cleaning, repair, landscaping or other work contemplated herein.

17. Architectural Control.

(a) The Architectural Review Board. As a standing committee of the Corporation, there shall be, and hereby is, established an Architectural Review Board consisting of three (3) persons until the Applicable Date and thereafter five (5) or more persons. Until the Applicable Date, the Architectural Review Board shall be the Initial Board of Directors. After the Applicable Date, the Architectural Review Board shall be appointed by the Board of Directors and may be different than or the same as the Board of Directors.

(b) Purposes. The Architectural Review Board shall regulate the external design, appearance, use, location and maintenance of the Tract (including the Common Area, Easements, Landscape Improvements and Lots) and of improvements thereon in such manner as to preserve and enhance values and to maintain a harmonious relationship among structures and improvements.

(c) Conditions. No improvements, alterations, excavation or changes in grade or other work which in any way alters any Lot or the exterior of any Dwelling Unit or other improvement thereon shall be made or done without the prior written approval of the

Architectural Review Board, except as otherwise expressly provided in this Declaration. There shall be no requirement that the Architectural Review Board approve the initial construction of a Dwelling Unit on a Lot. No building, fence, wall, Dwelling Unit, swimming pool, spa, hot tub, deck, trampoline or other structure shall be commenced, erected, maintained, improved, altered, made or done on any Lot without the prior written approval of the plans by the Architectural Review Board other than the initial construction of a Dwelling Unit and other improvements provided the plans for such construction are approved by Declarant.

(d) Procedures. In the event the Architectural Review Board fails to approve, modify or disapprove in writing an application within thirty (30) days after such application (and all plans, drawings, specifications and other items required to be submitted to it in accordance with such rules as it may adopt) have been given to it, approval will be deemed granted by the Architectural Review Board. A decision of the Architectural Review Board may be appealed to the Board of Directors which may reverse or modify such decision by a majority vote.

18. Assessments.

(a) Annual Accounting. Annually, after the close of each fiscal year of the Corporation, the Board shall cause to be prepared and furnished to each Owner a financial statement prepared by an accounting group approved by the Board, which statement shall show all receipts and expenses received, incurred and paid during the preceding fiscal year.

(b) Proposed Annual Budget. Annually, before the date of the annual meeting of the Corporation, the Board of Directors shall cause to be prepared a proposed annual budget for the next fiscal year estimating the total amount of the Common Expenses for the next fiscal year and shall furnish a copy of such proposed budget to each Owner at or prior to the time the notice of such annual meeting is mailed or delivered to such Owners. The annual budget shall be submitted to the Owners at the annual meeting of the Corporation for adoption and, if so adopted, shall be the basis for the Regular Assessments (hereinafter defined) for the next fiscal year. At the annual meeting of the Owners, notwithstanding any other provision in this Declaration, the Articles or the Bylaws, the budget may be approved in whole or in part or may be amended in whole or in part by a majority vote of those Owners present either in person or by proxy; provided, however, that in no event shall the annual meeting of the Owners be adjourned until an annual budget is approved and adopted at such meeting, either the proposed annual budget or the proposed annual budget as amended. The annual budget, the Regular Assessments and all sums assessed by the Corporation shall be established by using generally accepted accounting principles applied on a consistent basis.

The annual budget and the Regular Assessments shall, in addition, be established to include the establishment and maintenance of a replacement reserve fund for capital expenditures and replacement and repair of the Common Area and Landscape Improvements that must be repaired and replaced on a periodic basis, which replacement reserve fund shall be used for those purposes and not for usual and ordinary maintenance expenses. By way of example only, the replacement reserve fund will be used for

repairing and replacing items such as pumps, filters, landscaping (other than annual plantings and mulch), equipment, playground facilities and clubhouse furnishings and equipment. Usual and ordinary expenses which will not be paid out of the replacement reserve fund include but are not limited to, snow removal, fertilization, annual plantings, mulch, and preventive maintenance contracts. Such replacement reserve funds shall be maintained by the Corporation in a separate interest bearing account or accounts with one or more banks or savings and loan associations authorized to conduct business in Hancock County, Indiana or an adjacent county as selected from time to time by the Board.

The failure or delay of the Board of Directors to prepare a proposed annual budget and to furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner of the obligations of the Owners to pay the Common Expenses as herein provided, whenever determined. Whenever, whether before or after the annual meeting of the Corporation, there is no annual budget approved by the Owners as herein provided for such current fiscal year, the Owners shall continue to pay Regular Assessments based upon the last approved budget or, at the option of the Board, based upon one hundred and ten percent (110%) of such last approved budget, as a temporary budget.

(c) Regular Assessments. The annual budget, as adopted by the Owners, shall, based on the estimated cash requirement for the Common Expenses in the current fiscal year as set forth in said budget, contain a proposed assessment, against each Lot equal to the Common Expenses multiplied by a percentage equal to one divided by the total number of Lots in the Tract. Immediately following the adoption of the annual budget, each Owner shall be given written notice of such assessment against his respective Lot (herein called the "Regular Assessment"); provided however, that any Regular Assessments, Special Assessments or Additional Assessments may be applied to Lots owned by Declarant only with the written consent of Developer which written consent shall not be inferred or implied by Declarant's execution and recordation of this Declaration. In the event the Regular Assessment for a particular fiscal year is initially based upon a temporary budget, such Regular Assessment shall be revised, within fifteen (15) days following adoption of the final annual budget by the Owners, to reflect the assessment against each Lot based upon such annual budget as finally adopted by the Owners. The aggregate amount of the Regular Assessments shall be equal to the total amount of expenses provided and included in the final annual budget, including reserve funds as herein above provided. The Regular Assessment against each Lot shall be paid in advance in with the first payment due on the first day of the first month of each fiscal year. Payment of the monthly installments of the Regular Assessment shall be made to the Board of Directors or the Managing Agent, as directed by the Board of Directors; provided, however, the Owners may elect to pay assessments annually, in advance. In the event the Regular Assessment for a particular fiscal year of the Corporation was initially based upon a temporary budget:

(i) If the Regular Assessment based upon the final annual budget adopted by the Owners exceeds the amount of the Regular Assessment based upon the temporary budget, that portion of such excess applicable to the period from the first day of the current fiscal year to the date of the next payment of the Regular Assessment which is due shall be paid with such next payment, and all payments thereafter during such fiscal

year, shall be increased so that the Regular Assessment as finally determined shall be paid in full by the remaining payments due in such fiscal year, or

(ii) If the Regular Assessment based upon the temporary budget exceeds the Regular Assessment based upon the final annual budget adopted by the Owners, such excess shall be credited against the next payment or payments of the Regular Assessment coming due, until the entire amount of such excess has been so credited;

provided, however, that if an Owner had paid his Regular Assessment annually in advance, then the adjustments set forth under (i) or (ii) above shall be made by a cash payment by, or refund to, the Owner on the first day of the second month following the determination of the Regular Assessment based upon the annual budget finally adopted by the Owners.

The Regular Assessment for the current fiscal year of the Corporation shall become a lien on each separate Lot as of the first day of each fiscal year of the Corporation, even though the final determination of the amount of such Regular Assessment may not have been made by that date. The fact that an Owner has paid his Regular Assessment for the current fiscal year in whole or in part based upon a temporary budget and thereafter, before the annual budget and Regular Assessment are finally determined, approved and adjusted as herein provided, sells, conveys or transfers his Lot or any interest therein, shall not relieve or release such Owner or his successor as Owner of such Lot from payment of the Regular Assessment for such Lot as finally determined, and such Owner and his successor as Owner of such Lot shall be jointly and severally liable for the Regular Assessment as finally determined. Any statement of unpaid assessments furnished by the Corporation pursuant to Paragraph 19 hereof prior to the final determination and adoption of the annual budget and Regular Assessment for the year in which such statement is made shall state that the matters set forth therein are subject to adjustment upon determination and adoption of the final budget and Regular Assessment for such year, and all parties to whom any such statement may be delivered or who may rely thereon shall be bound by such final determinations. Semi-annual installments of Regular Assessments shall be due and payable automatically on their respective due dates without any notice from the Board or the Corporation, and neither the Board nor the Corporation shall be responsible for providing any notice or statements to Owners for the same.

(d) Special Assessments. From time to time Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time and without the approval of the Owners, unless otherwise provided in this Declaration, the Board of Directors shall have the full right, power and authority to make special assessments which, upon resolution of the Board, shall become a lien on each Lot, prorated in equal shares (herein called "Special Assessment"). Without limiting the generality of the foregoing provisions, Special Assessments may be made by the Board of Directors from time to time to pay for capital expenditures and to pay for the cost of any repair or reconstruction of damage caused by fire or other casualty or disaster to the extent insurance proceeds are insufficient therefor under the circumstances described in this Declaration.

(e) Additional Assessments. In the event that Declarant constructs any recreational or similar facilities which recreational or similar facilities are for the sole benefit and use of the Owners of Lots in a particular section of Emerald Springs, the expenses associated therewith shall be an Additional Assessment. Any Additional Assessment will be assessed against each Lot in that section in an amount equal to the expenses multiplied by a percentage equal to one (1) divided by the total number of Lots in the affected section. Such Additional Assessment shall be included in the annual budget and shall be due at the same time as the Regular Assessment.

(f) Regular Assessments Prior to the Applicable Date. During the period that Declarant is selling Lots and Dwelling Units are being constructed within the Tract, it is difficult to accurately allocate the Common Expenses to the individual Lots. The purpose of this section is to provide the method for the payment of the Common Expenses during the period prior to the Applicable Date to enable the Corporation to perform its duties and functions. Accordingly and notwithstanding any other provision contained in the Declaration, the Articles or the Bylaws or otherwise, prior to the Applicable Date, the annual budget and all Regular Assessments and Special Assessments shall be established by the Initial Board without any meeting or concurrence of the Owners; provided, however, the Regular Assessments shall be determined in accordance with the provisions contained in this Paragraph 18.

Prior to the Applicable Date, the Corporation will enter into a management agreement with Declarant or a corporation or other entity affiliated with Declarant or a third party management company (hereinafter referred to as "Management Agent or Managing Agent") in accordance with the provisions of Paragraph 13 of this Declaration. So long as such management agreement remains in effect, the Common Expenses or Regular Assessments shall be paid by Owners to Management Agent. Management Agent shall guarantee that until the earlier of (1) the termination of said management agreement, or (2) December 31, 2003, the yearly Regular Assessment shall not exceed Two Hundred Sixty-Five Dollars (\$265.00) (the "Guaranteed Charge"). After December 31, 2003, assuming that said management agreement has not been terminated) and so long thereafter as said management agreement remains in effect and Management Agent continues to perform such functions, Management Agent guarantees that the yearly Regular Assessment shall not exceed the amount of the Guaranteed Charge plus (1) the greater of an amount representing an increase thereof to reflect any increase in the Consumer Price Index (all items - all cities) published by the United States government over such index as existed in the month of December 2003, or (2) ten percent (10%). The amount to be added to the Guaranteed Charge shall be in an amount equal to the same percentage of the Guaranteed Charge as the percentage increase in said Consumer Price Index or ten percent (10%), whichever is greater, or if Declarant so determines a lesser amount. Such adjustments to the Guaranteed Charge shall be made annually on the first day of each fiscal year so long as said management agreement remains in effect and Management Agent continues to perform such functions. Such yearly charge shall, during such guaranteed period, entirely defray the Owner's obligation for his share of Common Expenses or shall be the Owner's entire Regular Assessment. Declarant shall be responsible for any deficit during such guarantee period; provided, however, that this guarantee is not intended to include, and does not include, major physical alterations or other unusual expenditures not ordinarily

anticipated in normal maintenance operations. Such expenditures would be covered through Special Assessments, or, if sufficient, the replacement reserve fund.

Prior to the Applicable Date, ten percent (10%) of the Regular Assessment shall be deposited into the replacement reserve fund (as established by Paragraph 18 (b)) until the balance of such replacement reserve fund is Twenty-Five Thousand Dollars (\$25,000.00). Thereafter, deposits into the replacement reserve fund will cease unless and until expenditures are made from such fund, at which time ten percent (10%) of the Regular Assessments will again be deposited into such fund until the balance of such fund again reaches Twenty-Five Thousand Dollars (\$25,000.00). After the Applicable Date, ten percent (10%) of the Regular Assessment will be deposited into the replacement reserve fund regardless of the balance of such fund.

That portion of the Regular Assessment collected by Declarant prior to the Applicable Date applicable to the replacement reserve fund shall be held by the Initial Board and if required, applied to the repair and replacement of the Common Area and Landscape Improvements. To the extent that such replacement reserve fund is not so applied, the balance thereof shall be retained by the Corporation at the Applicable Date.

Payment of the Regular Assessment prior to the Applicable Date with respect to each Lot shall commence on the date of conveyance of such Lot by Declarant to such new owner ("Commencement Date"). The first payment shall be payable on the Commencement Date prorated to the first day of the month when the next payment is due. Thereafter, payment of the Regular Assessment shall be paid monthly beginning with the first day of the next calendar month.

At the closing on the purchase of a Lot, the purchaser is required to pay a sum equal to two (2) full months of the initial Regular Assessments due on his or her Lot as his or her initial contribution to the working capital of the Corporation. This sum is not an advance payment of Regular Assessments; rather, the sum is allocated to a working capital fund to meet unforeseen expenditures and operating expenses or to purchase any additional equipment or services. While the Declarant is in control of the Corporation, it cannot use any of the working capital funds to defray its expenses, reserve contributions, or construction costs. When control of the Corporation is transferred to the Owners, the working capital fund shall be transferred to the Association for deposit to a segregated fund.

Each Owner hereby authorizes the Corporation and the Board of Directors and its officers to enter into the aforesaid management agreement described in Paragraph 13 of this Declaration and to adhere to and abide by the same.

Neither the Declarant, nor Emerald Springs LLC, or any builder constructing Dwelling Units within the Tract shall be assessed any portion of any Regular, Special or Additional Assessment prior to the Applicable Date.

(g) Failure of Owner to Pay Assessments. No Owner may exempt himself from paying Regular Assessments, Additional Assessments and Special Assessments or from contributing toward the Common Expenses or toward any other expense lawfully agreed upon by waiver of the use or enjoyment of the Common Area or by abandonment of the Lot belonging to him. Each Owner shall be personally liable for the payment of all Regular, Additional and Special Assessments. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several. If any Owner shall fail, refuse or neglect to make any payment of any Regular Assessment, Additional Assessment or Special Assessment when due, the lien for such assessment on the Owner's Lot and Dwelling Unit may be filed and foreclosed by the Board of Directors for and on behalf of the Corporation as a mortgage on real property or as otherwise provided by law. Upon the failure of the Owner to make timely payments of any Regular Assessment, Additional Assessment or Special Assessment when due the Board may, in its discretion, accelerate the entire balance of unpaid assessments and declare the same immediately due and payable, notwithstanding any other provisions hereof to the contrary. The Board may, at its option, bring suit to recover a money judgment for any unpaid Regular Assessment, Additional Assessment or Special Assessment without foreclosing or waiving the lien securing the same. In any action to recover a Regular Assessment or Special Assessment, whether by foreclosure or otherwise, the Board for and on behalf of the Corporation shall be entitled to recover from the Owner of the respective Lot and Dwelling Unit costs and expenses of such action incurred (including but not limited to reasonable attorneys' fees) and interest from the date such assessments were due until paid at the rate equal to the prime interest rate as announced by Bank One, Indianapolis, NA, from time to time by (or if said bank is no longer in existence then such rate charged by a national bank in Hancock County, Indiana, or an adjacent county as selected by the Board of Directors) during the unpaid period plus three percent (3%).

(h) Subordination of Assessment Lien to Mortgage. Notwithstanding anything contained in this Declaration, the Articles or the Bylaws, any sale or transfer of a Lot to a Mortgagee pursuant to a foreclosure on its mortgage or conveyance in lieu thereof, or a conveyance to any person at a public sale in a manner provided by law with respect to mortgage foreclosures shall extinguish the lien of any unpaid installment of any Regular Assessment, Additional Assessment or Special Assessment as to such installment which became due prior to such sale, transfer or conveyance; provided, however, that the extinguishment of such lien cannot relieve the prior owner from personal liability therefor. No such sale, transfer or conveyance shall relieve the Lot and Dwelling Unit or the purchaser at such foreclosure sale or grantee in the event of conveyance in lieu thereof, from liability for any installments of Regular Assessments, Additional Assessments or Special Assessments thereafter becoming due or from the lien therefor. Such unpaid share of any Regular Assessments, Additional Assessments or Special Assessments, the lien for which has been divested as aforesaid shall be deemed to be a Common Expense collectible from all Owners (including the party acquiring the subject Lot from which it arose).

19. Mortgages and Unpaid Assessments.

(a) Notice to Corporation. Any Owner who places a first mortgage lien upon his Lot, or the Mortgagee, shall notify the Secretary of the Corporation thereof and provide the name and address of the Mortgagee. A record of such Mortgagee and name and address shall be maintained by the Secretary and any notice required to be given to the Mortgagee pursuant to the terms of this Declaration, the Bylaws or otherwise shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record at the time provided. Unless notification of any such mortgage and the name and address of Mortgagee are furnished to the Secretary, either by the Owner or the Mortgagee, no notice to any Mortgagee, as may be otherwise required by this Declaration, the Bylaws or otherwise, shall be required and no Mortgagee shall be entitled to vote on any matter to which it otherwise may be entitled by virtue of this Declaration, the Bylaws, a proxy granted to such Mortgagee in connection with the mortgage, or otherwise.

The Corporation shall, upon request of a Mortgagee who has furnished the Corporation with its name and address as hereinabove provided, furnish such Mortgagee with written notice of any default in the performance by its borrower of any obligations of such borrower under this Declaration or the Bylaws which is not cured within sixty (60) days.

(b) Notice of Unpaid Assessments. The Corporation shall, upon request of a Mortgagee, a proposed mortgagee, or a proposed purchaser who has a contractual right to purchase a Lot, furnish to such Mortgagee or purchaser a statement setting forth the amount of the unpaid Regular Assessments, Additional Assessments or Special Assessments or other charges against the Lot, which statement shall be binding upon the Corporation and the Owners, and any Mortgagee or grantee of the Lot shall not be liable for nor shall the Lot conveyed be subject to a lien for any unpaid assessments or charges in excess of the amounts set forth in such statement or as such assessments may be adjusted upon adoption of the final annual budget, as referred to in Paragraph 18 hereof.

(c) Right of Mortgagee to Pay Real Estate Taxes or Insurance Premiums. Mortgagees shall have the right, but not the obligation, (1) to pay any taxes or other charges against the Common Area which are in default and (2) to pay any overdue premiums on hazard insurance for the Common Area or to secure new hazard insurance for the Common Area on the lapse of a policy. Any mortgagee making such payment shall be owed immediate reimbursement by the Corporation.

20. Insurance.

(a) Casualty Insurance. The Corporation shall purchase a master casualty insurance policy affording fire and extended coverage insurance insuring all of the Common Area and Landscape Improvements in an amount equal to the full replacement value of the improvements which in whole or in part, comprise the Common Area and Landscape Improvements, unless the Board determines that a lesser amount of insurance is appropriate. If the Board of Directors can obtain such coverage for reasonable amounts they shall also obtain "all risk" coverage. The Board of Directors shall be responsible for reviewing at least annually the amount and type of such insurance and shall purchase such additional insurance as is necessary to provide the insurance required above.

All proceeds payable as a result of casualty losses sustained which are covered by insurance purchased by the Corporation as hereinabove set forth shall be paid to it or to the Board of Directors. The proceeds shall be used or disbursed by the Corporation or Board of Directors, as appropriate.

Such master casualty insurance policy, and "all risk" coverage, if obtained, shall (to the extent the same are obtainable) contain provisions that the insurer (a) waives its right to subrogation as to any claim against the Corporation, the Board of Directors, its agents and employees, Owners, their respective agents and guests, and (b) contains an endorsement that such policy shall not be terminated for nonpayment of premiums without at least thirty (30) days prior written notice to Mortgagees.

Each Owner shall be solely responsible for loss or damage to his Dwelling Unit and the contents thereof, however caused, and his personal property stored elsewhere on the Tract and the Corporation shall have no liability to the Owner for such loss or damage. Each Owner shall be solely responsible for obtaining his own insurance to cover any such loss and risk.

(b) Public Liability Insurance. The Corporation shall also purchase a master comprehensive public liability insurance policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time. Such comprehensive public liability insurance policy shall cover the Corporation, the Board of Directors, any committee or organ of the Corporation or Board, any Managing Agent appointed or employed by the Corporation, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Tract. Such public liability insurance policy shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Corporation or other Owners.

(c) Other Insurance. The Corporation shall also obtain any other insurance required by law to be maintained, including but not limited to workmen's compensation and occupational disease insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate, including, but not limited to, liability insurance on vehicles owned or leased by the Corporation and officers' and directors' liability policies. Such insurance shall inure to the benefit of each Owner, the Corporation, the Board of Directors and any Managing Agent acting on behalf of the Corporation. Each Owner shall be deemed to have delegated to the Board of Directors his right to adjust with the insurance companies all losses under the policies purchased by the Board of Directors the proceeds of which are payable to the Board or the Corporation.

(d) General Provisions. The premiums for all insurance hereinabove described shall be paid by the Corporation as part of the Common Expenses.

(e) Owners to Maintain Insurance. Each Owner of a Dwelling Unit shall at all times maintain fire and extended coverage insurance in an amount equal to the full insurable replacement cost of such Residence Unit.

21. Casualty and Restoration of Common Area.

In the event of damage to or destruction of any of the Common Area or Landscape Improvements due to fire or any other casualty or disaster, the Corporation shall promptly cause the same to be repaired and reconstructed. The proceeds of insurance carried by the Corporation, if any, shall be applied to the cost of such repair and reconstruction.

In the event the insurance proceeds, if any, received by the Corporation as a result of any such fire or any other casualty or disaster are not adequate to cover the cost of repair and reconstruction of the Common Area or Landscape Improvements, or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing the Common Area so damaged or destroyed (or the costs thereof in excess of insurance proceeds received, if any) shall be assessed by the Corporation against all of the Owners in equal shares. Any such amounts assessed against the Owners shall be assessed as part of the Common Expenses and shall constitute a lien from the time of assessment as provided herein.

For purposes of this Article, repair, reconstruction and restoration shall mean construction or rebuilding the Common Area or Limited Common Area to as near as possible the same condition as it existed immediately prior to the damage or destruction.

22. Covenants and Restrictions. The following covenants and restrictions on the use and enjoyment of the Lots, Dwelling Units, Common Area shall be in addition to any other covenants or restrictions contained herein and in the Plat, and all such covenants and restrictions are for the mutual benefit and protection of the present and future Owners and shall run with the land and inure to the benefit of and be enforceable by any Owner, or by the Corporation. Present or future Owners or the Corporation shall be entitled to injunctive relief against any violation or attempted violation of any such covenants and restrictions, and shall, in addition, be entitled to damages for any injuries or losses resulting from any violations thereof, but there shall be no right of reversion or forfeiture resulting from such violation. These covenants and restrictions are as follows:

(a) All Lots and Dwelling Units shall be used exclusively for residential purposes and for occupancy by a single family. No Lot shall be subdivided to form lots of less area.

(b) All Dwelling Units shall have the minimum square footage of finished living area (exclusive of garages, carports, basements and porches) required by the development standards for Emerald Springs, a copy of which is attached hereto as Exhibit E, and any applicable zoning and subdivision laws.

(c) Nothing shall be done or kept in any Dwelling Unit, or on any Lot, or on the Common Area which will cause an increase in the rate of insurance on any Common Area. No Owner shall permit anything to be done or kept in his Dwelling Unit or on his Lot or on any of the Common Area which will result in a cancellation of insurance on any Dwelling Unit or any part of the Common Area, or which would be in violation of any law or ordinance or the requirements of any insurance underwriting or rating bureau.

(d) No nuisance shall be permitted on any Lot.

(e) No Owner shall cause or permit anything to be hung or displayed on the outside of the windows of his Dwelling Unit or placed on the outside walls of any building. No sign, awning, canopy, shutter or radio or television antenna or other attachment or thing shall be affixed to or placed upon the exterior walls or roofs or any other parts of any Dwelling Unit without the prior written consent of the Architectural Review Board. No sign of any kind shall be displayed to the public view on any Lot, except that one sign of not more than six (6) square feet may be displayed at any time solely for the purpose of advertising a property for sale, and except that Declarant may use larger signs during the sale and development of the Tract.

(f) No animals, livestock or poultry of any kind shall be raised, bred or kept in any Dwelling Unit or on any Lot or any of the Common Area or any of the Landscape Easement, except that pet dogs, cats or customary household pets may be kept in a Dwelling Unit, provided that such pet is not kept, bred or maintained for any commercial purpose, and does not create a nuisance.

(g) All rubbish, trash or garbage shall be stored in closed sanitary containers, shall be regularly removed from the Lots, and shall not be allowed to accumulate.

(h) No industry, trade, or other commercial or religious activity, educational or otherwise, designed for profit, altruism or otherwise, shall be conducted, practiced or permitted on the Tract; provided, however, that notwithstanding the foregoing, lawful home offices and home business activities conducted by the Owner of such Dwelling Unit are permissible provided all of the following conditions are met:

(i) there is not significant increased traffic in and around the Tract as a result of such use or activity;

(ii) no signs, billboards, or other advertising materials are displayed or posted on the exterior of any Dwelling Unit or anywhere else on the Tract;

(iii) the use or activity does not violate existing zoning laws;

(iv) the use or activity does not violate any of the other provisions of this Declaration, including, but not limited to, this paragraph 22;

(v) the Owner of the Dwelling Unit shall maintain all necessary casualty and public liability insurance; and

(vi) such use or activity is conducted during reasonable hours.

(i) No structure of a temporary character, trailer, boat, camper, bus or tent shall be maintained on any Lot, nor shall any garage or other building, except a permanent residence, be used on any Lot at any time as a residence or sleeping quarters either temporarily or permanently.

(j) All Owners and members of their families, their guests, or invitees, and all occupants of any Dwelling Unit or other persons entitled to use the same and to use and enjoy the

Common Area or any part thereof, shall observe and be governed by such rules and regulations as may from time to time be promulgated and issued by the Board governing the operation, use and enjoyment of the Common Area.

(k) No boat docks, decks, rafts or similar structures or improvements shall be permitted on or near the lakes. No Owner of any Lot shall do or permit to be done any action or activity which could result in the pollution of the lakes, diversion of water, change in elevation of the water 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 or otherwise impair or interfere with the use of the lake for drainage and related purposes for the benefit of Emerald Springs. No Owner, members of their families, guests or invitees or occupants of any Dwelling Unit or other persons entitled to use the same, may swim, boat, ice skate or engage in similar activities on the lake.

(l) No boats, campers, trailers of any kind, buses, mobile homes, recreational vehicles, trucks (larger than $\frac{3}{4}$ ton), motorcycles, minibikes or mopeds shall be permitted, parked or stored anywhere within the Tract, unless stored completely enclosed within a garage. No repair work shall be done on the Tract on any vehicles, including passenger automobiles unless completely enclosed within a garage.

(m) No Owner shall be allowed to plant trees, landscape or do any gardening in any of the Common Area or Easements, except with express prior permission from the Board.

(n) The Common Area shall be used and enjoyed only for the purposes for which it is designed and intended, and shall be used subject to the rules and regulations from time to time adopted by the Board.

(o) No Owner may rent or lease his Dwelling Unit for transient or hotel purposes.

(p) Any Owner who leases a Dwelling Unit shall lease the entire Dwelling Unit and shall have a written lease which shall provide that the lease is subject to the provisions of the Declaration and any failure of the lessee to comply with the terms of the Declaration, shall be a default under the lease.

(q) There are designated on the Plat building lines. Except as required for utilities to serve the Tract or a Lot, no building or structure will be permitted within this no-build area.

(r) Each Owner by acceptance of a deed to a Lot shall be deemed to have waived such Owner's right to remonstrate against annexation of all or any portion of the Tract.

(s) No detached structure shall be maintained on any Lot except with the express prior permission from the Architectural Review Board.

(t) Any fences to be constructed on a Lot must be constructed in accordance with the provisions hereof and must be approved by the Architectural Review Board prior to the installation of any fence. The Architectural Review Board will not approve any fence unless it complies with the following requirements:

(i) the fence is located in the rear yard of the Lot (the fence shall adjoin the rear side of the Dwelling Unit); there shall be no fences whatsoever constructed in the front yard of any Lot;

(ii) the fence shall be either a four (4) foot black vinyl fence; six (6) foot wood, shadowbox or dog-eared fence; or a wood fence constructed with cedar treated gothic top spaced picket panels (42" x 8" panels with 3-3/8" pickets and no more than 2-1/2" between pickets), as more particularly shown on Exhibit D attached hereto and incorporated herein (the "Picket Fence").

(iii) there shall be no fences or any other permanent improvements constructed in any part of any Lot which is part of the Common Area.

(u) All fences must be located on the property line and must adjoin any existing fence(s) on adjacent Lot(s).

(v) No antenna, satellite dishes or other device for the transmission or reception of radio, television or satellite signals or any other form of electromagnetic radiation shall be erected, used or maintained outdoors and above ground whether attached to a Dwelling Unit or otherwise on any Lot without the written approval of the Architectural Review Board. Notwithstanding the foregoing, any such device may be installed and maintained on any Lot without the written approval of the Architectural Review Board if (i) it is not visible from neighboring Lots, streets or Common Area; or (ii) the Owner prior to installation has received the written consent of the Owners of all Lots who would have views of the device from their Lots and presented such consents to the Architectural Review Board; or (iii) the device is virtually indistinguishable from structures, devices or improvements such as heat pumps, air conditioning units, barbeque grills, patio furniture and garden equipment which are allowed by this Declaration; or (iv) it is a satellite dish two (2) feet or less in diameter.

(w) No above-ground pools shall be permitted on any Lot. The construction of any in ground pool, decks, hot tub, spa or trampoline requires the prior written approval of the Architectural Review Board.

Notwithstanding anything to the contrary contained herein or in the Articles or Bylaws, including, but not limited to, any covenants and restrictions set forth herein or otherwise, Declarant shall have, until the Applicable Date, the right to use and maintain any Lots and Dwelling Units owned by Declarant and other portions of the Tract (other than individual Dwelling Units and Lots owned by persons other than Declarant), all of such number and size and at such locations as Declarant in its sole discretion may determine, as Declarant may deem advisable or necessary in its sole discretion to aid in the construction of Dwelling Units and the sale of Lots and Dwelling Units or for the conducting of any business or activity attendant thereto, including, but not limited to, model Dwelling Units, storage areas, construction yards, signs, construction offices, sales offices, management offices and business offices. Declarant shall have the right to relocate any or all of the same from time to time as it desires. At no time shall any of such facilities so used or maintained by Declarant be or become part of the Common

Area, unless so designated by Declarant, and Declarant shall have the right to remove the same from the Tract at any time.

23. Expanding the Real Estate That is Subject to the Declaration. The Real Estate that is described herein as Section 1 (in paragraph B of the recitals of this Declaration) is the Real Estate being subjected to this Declaration and constitutes Section 1 of the general plan of development of the Real Estate. The balance of the Real Estate and the Expansion Real Estate is the additional real estate that Declarant has the right to subject to the terms and provisions of this Declaration. The maximum number of Lots which may be developed on the Real Estate and the Expansion Real Estate is 322, including the Lots in Section 1. Subject to said limit as to the maximum number of Lots to be developed on the Real Estate and Expansion Real Estate, and the obligations and restrictions contained in this Declaration, Emerald Springs may be expanded by Declarant to include additional portions of the Real Estate and the Expansion Real Estate in one or more additional Sections by the execution and recording of one or more amendments or supplements to this Declaration and one or more final plats; provided, however, that no single exercise of such right and option of expansion as to any part or parts of the Real Estate shall preclude Declarant from time to time further expanding Emerald Springs to include other portions of the Real Estate and Expansion Real Estate and such right and option of expansion may be exercised by Declarant from time to time as to all or any portions of the Real Estate so long as such expansion is done on or before September 30, 2010. Such expansion is entirely at the discretion of Declarant and nothing contained in this original Declaration or otherwise shall require Declarant to expand Emerald Springs beyond Section 1 or any other portion of the Real Estate which Declarant may voluntarily in its sole discretion, from time to time, subject to this Declaration by amendments or supplements to this Declaration as provided above. Simultaneously with the recording of the amendments or supplements to this Declaration expanding Emerald Springs, Declarant shall record an additional plat encompassing the portion of the Real Estate or Expansion Real Estate to be subjected to this Declaration. To the extent allowed under applicable law, Declarant reserves the right to add additional contiguous real estate to the Real Estate, which additional real estate may, in Declarant's discretion, have the use and benefit of the Common Areas provided herein. On the filing of a supplement to this Declaration, the portion of the Real Estate, Expansion Real Estate or other real estate described in such amendment or supplement to this Declaration shall be governed in all respects by the provisions of this Declaration. To the extent that there are any inconsistencies or discrepancies between any Plat and this Declaration or any amendment or supplements thereto, the terms of this Declaration shall control.

24. Amendment of Declaration.

(a) Generally. Except as otherwise provided in this Declaration, amendments to this Declaration shall be proposed and adopted in the following manner:

(i) Notice. Notice of the subject matter of any proposed amendment shall be included in the notice of the meeting at which the proposed amendment is to be considered.

(ii) Resolution. A resolution to adopt a proposed amendment may be proposed by the Board of Directors or Owners having in the aggregate at least a majority of the votes of all Owners.

(iii) Meeting. The resolution concerning a proposed amendment must be adopted by the designated vote at a meeting duly called and held in accordance with the provisions of the Bylaws.

(iv) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less than seventy-five percent (75%) in the aggregate of the votes of all Owners; provided however, that prior to the Applicable Date all proposed amendments shall require the written consent of the Declarant. In the event any Lot or Dwelling Unit is subject to a first mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the same manner as an Owner if the Mortgagee has given prior notice of its mortgage interest to the Board of Directors in accordance with the provisions hereof.

(v) Special Amendments. No amendment to this Declaration shall be adopted which changes (1) the applicable share of an Owner's liability for the Common Expenses, or the method of determining the same, or (2) the provisions of this Declaration of Paragraph 19 with respect to casualty insurance to be maintained by the Corporation, or (3) the provisions of Paragraph 21 of this Declaration with respect to reconstruction or repair of the Common Area in the event of fire or any other casualty or disaster, or (4) the provisions of Paragraph 17 of this Declaration establishing the Architectural Review Board and providing for its functions, or (5) the provisions of Paragraph 18 of this Declaration with respect to the commencement of assessments on any Lot, or (6) the provisions of Paragraph 24b of this Declaration with respect to amendments solely by Declarant without, in each and any of such circumstances, the unanimous approval of all Owners, including Declarant so long as Declarant owns any Lot, and of all Mortgagees whose mortgage interests have been made known to the Board of Directors in accordance with the provisions of this Declaration.

(vi) Recording. Each amendment to the Declaration shall be executed by the President and Secretary of the Corporation and shall be recorded in the Office of the Recorder of Hancock County, Indiana, and such amendment shall not become effective until so recorded.

(b) Amendments by Declarant Only. Notwithstanding the foregoing or anything elsewhere contained herein or in any other documents, the Declarant shall have and hereby reserves the right and power acting alone and without the consent or approval of the Owners, the Corporation, the Board of Directors, any Mortgagees or any other person to amend or supplement this Declaration at any time and from time to time if such amendment or supplement is made (a) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing & Urban Development, the Federal Housing Association, the Veteran's Administration or any other governmental agency or any other public, quasi-public or private entity which

performs (or may in the future perform) functions similar to those currently performed by such entities, (b) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Lots and Dwelling Units, (c) to bring this Declaration into compliance with any statutory requirements or (d) to correct clerical, typographical or other errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to vote in favor of, make, or consent to any amendments described in this Paragraph 24 on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot or Dwelling Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Declarant to vote in favor of, make, execute and record any such amendments. The right of the Declarant to act pursuant to rights reserved or granted under this Paragraph 24 shall terminate at such time as the Declarant no longer holds or controls title to any part or portion of the Tract.

(c) HUD Approval. Notwithstanding anything elsewhere contained herein or in any other document, so long as there are Class B Members, HUD shall have the right to review and approve amendments or changes to the Declaration and related documents relating to the following:

- (i) Expansion of Emerald Springs.
- (ii) Mergers and consolidation of any Real Estate, Common Area or the Corporation relating to Emerald Springs.
- (iii) The mortgaging or dedication of the Common Area.
- (iv) The dissolution or amendment of the Declaration and related documents.

Specifically, HUD shall have the right to veto any amendments to the Declaration proposed by Declarant for so long as the Class B membership exists.

25. Acceptance and Ratification. All present and future Owners, Mortgagees, tenants and occupants of the Lots shall be subject to and shall comply with the provisions of this Declaration, the Articles, and the Bylaws incorporated herein by reference, and the rules and regulations as adopted by the Board of Directors as each may be amended from time to time. The acceptance of a deed of conveyance or the act of occupancy of any Lot shall constitute an agreement that the provisions of this Declaration, the Articles, the Bylaws, and rules and regulations, as each may be amended or supplemented from time to time, are accepted and ratified by such Owner, tenant or occupant, and all such provisions shall be covenants running with the land and shall be binding on any person having at any time any interest or estate in a Lot or the Tract as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. All persons, corporations, partnerships, trusts, associations, or other legal entities who may occupy, use, enjoy or control a Lot or Lots or any part of the Tract in any manner shall be subject to the Declaration, the Articles of Incorporation, the Bylaws, and the

rules and regulations applicable thereto as each may be amended or supplemented from time to time.

26. Negligence. Each Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees to the extent that such expense is not covered by the proceeds of insurance carried by the Corporation.

27. Costs and Attorneys' Fees. In any proceeding arising because of failure of an Owner to make any payments required or to comply with any provision of this Declaration, the Articles of Incorporation, the Bylaws, or the rules and regulations adopted pursuant thereto as each may be amended from time to time, the Corporation shall be entitled to recover its reasonable attorneys' fees incurred in connection with such default or failure.

28. Waiver. No Owner may exempt himself from liability for his contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Area or Limited Common Area or by abandonment of his Lot.

29. Severability Clause. The invalidity of any covenant, restriction, condition, limitation or other provision of this Declaration, the Articles or the Bylaws, shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration, the Articles, or the Bylaws, and each shall be enforced to the greatest extent permitted by law.

30. Pronouns. Any reference to the masculine, feminine or neuter gender herein shall, unless the context clearly requires to the contrary, be deemed to refer to and include all genders. And the singular shall include and refer to the plural and vice versa as appropriate.

31. Interpretation. The captions and titles of the various articles, sections, subsections, paragraphs and sub-paragraphs of this Declaration are inserted herein for ease and convenience of reference only and shall not be used as an aid in interpreting or construing this Declaration or any provision hereof.

32. The Plat. The Plat of Emerald Springs Section 1 is incorporated into this Declaration by reference and has been filed in the office of the Recorder of Hancock County, Indiana, of even date herewith.

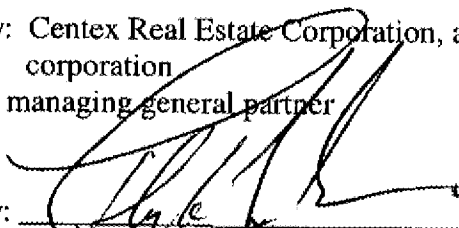
33. Controlling Document. In the event there is a conflict between the provisions of this Declaration and the Plat, the terms of this Declaration shall be controlling.

Conflict, as used herein, shall mean a situation where the application of the language in one document contradicts the language in another document. Conflict does not occur where language in one document is simply more restrictive than language in another document.

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

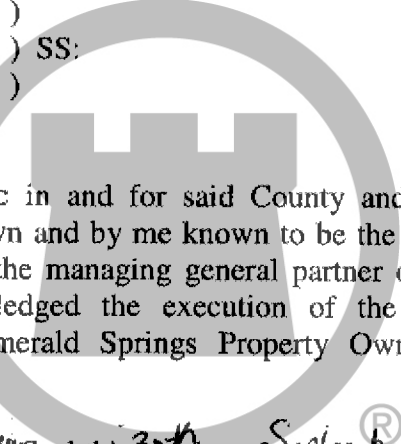
CENTEX HOMES, a Nevada general partnership

By: Centex Real Estate Corporation, a Nevada corporation
Its managing general partner



By: _____
Printed: Timothy K. McMahon
Title: Its Indianapolis Division President

STATE OF INDIANA)



COUNTY OF MARION)

SS:

Before me, a Notary Public in and for said County and State, personally appeared Timothy K. McMahon, by me known and by me known to be the division president of Centex Real Estate Corporation, which is the managing general partner of Centex Homes, a Nevada general partnership, who acknowledged the execution of the foregoing "Declaration of Covenants and Restrictions of Emerald Springs Property Ownership" on behalf of said Corporation and general partnership.

Witness my hand and Notary Seal this 30th day of September, 2003.



Stephany Lyn Elias
Notary Public
Stephany Lyn Elias
(Printed Signature)

My Commission Expires: January 30, 2009

My County of Residence: Manson

CONSENT OF EMERALD SPRINGS DEVELOPMENT, LLC

Emerald Springs Development, LLC is executing and consenting to the foregoing Declaration of Covenants and Restrictions of Emerald Springs solely as the current fee simple owner of a portion of the Real Estate, understanding that all rights, remedies and obligations of the Declarant are vested solely in Centex Homes.

EMERALD SPRINGS DEVELOPMENT, LLC

By: Christopher R White
Printed: Christopher R. White
Title: Member

STATE OF INDIANA)
COUNTY OF Marion)

) SS:
)

Before me, a Notary Public in and for said County and State, personally appeared Christopher White, by me known and by me known to be the Member of Emerald Springs Development, LLC, who acknowledged the execution of the foregoing "Declaration of Covenants and Restrictions of Emerald Springs Property Ownership" on behalf of said limited liability company.

Witness my hand and Notary Seal this 20th day of September, 2003.



Stephany Lyn Elias
Notary Public
Stephany Lyn Elias
(Printed Signature)

My Commission Expires: January 20, 2009

My County of Residence: Marion

This instrument prepared by Tammy K. Haney, Attorney-at-Law, Bose McKinney & Evans LLP, 600 East 96th Street, Suite 500, Indianapolis, Indiana 46240.

EXHIBIT A
[REAL ESTATE]

EMERALD SPRINGS (Section II)

Part of the Northwest Quarter of Section 24, Township 17 North, Range 5 East in Vernon Township in Hancock County, Indiana, more particularly described as follows:

Commencing at the Southwest corner of said Quarter Section; thence North 00 degrees 07 minutes 25 seconds East along the West line of said Quarter Section 253.49 feet to the Northeast corner of a 2.049 acre tract of land described in Instrument No. 97-9585 in the Office of the Recorder of said Hancock County; thence North 87 degrees 31 minutes 39 seconds East along the North line of said 2.049 acre tract and being parallel with the South line of said Quarter Section 65.07 feet to a point on a line that is parallel with and 65.00 feet distant Easterly, measured perpendicular, from the West line of said Northwest Quarter and said point being the POINT OF BEGINNING; thence North 00 degrees 07 minutes 25 seconds East parallel with said West line 123.95 feet to a 5/8 inch capped rebar "Gibson", (hereafter in this description rebar shall refer to a 5/8 inch capped rebar "Gibson"); thence North 45 degrees 07 minutes 25 seconds East 49.50 feet; thence South 89 degrees 52 minutes 35 seconds East 61.65 feet to the point of curvature of a curve concave northerly, the radius point of said curve being North 00 degrees 07 minutes 25 seconds East 280.00 feet from said point; thence easterly along said curve 128.84 feet to the point of tangency of said curve, said point being South 26 degrees 14 minutes 27 seconds East 280.00 feet from the radius point of said curve said point also being the point of curvature of a curve concave southerly, the radius point of said curve being South 26 degrees 14 minutes 27 seconds East 20.00 feet from said point; thence easterly along said curve 29.52 feet to the end of said curve, said point being North 58 degrees 18 minutes 50 seconds East 20.00 feet from the radius point of said curve; thence North 59 degrees 51 minutes 54 seconds East 50.00 feet to a point on a curve concave easterly, the radius point of said curve being North 58 degrees 18 minutes 50 seconds East 20.00 feet from said point; thence northerly along said curve 31.42 feet to the point of tangency of said curve, said point being North 31 degrees 41 minutes 10 seconds West 20.00 feet from the radius point of said curve; thence North 58 degrees 18 minutes 50 seconds East 271.73 feet to the point of curvature of a curve concave northwesterly, the radius point of said curve being North 31 degrees 41 minutes 10 seconds West 325.00 feet from said point; thence northeasterly along said curve 71.83 feet to the point of tangency of said curve, said point being South 44 degrees 20 minutes 55 seconds East 325.00 feet from the radius point of said curve; thence North 45 degrees 39 minutes 05 seconds East 22.72 feet; thence South 44 degrees 20 minutes 55 seconds East 130.00 feet; thence North 45 degrees 39 minutes 05 seconds East 148.77 feet; thence North 26 degrees 33 minutes 55 seconds East 122.93 feet to a rebar; thence North 00 degrees 07 minutes 25 seconds East parallel with the West line of said Northwest Quarter 516.80 feet; thence South 89 degrees 52 minutes 35 seconds East 202.83 feet; thence North 63 degrees 14 minutes 00 seconds East 104.08 feet to a rebar; thence North 21 degrees 16 minutes 17 seconds West 132.10 feet to a point on a curve concave northwesterly, the radius point of said curve being North 21 degrees 16 minutes 17 seconds West 325.00 feet from said point; thence northeasterly along said curve 31.17 feet to the point of tangency of said curve, said point being South 26 degrees 46 minutes 00 seconds East 325.00 feet from the radius point of said curve; thence North 63 degrees 14 minutes 00 seconds East 47.50 feet to a point on a curve concave southerly, the radius point of said curve being South 26 degrees 46 minutes 00 seconds East 20.00 feet from said point; thence easterly along said curve 31.42 feet to the end of said curve, said point being North 63 degrees 14 minutes 00 seconds East 20.00 feet from the radius point of said curve; thence North 63 degrees 14 minutes 00 seconds East 50.00 feet to a point on a curve concave easterly, the radius point of said curve being North 63 degrees 14 minutes 00 seconds East 20.00 feet from said point; thence northerly along said curve 31.42 feet to the point of tangency of said curve, said point being North 26 degrees 46 minutes 00 seconds West 20.00 feet from the radius point of said curve; thence North 63 degrees 14 minutes 00 seconds East 100.00 feet to a rebar; thence South 26 degrees 46 minutes 00 seconds East 114.63 feet to a rebar; thence South 16 degrees 38 minutes 10 seconds East 188.65 feet to a rebar; thence South 02 degrees 28 minutes 21 seconds East 120.00 feet to a rebar; thence North 87 degrees 31 minutes 39 seconds East 8.40 feet to a rebar; thence South 02 degrees 28 minutes 21 seconds East 170.00 feet to a rebar; thence South 87 degrees 31 minutes 39 seconds West 165.52 feet to a rebar; thence South 05 degrees 31 minutes 29 seconds West 171.67 feet to a rebar; thence South 87 degrees 31 minutes 39 seconds West 32.32 feet to a rebar on the point of curvature of a curve concave northerly, the radius point of said curve being North 02 degrees 28

minutes 21 seconds West 175.00 feet from said point; thence westerly along said curve 26.34 feet to a rebar on the end of said curve, said point being South 06 degrees 09 minutes 02 seconds West 175.00 feet from the radius point of said curve; thence South 26 degrees 48 minutes 07 seconds East 133.87 feet to a rebar; thence South 18 degrees 39 minutes 07 seconds West 62.86 feet to a rebar; thence South 02 degrees 28 minutes 21 seconds East 630.53 feet to a rebar; thence South 87 degrees 31 minutes 39 seconds West 1012.56 feet to the Southeast corner of aforesaid 2.049 acre tract (the next two (2) calls are along the Easterly and the Northerly boundaries of said 2.049 acre tract); thence North 00 degrees 07 minutes 25 seconds East 253.49 feet; thence South 87 degrees 31 minutes 39 seconds West, parallel with the South line of said Northwest Quarter 285.37 feet to the place of beginning.

TOGETHER with a non-exclusive easement for drainage as set out in a Grant of Drainage Easement dated September 26, 2002 and recorded October 17, 2002 as Instrument No. 2002-16478 in the Office of the Recorder of Hancock County.



CHICAGO TITLE

EXHIBIT B
[EXPANSION REAL ESTATE]

A part of the Northwest Quarter of Section 24, Township 17 North, Range 5 East, in Hancock County, Indiana, being more particularly described as follows:

Beginning at the Southeast corner of said Quarter Section; thence South 87 degrees 31 minutes 39 seconds West along the South line of said Quarter Section, a distance of 2,343.47 feet; thence North 00 degrees 07 minutes 25 seconds East 253.49 feet; thence South 87 degrees 31 minutes 39 seconds West 285.37 feet; thence North 00 degrees 07 minutes 25 seconds East 123.95 feet; thence North 45 degrees 07 minutes 25 seconds East 49.50 feet; thence South 89 degrees 52 minutes 35 seconds East 61.65 feet to the point of curvature of a curve concave northerly, the radius point of said curve being North 00 degrees 07 minutes 25 seconds East 280.00 feet from said point; thence easterly along said curve 128.84 feet to the point of tangency of said curve, said point being South 26 degrees 14 minutes 27 seconds East 280.00 feet from the radius point of said curve, said point also being the point of curvature of a curve concave southerly, the radius point of said curve being South 26 degrees 14 minutes 27 seconds East 20.00 feet from said point; thence easterly along said curve 29.52 feet to the point of tangency of said curve, said point being North 58 degrees 18 minutes 50 seconds East 20.00 feet from the radius point of said curve; thence North 59 degrees 51 minutes 54 seconds East 50.02 feet to a point on a curve concave easterly, the radius point of said curve being North 58 degrees 18 minutes 50 seconds East 20.00 feet from said point; thence northerly along said curve 31.42 feet to the point of tangency of said curve, said point being North 31 degrees 41 minutes 10 seconds West 20.00 feet from the radius point of said curve; thence North 58 degrees 18 minutes 50 seconds East 271.73 feet to the point of curvature of a curve concave northwesterly, the radius point of said curve being North 31 degrees 41 minutes 10 seconds West 325.00 feet from said point; thence northeasterly along said curve 71.83 feet to the point of tangency of said curve, said point being South 44 degrees 20 minutes 55 seconds East 325.00 feet from the radius point of said curve; thence North 45 degrees 39 minutes 05 seconds East 22.72 feet; thence South 44 degrees 20 minutes 55 seconds East 130.00 feet; thence North 45 degrees 39 minutes 05 seconds East 148.77 feet; thence North 26 degrees 33 minutes 55 seconds East 122.93 feet; thence North 00 degrees 07 minutes 25 seconds East 516.80 feet; thence South 89 degrees 52 minutes 35 seconds East 202.83 feet; thence North 63 degrees 14 minutes 00 seconds East 104.08 feet; thence North 21 degrees 16 minutes 17 seconds West 132.10 feet to a point on a curve concave northwesterly, the radius point of said curve being North 21 degrees 16 minutes 17 seconds West 325.00 feet from said point; thence northeasterly along said curve 31.17 feet to the point of tangency of said curve, said point being South 26 degrees 46 minutes 00 seconds East 325.00 feet from the radius point of said curve; thence North 63 degrees 14 minutes 00 seconds East 47.50 feet to the point of curvature of a curve concave southerly, the radius point of said curve being South 26 degrees 46 minutes 00 seconds East 20.00 feet from said point; thence easterly along said curve 31.42 feet to the point of tangency of said curve, said point being North 63 degrees 14 minutes 00 seconds East 20.00 feet from the radius point of said curve; thence North 63 degrees 14 minutes 00 seconds East 50.00 feet to a point on a curve concave easterly, the radius point of said curve being North 63 degrees 14 minutes 00 seconds East 20.00 feet from said point; thence northerly along said curve 31.42 feet to a point on said curve, said point being North 26 degrees 46 minutes 00 seconds West 20.00 feet from the radius point of said curve; thence North 63 degrees 14 minutes 02 seconds East 140.00 feet; thence South 26 degrees 46 minutes 00 seconds East 149.72 feet; thence South 51 degrees 11 minutes 11 seconds East 181.70 feet; thence North 87 degrees 16 minutes 00 seconds East 933.24 feet; thence North 42 degrees 10 minutes 47 seconds East 28.12 feet; thence South 89 degrees 49 minutes 30 seconds East 91.50 feet to a point on the East line of the aforesaid Quarter Section; thence South 00 degrees 10 minutes 30 seconds West along said East line, a distance of 1,338.12 feet to the place of beginning. Containing 64.005 acres, more or less, subject to all legal highways, rights-of-ways, easements, and restrictions of record.

EXCEPTING THEREFROM: (See attached legal)

Part of the Northwest Quarter of Section 24, Township 17 North, Range 5 East in Vernon Township in Hancock County, Indiana, more particularly described as follows:

Commencing at the Southwest corner of said Quarter Section; thence North 00 degrees 07 minutes 25 seconds East along the West line of said Quarter Section 253.49 feet to the Northeast corner of a 2.049 acre tract of land described in Instrument No. 97-9585 in the Office of the Recorder of said Hancock County; thence North 87 degrees 31 minutes 39 seconds East along the North line of said 2.049 acre tract and being parallel with the South line of said Quarter Section 65.07 feet to a point on a line that is parallel with and 65.00 feet distant Easterly, measured perpendicular, from the West line of said Northwest Quarter and said point being the POINT OF BEGINNING; thence North 00 degrees 07 minutes 25 seconds East parallel with said West line 123.95 feet to a 5/8 inch capped rebar "Gibson", (hereafter in this description rebar shall refer to a 5/8 inch capped rebar "Gibson"); thence North 45 degrees 07 minutes 25 seconds East 49.50 feet; thence South 89 degrees 52 minutes 35 seconds East 61.65 feet to the point of curvature of a curve concave northerly, the radius point of said curve being North 00 degrees 07 minutes 25 seconds East 280.00 feet from said point; thence easterly along said curve 128.84 feet to the point of tangency of said curve, said point being South 26 degrees 14 minutes 27 seconds East 280.00 feet from the radius point of said curve said point also being the point of curvature of a curve concave southerly, the radius point of said curve being South 26 degrees 14 minutes 27 seconds East 20.00 feet from said point; thence easterly along said curve 29.52 feet to the end of said curve, said point being North 58 degrees 18 minutes 50 seconds East 20.00 feet from the radius point of said curve; thence North 59 degrees 51 minutes 54 seconds East 50.00 feet to a point on a curve concave easterly, the radius point of said curve being North 58 degrees 18 minutes 50 seconds East 20.00 feet from said point; thence northerly along said curve 31.42 feet to the point of tangency of said curve, said point being North 31 degrees 41 minutes 10 seconds West 20.00 feet from the radius point of said curve; thence North 58 degrees 18 minutes 50 seconds East 271.73 feet to the point of curvature of a curve concave northwesterly, the radius point of said curve being North 31 degrees 41 minutes 10 seconds West 325.00 feet from said point; thence northeasterly along said curve 71.83 feet to the point of tangency of said curve, said point being South 44 degrees 20 minutes 55 seconds East 325.00 feet from the radius point of said curve; thence North 45 degrees 39 minutes 05 seconds East 22.72 feet; thence South 44 degrees 20 minutes 55 seconds East 130.00 feet; thence North 45 degrees 39 minutes 05 seconds East 148.77 feet; thence North 26 degrees 33 minutes 55 seconds East 122.93 feet to a rebar; thence North 00 degrees 07 minutes 25 seconds East parallel with the West line of said Northwest Quarter 516.80 feet; thence South 89 degrees 52 minutes 35 seconds East 202.83 feet; thence North 63 degrees 14 minutes 00 seconds East 104.08 feet to a rebar; thence North 21 degrees 16 minutes 17 seconds West 132.10 feet to a point on a curve concave northwesterly, the radius point of said curve being North 21 degrees 16 minutes 17 seconds West 325.00 feet from said point; thence northeasterly along said curve 31.17 feet to the point of tangency of said curve, said point being South 26 degrees 46 minutes 00 seconds East 325.00 feet from the radius point of said curve; thence North 63 degrees 14 minutes 00 seconds East 47.50 feet to a point on a curve concave southerly, the radius point of said curve being South 26 degrees 46 minutes 00 seconds East 20.00 feet from said point; thence easterly along said curve 31.42 feet to the end of said curve, said point being North 63 degrees 14 minutes 00 seconds East 20.00 feet from the radius point of said curve; thence North 63 degrees 14 minutes 00 seconds East 50.00 feet to a point on a curve concave easterly, the radius point of said curve being North 63 degrees 14 minutes 00 seconds East 20.00 feet from said point; thence northerly along said curve 31.42 feet to the point of tangency of said curve, said point being North 26 degrees 46 minutes 00 seconds West 20.00 feet from the radius point of said curve; thence North 63 degrees 14 minutes 00 seconds East 100.00 feet to a rebar; thence South 26 degrees 46 minutes 00 seconds East 114.63 feet to a rebar; thence South 16 degrees 38 minutes 10 seconds East 188.65 feet to a rebar; thence South 02 degrees 28 minutes 21 seconds East 120.00 feet to a rebar; thence North 87 degrees 31 minutes 39 seconds East 8.40 feet to a rebar; thence South 02 degrees 28 minutes 21 seconds East 170.00 feet to a rebar; thence South 87 degrees 31 minutes 39 seconds West 165.52 feet to a rebar; thence South 05 degrees 31 minutes 29 seconds West 171.67 feet to a rebar; thence South 87 degrees 31 minutes 39 seconds West 32.32 feet to a rebar on the point of curvature of a curve concave northerly, the radius point of said curve being North 02 degrees 28 minutes 21 seconds West 175.00 feet from said point; thence westerly along said curve 26.34 feet to a rebar on the end of said curve, said point being South 06 degrees 09 minutes 02 seconds West 175.00 feet from the radius point of said curve; thence South 26 degrees 48 minutes 07 seconds East 133.87 feet to a rebar; thence South 18 degrees 39 minutes 07 seconds West 62.86 feet to a rebar; thence South 02 degrees 28 minutes 21 seconds East 630.53 feet to a rebar; thence South 87 degrees 31 minutes 39 seconds West 1012.56 feet to the Southeast corner of aforesaid 2.049 acre tract (the next two (2) calls are along the Easterly and the Northerly boundaries of said 2.049 acre tract); thence North 00 degrees 07 minutes 25 seconds East 253.49 feet; thence South 87 degrees 31 minutes 39 seconds West, parallel with the South line of said Northwest Quarter 285.37 feet to the place of beginning.

TOGETHER with a non-exclusive easement for drainage as set out in a Grant of Drainage Easement dated September 26, 2002 and recorded October 17, 2002 as Instrument No. 2002-16478 in the Office of the Recorder of Hancock County.

EXHIBIT C
[LLC PROPERTY]

A part of the Northwest Quarter of Section 24, Township 17 North, Range 5 East, in Hancock County, Indiana, being more particularly described as follows:

Commencing at the Southwest corner of said Quarter Section; thence North 00 degrees 07 minutes 25 seconds East along the West line of said Quarter Section, a distance of 253.49 feet; thence North 87 degrees 31 minutes 39 seconds East 52.55 feet to the POINT OF BEGINNING of this description; thence North 00 degrees 07 minutes 25 seconds East 1,745.26 feet; thence North 02 degrees 45 minutes 57 seconds East 391.57 feet; thence North 87 degrees 16 minutes 00 seconds East 653.37 feet; thence South 02 degrees 42 minutes 18 seconds West 459.00 feet; thence North 87 degrees 16 minutes 00 seconds East 274.63 feet; thence North 00 degrees 07 minutes 25 seconds East 676.19 feet; thence North 31 degrees 51 minutes 09 seconds East 23.02 feet to a point on the North line of the aforesaid Quarter Section; thence North 87 degrees 16 minutes 00 seconds East along said North line 358.38 feet; thence South 00 degrees 08 minutes 58 seconds West 695.18 feet; thence North 87 degrees 16 minutes 00 seconds East 1,348.12 feet to a point on the East line of the aforesaid Quarter Section; thence South 00 degrees 10 minutes 30 seconds West along said East line 605.51 feet; thence North 89 degrees 49 minutes 30 seconds West 91.50 feet; thence South 42 degrees 10 minutes 47 seconds West 28.12 feet; thence South 87 degrees 16 minutes 00 seconds West 933.24 feet; thence North 51 degrees 11 minutes 11 seconds West 181.70 feet; thence North 26 degrees 46 minutes 00 seconds West 149.72 feet; thence South 63 degrees 14 minutes 02 seconds West 140.00 feet to a point on a curve concave easterly, the radius point of said curve being South 26 degrees 46 minutes 00 seconds East 20.00 feet from said point; thence southerly along said curve 31.42 feet to a point on said curve, said point being South 63 degrees 14 minutes 00 seconds West 20.00 feet from the radius point of said curve; thence South 63 degrees 14 minutes 00 seconds West 50.00 feet to a point on a curve concave southerly, the radius point of said curve being South 63 degrees 14 minutes 00 seconds West 20.00 feet from said point; thence westerly along said curve 31.42 feet to a point of tangency of said curve, said point being South 26 degrees 46 minutes 00 seconds East 20.00 feet from the radius point of said curve; thence South 63 degrees 14 minutes 00 seconds West 47.50 feet to the point of curvature of a curve concave northwesterly, the radius point of said curve being North 26 degrees 46 minutes 00 seconds West 325.00 feet from said point; thence southwesterly along said curve 31.17 feet to a point on said curve, said point being North 21 degrees 16 minutes 17 seconds West 325.00 feet from the radius point of said curve; thence South 21 degrees 16 minutes 17 seconds East 132.10 feet; thence South 63 degrees 14 minutes 00 seconds West 104.08 feet; thence North 89 degrees 52 minutes 35 seconds West 202.83 feet; thence South 00 degrees 07 minutes 25 seconds West 516.80 feet; thence South 26 degrees 33 minutes 55 seconds West 122.93 feet; thence South 45 degrees 39 minutes 05 seconds West 148.77 feet; thence North 44 degrees 20 minutes 55 seconds West 130.00 feet; thence South 45 degrees 39 minutes 05 seconds West 22.72 feet to the point of curvature of a curve concave northwesterly, the radius point of said curve being North 44 degrees 20 minutes 55 seconds West 325.00 feet from said point; thence southwesterly along said curve 71.83 feet to the point of tangency of said curve, said point being North 31 degrees 41 minutes 10 seconds West 325.00 feet from the radius point of said curve; thence South 58 degrees 18 minutes 50 seconds West 271.73 feet to the point of curvature of a curve concave easterly, the radius point of said curve being South 31 degrees 41 minutes 10 seconds East 20.00 feet from said point; thence southerly along said curve 31.42 feet to the point of tangency of said curve, said point South 58 degrees 18 minutes 50 seconds West 20.00 feet from the radius point of said curve;

thence South 59 degrees 51 minutes 54 seconds West 50.02 feet to a point on a curve concave southerly, the radius point of said curve being South 58 degrees 18 minutes 50 seconds West 20.00 feet from said point; thence westerly along said curve 29.52 feet to a point on said curve, said point being South 26 degrees 14 minutes 27 seconds East 20.00 feet from the radius point of said curve, said point also being the point of curvature of a curve concave northerly, the radius point of said curve being North 26 degrees 14 minutes 27 seconds West 280.00 feet from said point; thence westerly along said curve 128.84 feet to the point of tangency of said curve, said point being North 00 degrees 07 minutes 25 seconds East 280.00 feet from the radius point of said curve; thence North 89 degrees 52 minutes 35 seconds West 61.65 feet; thence South 45 degrees 07 minutes 25 seconds West 49.50 feet; thence South 00 degrees 07 minutes 25 seconds West 123.95 feet; thence South 87 degrees 31 minutes 39 seconds West 12.52 feet to the place of beginning. Containing 64.422 acres, more or less, subject to all legal highways, rights-of-ways, easements, and restrictions of record.



CHICAGO TITLE

EXHIBIT D
[TRACT or SECTION 1]

Commencing at the Southwest corner of said Quarter Section; thence North 00 degrees 07 minutes 25 seconds East along the West line of said Quarter Section a distance of 253.49 feet; thence North 87 degrees 31 minutes 39 seconds East 52.55 feet to the POINT OF BEGINNING; thence North 00 degrees 07 minutes 25 seconds East 1,648.04 feet; thence South 89 degrees 52 minutes 35 seconds East 130.06 feet; thence South 05 degrees 25 minutes 19 seconds East 110.66 feet to the point of curvature of a curve concave easterly, the radius point of said curve being North 84 degrees 34 minutes 41 seconds East 175.00 feet from said point; thence southerly along said curve 101.91 feet to the point of tangency of said curve, said point being South 51 degrees 12 minutes 47 seconds West 175.00 feet from the radius point of said curve; thence North 40 degrees 42 minutes 21 seconds East 51.21 feet to a point on a curve concave northerly, the radius point of said curve being North 55 degrees 29 minutes 51 seconds East 20.00 feet from said point; thence easterly along said curve 32.81 feet to the point of tangency of said curve, said point being South 38 degrees 29 minutes 57 seconds East 20.00 feet from the radius point of said curve, said point also being the point of curvature of a curve concave southeasterly, the radius point of said curve being South 38 degrees 29 minutes 57 seconds East 475.00 feet from said point; thence northeasterly along said curve 11.50 feet to a point on said curve, said point being North 37 degrees 06 minutes 42 seconds West 475.00 feet from the radius point of said curve; thence South 37 degrees 06 minutes 42 seconds East 180.00 feet; thence South 44 degrees 55 minutes 51 seconds West 81.68 feet; thence South 29 degrees 00 minutes 58 seconds West 81.68 feet; thence South 13 degrees 06 minutes 00 seconds West 81.69 feet; thence South 00 degrees 51 minutes 54 seconds West 87.37 feet; thence South 00 degrees 07 minutes 25 seconds West 167.90 feet; thence South 89 degrees 52 minutes 35 seconds East 132.00 feet; thence South 00 degrees 07 minutes 25 seconds West 15.48 feet; thence South 89 degrees 52 minutes 35 seconds East 180.00 feet; thence North 00 degrees 07 minutes 25 seconds East 55.97 feet; thence South 89 degrees 52 minutes 35 seconds East 180.00 feet; thence South 00 degrees 07 minutes 25 seconds West 41.69 feet; thence South 89 degrees 52 minutes 35 seconds East 130.00 feet; thence South 00 degrees 07 minutes 25 seconds West 318.79 feet; thence South 26 degrees 33 minutes 55 seconds West 122.93 feet; thence South 45 degrees 39 minutes 05 seconds West 148.77 feet; thence North 44 degrees 20 minutes 55 seconds West 130.00 feet; thence South 45 degrees 39 minutes 05 seconds West 22.72 feet to the point of curvature of a curve concave northwesterly, the radius point of said curve being North 44 degrees 20 minutes 55 seconds West 325.00 feet from said point; thence southwesterly along said curve 71.83 feet to the point of tangency of said curve, said point being South 31 degrees 41 minutes 10 seconds East 325.00 feet from the radius point of said curve; thence South 58 degrees 18 minutes 50 seconds West 271.73 feet to the point of curvature of a curve concave easterly, the radius point of said curve being South 31 degrees 41 minutes 10 seconds East 20.00 feet from said point; thence southerly along said curve 31.42 feet to the point of tangency of said curve, said point being South 58 degrees 18 minutes 50 seconds West 20.00 feet from the radius point of said curve; thence South 59 degrees 51 minutes 54 seconds West 50.02 feet to a point

on a curve concave southerly, the radius point of said curve being South 58 degrees 18 minutes 50 seconds West 20.00 feet from said point; thence westerly along said curve 29.52 feet to the point of tangency of said curve, said point being North 26 degrees 14 minutes 27 seconds West 20.00 feet from the radius point of said curve, said point also being the point of curvature of a curve concave northerly, the radius point of said curve being North 26 degrees 14 minutes 27 seconds West 280.00 feet from said point; thence westerly along said curve 128.84 feet to the point of tangency of said curve, said point being South 00 degrees 07 minutes 25 seconds West 280.00 feet from the radius point of said curve; thence North 89 degrees 52 minutes 35 seconds West 61.65 feet; thence South 45 degrees 07 minutes 25 seconds West 49.50 feet; thence South 00 degrees 07 minutes 25 seconds West 123.95 feet; thence South 87 degrees 31 minutes 39 seconds West 12.52 feet to the place of beginning, containing 15.934 acres, more or less, subject to all legal highways, rights-of-ways, easements, and restrictions of record.

This subdivision consists of 32 lots numbered 60-69, 77-80 and 95-112 (all inclusive) and 3 Common Areas labeled C.A. #1 - C.A. #3 (both inclusive). The size of lots and width of streets are shown in feet and decimal parts thereof.

ALSO INCLUDING:

Commencing at the Southwest corner of said Quarter Section; thence North 00 degrees 07 minutes 25 seconds East along the West line of said Quarter Section a distance of 253.49 feet; thence North 87 degrees 31 minutes 39 seconds East 52.55; thence North 00 degrees 07 minutes 25 seconds East 1,648.04 feet; thence South 89 degrees 52 minutes 35 seconds East 130.06 feet; thence South 05 degrees 25 minutes 19 seconds East 110.66 feet to the point of curvature of a curve concave easterly, the radius point of said curve being North 84 degrees 34 minutes 41 seconds East 175.00 feet from said point; thence southerly along said curve 101.91 feet to a point on said curve, said point being South 51 degrees 12 minutes 47 seconds West 175.00 feet from the radius point of said curve; thence North 40 degrees 42 minutes 21 seconds East 51.21 feet to a point on a curve concave northerly, the radius point of said curve being North 55 degrees 29 minutes 51 seconds East 20.00 feet from said point; thence easterly along said curve 32.81 feet to the point of tangency of said curve, said point being South 38 degrees 29 minutes 57 seconds East 20.00 feet from the radius point of said curve, said point also being the point of curvature of a curve concave southeasterly, the radius point of said curve being South 38 degrees 29 minutes 57 seconds East 475.00 feet from said point; thence northeasterly along said curve 11.50 feet to point on said curve, said point being North 37 degrees 06 minutes 42 seconds West 475.00 feet from the radius point of said curve; thence South 37 degrees 06 minutes 42 seconds East 180.00 feet to a point on the northern boundary of Emerald Springs, Section 1A Recorded as Instrument No. _____ in the Office of the Recorder of Hancock County, Indiana, said point also being the POINT OF BEGINNING; thence North 60 degrees 50 minutes 44 seconds East 81.68 feet; thence North 76 degrees 45 minutes 43 seconds East 81.69 feet; thence North 89 degrees 09 minutes 02 seconds East 77.17 feet; thence South 89 degrees 52 minutes 35 seconds East 454.68 feet; thence North 64 degrees 06 minutes 53 seconds East 140.15 feet; thence South 26 degrees 46 minutes 00 seconds East 101.74

feet to the point of curvature of a curve concave northerly, the radius point of said curve being North 63 degrees 14 minutes 00 seconds East 20.00 feet from said point; thence easterly along said curve 31.42 feet to the point of tangency of said curve, said point being South 26 degrees 46 minutes 00 seconds East 20.00 feet from the radius point of said curve; thence South 26 degrees 46 minutes 00 seconds East 50.00 feet to a point on a curve concave easterly, the radius point of said curve being South 26 degrees 46 minutes 00 seconds East 20.00 feet from said point; thence southerly along said curve 31.42 feet to the point of tangency of said curve, said point being South 63 degrees 14 minutes 00 seconds West 20.00 feet from the radius point of said curve; thence South 63 degrees 14 minutes 00 seconds West 50.00 feet to a point on a curve concave southerly, the radius point of said curve being South 63 degrees 14 minutes 00 seconds West 20.00 feet from said point; thence westerly along said curve 31.42 feet to the point of tangency of said curve, said point being North 26 degrees 46 minutes 00 seconds West 20.00 feet from the radius point of said curve; thence South 63 degrees 14 minutes 00 seconds West 47.50 feet to the point of curvature of a curve concave northwesterly, the radius point of said curve being North 26 degrees 46 minutes 00 seconds West 325.00 feet from said point; thence southwesterly along said curve 31.17 feet to a point on said curve, said point being South 21 degrees 16 minutes 17 seconds East 325.00 feet from the radius point of said curve; thence South 21 degrees 16 minutes 17 seconds East 132.10 feet; thence South 63 degrees 14 minutes 00 seconds West 104.08 feet; thence North 89 degrees 52 minutes 35 seconds West 202.83 feet; thence South 00 degrees 07 minutes 25 seconds West 198.01 feet to a point on the aforesaid Emerald Springs, Section 1A. The following twelve (12) courses are along the Northern boundary of Emerald Springs, Section 1A; (1) North 89 degrees 52 minutes 35 seconds West 130.00 feet; (2) North 00 degrees 07 minutes 25 seconds East 41.69 feet; (3) North 89 degrees 52 minutes 35 seconds West 180.00 feet; (4) South 00 degrees 07 minutes 25 seconds West 55.97 feet; (5) North 89 degrees 52 minutes 35 seconds West 180.00 feet; (6) North 00 degrees 07 minutes 25 seconds East 15.48 feet; (7) North 89 degrees 52 minutes 35 seconds West 132.00 feet; (8) North 00 degrees 07 minutes 25 seconds East 167.90 feet; (9) North 00 degrees 51 minutes 54 seconds East 87.37 feet; (10) North 13 degrees 06 minutes 00 seconds East 81.69 feet; (11) North 29 degrees 00 minutes 58 seconds East 81.68 feet; (12) North 44 degrees 55 minutes 51 seconds East 81.68 feet to the place of beginning, containing 9.370 acres, more or less, subject to all legal highways, rights-of-ways, easements, and restrictions of record.

This subdivision consists of 28 lots numbered 53-59, 70-76, 81-94 (all inclusive). The size of lots and width of streets are shown in feet and decimal parts thereof.

ALSO INCLUDING:

Commencing at the Southwest Quarter of said Quarter Section; thence North 00 degrees 07 minutes 25 seconds East along the West line of said Quarter Section 253.49 feet; thence North 87 degrees 31 minutes 39 seconds East parallel to the South line of said Quarter Section 65.07 feet to the POINT OF BEGINNING; thence North 00 degrees 07 minutes 25 seconds East 123.95 feet; thence North 45 degrees 07 minutes 25 seconds

East 49.50 feet; thence South 89 degrees 52 minutes 35 seconds East 61.65 feet to the point of curvature of a curve concave northerly, the radius point of said curve being North 00 degrees 07 minutes 25 seconds East 280.00 feet from said point; thence easterly along said curve 128.84 feet to the point of tangency of said curve, said point being North 26 degrees 14 minutes 27 seconds West 280.00 feet from the radius point of said curve, said point also being the point of curvature of a curve concave southerly, the radius point of said curve being South 26 degrees 14 minutes 17 seconds East 20.00 feet from said point; thence easterly along said curve 29.52 feet to the point of tangency of said curve, said point being North 58 degrees 18 minutes 41 seconds East 20.00 feet from the radius point of said curve; thence North 59 degrees 51 minutes 54 seconds East 50.02 feet to a point on a curve concave easterly, the radius point of said curve being North 58 degrees 18 minutes 50 seconds East 20.00 feet from said point; thence northerly along said curve 31.42 feet to the point of tangency of said curve, said point being North 31 degrees 41 minutes 10 seconds West 20.00 feet from the radius point of said curve; thence North 58 degrees 18 minutes 50 seconds East 271.73 feet to a point on a curve concave northwesterly, the radius point of said curve being North 31 degrees 41 minutes 10 seconds West 325.00 feet from said point; thence northeasterly along said curve 71.83 feet to the point of tangency of said curve, said point being North 44 degrees 20 minutes 55 seconds West 325.00 feet from the radius point of said curve; thence North 45 degrees 39 minutes 05 seconds East 22.72 feet; thence South 44 degrees 20 minutes 55 seconds East 130.00 feet; thence North 45 degrees 39 minutes 05 seconds East 148.77 feet; thence North 26 degrees 33 minutes 55 seconds East 122.93 feet; thence North 00 degrees 07 minutes 25 seconds East 516.80 feet; thence South 89 degrees 52 minutes 35 seconds East 202.83 feet; thence North 63 degrees 14 minutes 00 seconds East 104.08 feet; thence North 21 degrees 16 minutes 17 seconds West 132.10 feet to a point on a curve concave northwesterly, the radius point of said curve being North 21 degrees 16 minutes 17 seconds West 325.00 feet from said point; thence northeasterly along said curve 31.17 feet to the point of tangency of said curve, said point being South 26 degrees 46 minutes 00 seconds East 325.00 feet from the radius point of said curve; thence North 63 degrees 14 minutes 00 seconds East 47.49 feet to a point on a curve concave southerly, the radius point of said curve being South 26 degrees 48 minutes 28 seconds East 20.00 feet from said point; thence easterly along said curve 31.42 feet to the point of tangency of said curve, said point being North 63 degrees 14 minutes 00 seconds East 20.00 feet from the radius point of said curve; thence North 63 degrees 14 minutes 00 seconds East 50.00 feet to a point on a curve concave easterly, the radius point of said curve being North 63 degrees 14 minutes 00 seconds East 20.00 feet from said point; thence northerly along said curve 31.42 feet to the point of tangency of said curve, said point being North 26 degrees 46 minutes 00 seconds West 20.00 feet from the radius point of said curve; thence North 63 degrees 14 minutes 00 seconds East 100.00 feet; thence South 26 degrees 46 minutes 00 seconds East 114.63 feet; thence South 16 degrees 38 minutes 10 seconds East 188.65 feet; thence South 02 degrees 28 minutes 21 seconds East 120.00 feet; thence North 87 degrees 31 minutes 39 seconds East 8.40 feet; thence South 02 degrees 28 minutes 21 seconds East 170.00 feet; thence South 87 degrees 31 minutes 39 seconds West 165.52 feet; thence South 05 degrees 31 minutes 29 seconds West 171.67 feet; thence South 87 degrees 31 minutes 39 seconds West 32.32 feet to the point of curvature of a curve

concave northerly, the radius point of said curve being North 02 degrees 28 minutes 21 seconds West 175.00 feet from said point; thence westerly along said curve 26.34 feet to a point on said curve, said point being South 06 degrees 09 minutes 02 seconds West 175.00 feet from the radius point of said curve; thence South 26 degrees 48 minutes 07 seconds East 133.87 feet; thence South 18 degrees 39 minutes 07 seconds West 62.86 feet; thence South 02 degrees 28 minutes 21 seconds East 523.85 feet; thence South 44 degrees 11 minutes 15 seconds West 155.44 feet; thence South 87 degrees 31 minutes 39 seconds West 899.51 feet; thence North 00 degrees 07 minutes 25 seconds East 253.49 feet; thence South 87 degrees 31 minutes 39 seconds West 285.37 feet to the place of beginning. Containing 23.995 acres, more or less, subject to all legal highways, rights-of-ways, easements, and restrictions of record.

This subdivision consists of 60 lots numbered 1-52, 224-226, 265-269 (both inclusive) and 4 Common Areas labeled 4-5, 7-8 (both inclusive). The size of lots and width of streets are shown in feet and decimal parts thereof.



CHICAGO TITLE

EXHIBIT E[Development Standards]McCordsville Overlay Ordinance.

Except as modified by these development standards, the project shall comply with the Town of McCordsville Overlay Ordinance (the "Overlay Ordinance") dated December 20, 2001.

Lot and Yard Requirements.

Area	Minimum Lot Width at the Building Line	Minimum Side Yard Setback	Minimum Sq. Footage 1-story	Minimum Sq. Footage 2-story*
Area A	90' wide	10'	1700	1900
Area B	80' wide	8'	1500	1800
Area C	60' wide	7'	1200	1600

*Minimum square footage refers to the square footage of the entire 2-story home and not to the square footage of the first floor of the 2-story home.

Garage Door Locations/Orientation.

This paragraph replaces entirely the Overlay Ordinance's provisions regarding Garage Locations/Orientation. All homes shall have either 2- or 3-car garages. All homes in Area A shall have side-load garages. Twenty percent (20%) of the homes in Area B and C shall have side-load garages. All homes located on corner lots in Areas A, B and C shall have side-load garages. All other homes in Areas B and C may have garage doors facing the street, but front-load garages may not extend more than 13 feet in front of the primary elevation of the home without prior approval by the Town's Planning and Zoning Committee. For homes with front-load 2-car garages, the width of the garage door may not consist of more than forty percent (40%) of the width of the entire front elevation. If a home has a front-load 3-car garage, then the 3rd-car garage shall not be included in this calculation, but the 3rd-car garage shall be offset at least 2 feet from the front elevation of the 2-car garage.

Architectural Standards.

All single family residential buildings in this project shall meet the Architectural Standards for Residential Districts identified in Section 7.1-303(e), subject to the following modifications, which replace the identified paragraphs of the Overlay Ordinance:

5. All homes in Area A shall have, at a minimum, an area equal to 50% of the exterior wall surface of the first floor of each residence to be masonry. All homes in Areas B and C, are encouraged, but will not be required, to have an area equal to 50% of the exterior wall surface of the first floor of each residence to be masonry. All homes in Areas A, B and C shall have at least 50% of the front facade of all residential buildings, exclusive of windows, doorways (other than garage doors) and bays, to be masonry. In making this calculation, garage doors shall be included as part of the front facade. All walls.
6. In Area A, all chimneys will be brick, and in Areas B and C all chimneys will be brick on the homes located on corner lots where the chimney faces the public street.

- 7. A single elevation shall not be repeated across the street or next door.
- 8. The pitch of the largest square footage roof must be 6/12 or greater. Front gables shall be 8/12.
- 9. There shall not be more than 15% of the houses in the subdivision with the same elevation.
- 10. All homes on corner lots shall include on the side elevations facing the street at least 50% of the first floor facade, exclusive of windows, doorways, garage doors and bays, to be masonry. All homes adjacent to lake one shall include shutters on all operable windows on the rear elevations facing the lake. All homes abutting the south property line of the project between the woods and Mount Comfort Road shall include shutters on all operable windows on the rear elevations facing the south property line. The two homes adjacent to County Road 900 North at the north entrance shall have on the side elevation facing 900 North at least 50% of the side facade, exclusive of windows, doorways (other than garages) and bays, to be masonry.

Walking Paths.

Walking paths along 600W shall be 10' wide asphalt paths. Walking paths located within the interior of the subdivision shall be 6' wide asphalt paths, except for the paths located within the nature preserve, which shall be 6' wide mulch paths.

Sidewalks.

Sidewalks shall be located on both sides of the interior streets, except no sidewalk will be located between the frontage road along 600W and the common area.

Builder.

If Dura Builders is a builder in Area C of the project, then the homes built by Dura will be substantially similar in architectural features, designs and quality to the homes presented to the Town Council as examples of the homes Dura intends to build. This provision, however, is not intended to prevent Dura from developing and building new and additional home designs. In addition, if Dura is one of the builders in the project, then at least one of Dura's model homes shall include a side load garage.

Homeowner's Association.

The project will have a professionally managed homeowner's association Prior to the turnover of the Association from the developer to the homeowners.

EMERALD SPRINGS

**PRELIMINARY PLAN
TOWN OF MCCORDSVILLE
JUNE 11, 2002**

**DEVELOPER: CR White Development
CHRIS WHITE
510 FOX LANE
CARMEL, IN 46032**

TOTAL LAND AREA: 128.426

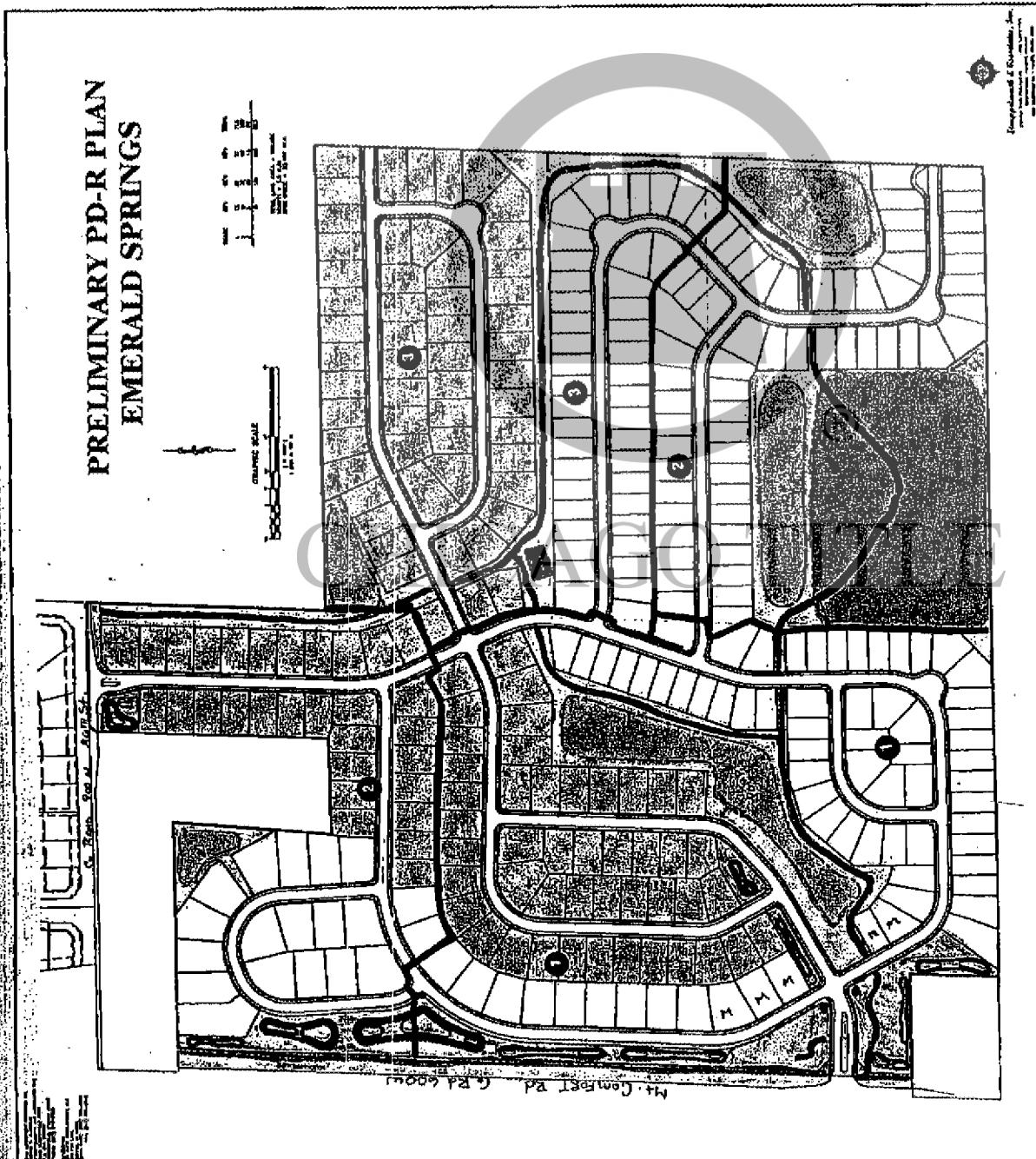
TOTAL LOTS 322 LOTS

DENSITY 2.5 DENSITY

OPEN SPACE: 53.493 AC. = 25 %

Area A:	90' X 130' Lots	31 Lots		
Area B:	80' X 130' Lots	131 Lots		
Area C:	60' X 120' Lots	160 Lots		
PHASE	90's	80's	60's	TOTAL
1	12	46	57	115
2	19	30	60	109
3	0	55	43	96
	31	131	160	322

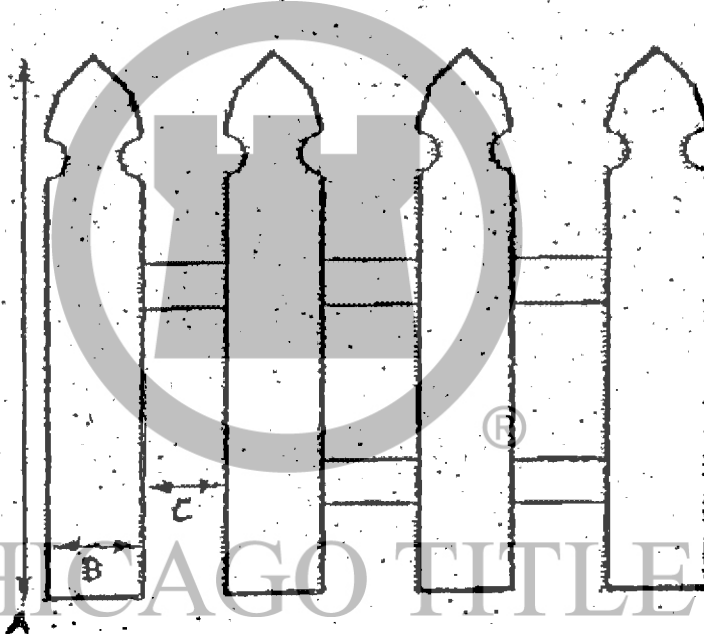
**TOTAL LAND AREA = 128.426
DENSITY = 2.5 U/A
OPEN SPACE = 53.493 Ac.±**



END OF DOCUMENT

EXHIBIT F
[FENCE]

Cedar Treated
Gothic Top
Spaced Picket Panel
(42" X 6')



A = 42" (with an installed height of no more than 48")

B = 3 3/8"

C = 2 1/2"

EXHIBIT F

4-17-05
#1-1

**SUPPLEMENTAL DECLARATION OF
COVENANTS AND RESTRICTIONS OF
EMERALD SPRINGS PROPERTY OWNERSHIP**

THIS SUPPLEMENTAL DECLARATION made this 7th day of March, 2005, by Centex Homes, a Nevada general partnership by Centex Real Estate corporation, a Nevada corporation, its managing general partner ("Declarant"),

WITNESSETH:

WHEREAS, the following facts are true:

A. Declarant is the sole owner of the fee simple title to the following described real estate located in Hancock County, Indiana, to-wit:

See legal description attached hereto made a part hereof and marked Exhibit A (hereinafter referred to as "Emerald Springs Section 3").

B. On September 30, 2003, Declarant executed a Declaration of Covenants and Restrictions of Emerald Springs which was recorded in the Office of the Recorder of Hancock County, Indiana on October 10, 2003, as Instrument No. 20030022096 (referred to as the "Declaration"). The Declaration is incorporated herein by reference and all of the terms and definitions as described therein are hereby adopted and shall have the same meaning in this Supplemental Declaration.

C. Emerald Springs Section 3 is part of the Real Estate described in paragraph A of the recitals of the Declaration. Paragraph 23 of the Declaration provides that all or part of the Real Estate may be annexed to Emerald Springs, incorporated into the Declaration and the Owners thereof become members of Emerald Springs in accordance with the conditions in paragraph 23 of the Declaration and the filing of the Supplemental Declaration by Declarant. All conditions relating to the annexation of Emerald Springs Section 3 to the Tract of Emerald Springs have been met, and Declarant, by execution of this Supplemental Declaration, hereby incorporates Emerald Springs Section 3 into Emerald Springs.

NOW, THEREFORE, Declarant makes this Supplemental Declaration as follows:

1. Declaration. Declarant hereby expressly declares that Emerald Springs Section 3 and all appurtenant easements, Common Area, Lots, improvements and property of every kind and nature whatsoever, real, personal and mixed, located thereon is hereby annexed to and becomes a part of Emerald Springs as if such originally had been included in the Declaration, and shall hereafter be held, transferred, sold conveyed and occupied subject to the covenants, restrictions and provisions of the Declaration, and the rules and regulations as adopted by the Board of Directors, as each may be amended from time to time. Emerald Springs Section 3 hereafter and for all purposes shall be included in the definition of "Tract" as defined in paragraph 1(w) of the Declaration.

Centex

2. Description of Lots. There shall be sixty-two (62) Lots, Numbered 162 and 223 (all inclusive) in Emerald Springs Section 3 as shown on the Supplemental Plat for Emerald Springs Section 3. Emerald Springs Section 3 or the Tract now has one hundred eighty-two (182) Lots.

3. Square Footage. All Dwelling Units located on Lots in Emerald Springs Section 3 shall have a minimum square feet of finished living area (exclusive of garages, carports, basements and porches) required by the Zoning Commitments for Emerald Springs and/or other applicable zoning and subdivision laws.

4. Acceptance and Ratification. The acceptance of a deed of conveyance or the act of occupancy of a Lot and/or Dwelling Unit shall constitute an agreement that the provisions of this Supplemental Declaration, the Declaration and any rules and regulations adopted pursuant thereto, as each may be amended from time to time, are accepted and ratified by each Owner, tenant and occupant, and all such provisions shall be covenants running with the land and shall bind any person having at any time any interest or estate in a Lot and/or Dwelling Unit or the Property as if those provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

5. Supplemental Plat. The Supplemental Plat for Emerald Springs Section 3 prepared by Stoeppelwerth & Associates, Inc., certified by Dennis D. Olmstead, a registered land surveyor under the date of the 22nd day of November, 2005, setting forth the layout, location, identification and dimension of the Lots identified in this Supplemental Declaration is incorporated into the Declaration, added to the plans filed with the Declaration, and has been filed in the Office of the Recorder of Hancock County, Indiana, as of the ___ day of _____, 2005 as Instrument No. 050003148

6. To the extent that there are any inconsistencies in the terms and conditions of this Supplemental Declaration, the Declaration and any recorded Plat, the terms of such recorded Plat shall control.

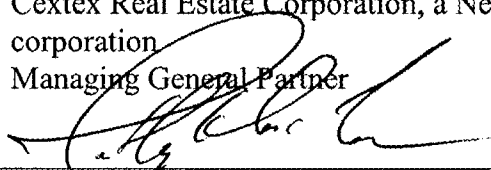
7. Except to the extent modified or amended herein, all terms and conditions of the Declaration remain in full force and effect.

EXECUTED the day and year first above written.

CENTEX HOMES, a Nevada general partnership

By: Cextex Real Estate Corporation, a Nevada corporation

Its: Managing General Partner

By: 
Timothy K. McMahon, Division President

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Timothy K. McMahon, by me known and by me known to be the Division President of Centex Real Estate Corporation, the managing general partner of Centex Homes, and acknowledged the execution of the foregoing "Supplemental Declaration of Covenants and Restrictions of Emerald Springs" on behalf of said corporation.

WITNESS my hand and Notarial Seal this 7th day of March, 2005.



Stephany Lyn Elias
Notary Public

Stephany Lyn Elias
(Printed Signature)

My Commission Expires:

January 30, 2009

My County of Residence:

Johnson

CHICAGO TITLE

This instrument prepared by Tammy K. Haney, Attorney at Law, Bose McKinney & Evans LLP, 600 East 96th Street, Suite 500, Indianapolis, Indiana 46240.

✓

EXHIBIT AEMERALD SPRINGS
SECTION 3

A part of the Northwest Quarter of Section 24, Township 17 North, Range 5 East, Hancock County, Indiana, more particularly described as follows:

Beginning at the Southeast Corner of said Quarter Section; thence South 87 degrees 31 minutes 39 seconds West along the South line of said Quarter Section, 1,443.96 feet to the Southeast corner of Emerald Springs Section 2 recorded as Instrument No. 030022095 in Plat Cabinet C on Slide 140 in the Office of the Recorder of Hancock County, Indiana; the following Seven (7) courses being on and along the Eastern boundary of said Emerald Springs Section 2; (1) North 44 degrees 11 minutes 15 seconds East 155.44 feet; (2) North 02 degrees 28 minutes 21 seconds West 523.85 feet; (3) North 18 degrees 39 minutes 07 seconds East 62.86 feet; (4) North 26 degrees 48 minutes 07 seconds West 133.87 feet to a point on a curve concave northerly, the radius point of said curve being North 06 degrees 09 minutes 02 seconds East 175.00 feet from said point; (5) easterly along said curve 26.34 feet to the point of tangency of said curve, said point being South 02 degrees 28 minutes 21 seconds East 175.00 feet from the radius point of said curve; (6) North 87 degrees 31 minutes 39 seconds East 32.32 feet; (7) North 05 degrees 31 minutes 29 seconds East 171.67 feet; thence North 87 degrees 31 minutes 39 seconds East 915.52 feet; thence South 68 degrees 19 minutes 01 seconds East 43.65 feet; thence South 44 degrees 47 minutes 23 seconds East 132.52 feet; thence North 45 degrees 12 minutes 37 seconds East 11.96 feet; thence South 44 degrees 47 minutes 23 seconds East 170.00 feet; thence North 45 degrees 12 minutes 37 seconds East 68.38 feet; thence South 89 degrees 49 minutes 30 seconds East 99.05 feet to a point on the East Line of the said Quarter Section; thence South 00 degrees 10 minutes 30 seconds West along said East line, 787.97 feet to the place of beginning. Containing 29.103 acres, more or less, subject to all legal highways, rights-of-ways, easements, and restrictions of record.

This subdivision consists of 62 lots numbered 162-223 (all inclusive) and 2 Common Areas labeled 6&7 (both inclusive). The size of lots and width of streets are shown in feet and decimal parts thereof.

Cross-Reference is hereby made to a survey plat prepared by Gibson Surveying Group recorded as Instrument Number 030019885 in the Office of the Recorder of Hancock County, Indiana.

el

3/16
5/16

**FIRST AMENDMENT TO DECLARATION OF
COVENANTS AND RESTRICTIONS OF EMERALD SPRINGS
PROPERTY OWNERSHIP**

This First Amendment is made this 20th day of December, 2007, by Centex Homes, a Nevada general partnership ("Declarant").

WITNESSETH:

WHEREAS, the following facts are true:

A. On October 10, 2003, Declarant filed of record in the Office of the Recorder of Hancock County, Indiana as Instrument No. 20030022096, a Declaration of Covenants and Restrictions of Emerald Springs Property Ownership, as supplemented by Supplemental Declaration recorded on March 14, 2005, as Instrument No. 20050003149; collectively, the "Declaration").

B. Pursuant to Paragraph 24 of the Declaration, Declarant desires to amend the Declaration relating to the payment of working capital contributions.

NOW THEREFORE, the Declaration is amended as follows:

1. The sixth (6th) paragraph of Paragraph 18(f), Regular Assessments Prior to the Applicable Date, is hereby deleted and is replaced by adding a new paragraph (i) to Paragraph 18, Assessments, as follows:

“(i) Working Capital Contribution. A purchaser of a Lot, whether purchased directly from Declarant or purchased from a subsequent Owner, shall be required at closing to pay a sum to the Corporation as such purchaser’s contribution (“Working Capital Contribution”) to the working capital of the Corporation. The Working Capital Contribution shall initially be equal to Two Hundred Dollars (\$200.00); provided, the Board of Directors (i) may increase the amount of the Working Capital Contribution by not more than ten percent (10%) annually, on a non-cumulative basis, and (ii) may waive the requirement of a Working Capital Contribution for any fiscal year. The Board shall establish the Working Capital Contribution required by this paragraph as part of its annual budget pursuant to Paragraph 18(b) or 18(f) (as the case may be) and collection thereof shall apply to all purchasers of Lots in the applicable fiscal year. The Working Capital Contribution is not an advance payment of Regular Assessments or a contribution to the replacement reserve fund. The Working Capital Contribution shall be deposited with the general funds of the Corporation and used to meet Common Expenses, budgeted and unforeseen expenditures, operating expenses of the Corporation and to purchase additional equipment and services. The Working Capital Contribution shall not be used by Declarant to defray its initial construction costs. An Owner’s non-payment of the Working Capital Contribution shall be treated as a failure to pay under Paragraph 18 (g) of the Declaration.”

Centex Homes

2. To the extent not amended by this First Amendment, all other terms, provisions and conditions of the Declaration remain the same.

[THIS SPACE INTENTIONALLY LEFT BLANK]



CHICAGO TITLE

END OF DOCUMENT

IN WITNESS WHEREOF, the undersigned has caused this First Amendment to be executed the day and year first above written.

CENTEX HOMES, a Nevada general partnership

By: Centex Real Estate Corporation,
its managing general partner

By: *[Signature]*
Edward F. Hackett, Division President

STATE OF INDIANA)
) SS:
COUNTY OF Marion)

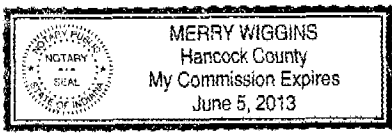
Before me, a Notary Public in and for said County and State, personally appeared Edward F. Hackett, by me known to be the Division President of Centex Real Estate Corporation, the managing general partner of Centex Homes, a Nevada general partnership, who acknowledged the execution of the foregoing Amendment on behalf of said corporation.

WITNESS my hand and Seal this 20 day of December, 2007.

Merry Wiggins
Notary Public - Signature

Merry Wiggins
Notary Public - Printed

My Commission Expires: June 5, 2013
My County of Residence: Hancock



This instrument prepared by: Tammy K. Haney, Bose McKinney & Evans LLP, 301 Pennsylvania Parkway, Suite 300, Indianapolis, Indiana 46280.

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. Tammy K. Haney

**SUPPLEMENTAL DECLARATION OF
COVENANTS AND RESTRICTIONS OF
EMERALD SPRINGS PROPERTY OWNERSHIP**

THIS SUPPLEMENTAL DECLARATION made this 3rd day of November, 2008, by Centex Homes, a Nevada general partnership by Centex Real Estate corporation, a Nevada corporation, its managing general partner ("Declarant"),

WITNESSETH:

WHEREAS, the following facts are true:

A. Declarant has the exclusive option and/or right to purchase fee simple title to the following described real estate located in Hancock County, Indiana, to-wit:

See legal description attached hereto made a part hereof and marked Exhibit A (hereinafter referred to as "Emerald Springs Section 6A").

B. Emerald Springs Development, LLC, an Indiana limited liability company, is the fee simple owner of Section 6A. Emerald Springs Development, LLC desires to subject Section 6A to the Declaration.

C. On September 30, 2003, Declarant executed a Declaration of Covenants and Restrictions of Emerald Springs which was recorded in the Office of the Recorder of Hancock County, Indiana on November 10, 2003, as Instrument No. 20030022096 as amended and supplemented by a First Amendment recorded on December 27, 2007, as Instrument No. 070014366 and a Supplemental Declaration recorded on March 14, 2005 as Instrument No. 050003149 (collectively referred to as the "Declaration"). The Declaration is incorporated herein by reference and all of the terms and definitions as described therein are hereby adopted and shall have the same meaning in this Supplemental Declaration.

D. Emerald Springs Section 6A is part of the Real Estate described in paragraph A of the recitals of the Declaration. Paragraph 23 of the Declaration provides that all or part of the Real Estate may be annexed to Emerald Springs, incorporated into the Declaration and the Owners thereof become members of Emerald Springs in accordance with the conditions in paragraph 23 of the Declaration and the filing of the Supplemental Declaration by Declarant. All conditions relating to the annexation of Emerald Springs Section 6A to the Tract of Emerald Springs have been met, and Declarant, by execution of this Supplemental Declaration, hereby incorporates Emerald Springs Section 6A into Emerald Springs.

NOW, THEREFORE, Declarant makes this Supplemental Declaration as follows:

1. **Declaration.** Declarant hereby expressly declares that Emerald Springs Section 6A and all appurtenant easements, Common Area, Lots, improvements and property of every kind and nature whatsoever, real, personal and mixed, located thereon is hereby annexed to and becomes a part of Emerald Springs as if such originally had been included in the Declaration, and shall hereafter be held, transferred, sold conveyed and occupied subject to the covenants, restrictions and provisions of the Declaration, and the rules and regulations as adopted by the Board of Directors, as each may be amended

from time to time. Emerald Springs Section 6A hereafter and for all purposes shall be included in the definition of "Tract" as defined in paragraph 1(w) of the Declaration.

2. Description of Lots. There shall be thirty-two (32) Lots, Numbered 270 – 274, 288 – 305 and 314 - 322 (all inclusive) in Emerald Springs Section 6A as shown on the Supplemental Plat for Emerald Springs Section 6A. Emerald Springs or the Tract now has two hundred fourteen (214) Lots.

3. Square Footage. All Dwelling Units located on Lots in Emerald Springs Section 6A shall have a minimum square feet of finished living area (exclusive of garages, carports, basements and porches) required by the Zoning Commitments for Emerald Springs and/or other applicable zoning and subdivision laws.

4. Acceptance and Ratification. The acceptance of a deed of conveyance or the act of occupancy of a Lot and/or Dwelling Unit shall constitute an agreement that the provisions of this Supplemental Declaration, the Declaration and any rules and regulations adopted pursuant thereto, as each may be amended from time to time, are accepted and ratified by each Owner, tenant and occupant, and all such provisions shall be covenants running with the land and shall bind any person having at any time any interest or estate in a Lot and/or Dwelling Unit or the Property as if those provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

5. Supplemental Plat. The Supplemental Plat for Emerald Springs Section 6A prepared by Stoeppelwerth & Associates, Inc., certified by Dennis D. Olmstead, a registered land surveyor under the date of the 28th day of July, 2008, setting forth the layout, location, identification and dimension of the Lots identified in this Supplemental Declaration is incorporated into the Declaration, added to the plans filed with the Declaration, and has been filed in the Office of the Recorder of Hancock County, Indiana, as of the 21st day of August, 2008 as Instrument No. 080008774.

6. To the extent that there are any inconsistencies in the terms and conditions of this Supplemental Declaration, the Declaration and any recorded Plat, the terms of such recorded Plat shall control.

7. Except to the extent modified or amended herein, all terms and conditions of the Declaration remain in full force and effect.

EXECUTED the day and year first above written.

CENTEX HOMES, a Nevada general partnership

By: Cextex Real Estate Corporation, a Nevada corporation
Its: Managing General Partner

By: Edward Hackett 11-3-08
Edward Hackett, Division President

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Edward Hackett, by me known and by me known to be the Division President of Centex Real Estate Corporation, the managing general partner of Centex Homes, and acknowledged the execution of the foregoing "Supplemental Declaration of Covenants and Restrictions of Emerald Springs" on behalf of said corporation.

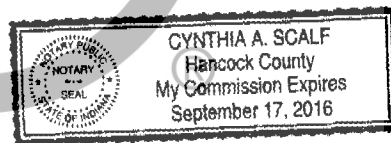
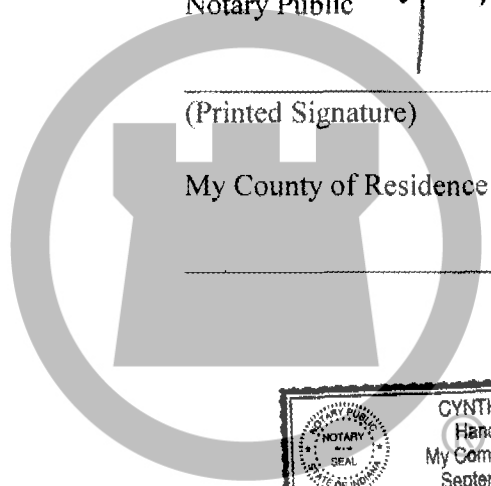
WITNESS my hand and Notarial Seal this 3rd day of November, 2008.

Notary Public *Cynthia A. Scalf*

(Printed Signature)

My Commission Expires:

My County of Residence:



CHICAGO TITLE

I affirm, under penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. Tammy K. Haney

This instrument prepared by Tammy K. Haney, Attorney at Law, Bose McKinney & Evans LLP, 111 Monument Circle, Suite 2700, Indianapolis, IN 46204.

CONSENT

The undersigned, Emerald Springs Development, LLC, an Indiana limited liability company, hereby consents to the foregoing Supplemental Declaration of Covenants and Restrictions of Emerald Springs Property Ownership and specifically acknowledges that the Declarant for purposes of the forgoing Supplemental Declaration is Centex Homes.

EMERALD SPRINGS DEVELOPMENT, LLC, an Indiana limited liability company

By: Christopher R White
Printed: Christopher R White
Title: Managing member.

STATE OF INDIANA)
) SS:
COUNTY OF Marion)

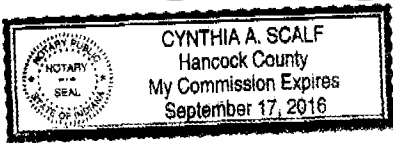
Before me, a Notary Public in and for said County and State, personally appeared Christopher R. White, by me known and by me known to be the Managing Member of Emerald Springs Development, LLC, an Indiana limited liability company and acknowledged the execution of the foregoing "Supplemental Declaration of Covenants and Restrictions of Emerald Springs" on behalf of said corporation.

WITNESS my hand and Notarial Seal this 14th day of November, 2008.

CHICAGO TITLE

Cynthia A. Scalf

Notary Public



(Printed Signature)

My Commission Expires:

My County of Residence:

EXHIBIT A

**EMERALD SPRINGS
SECTION 6A**

I, the undersigned Registered Land Surveyor hereby certify that the included plat correctly represents a subdivision of part of the Northwest Quarter of Section 24, Township 17 North, Range 5 East, Hancock County, Indiana, being more particularly described as follows

Commencing at the Northeast Corner of said Quarter Section marked by a railroad spike; thence South 00 degrees 10 minutes 30 seconds West along the East line of said Quarter Section a distance of 960.53 feet to a 5/8" rebar with cap stamped "S & A Firm #0008" (hereafter referred to as a S & A rebar and the POINT OF BEGINNING of this description; thence continuing South 00 degrees 10 minutes 30 seconds West along said East line a distance of 340.16 feet to S & A rebar; thence North 89 degrees 49 minutes 30 seconds West 91.50 feet to a S & A rebar; thence South 42 degrees 10 minutes 47 seconds West 28.12 feet to a S & A rebar; thence South 87 degrees 16 minutes 00 seconds West 933.24 feet to a S & A rebar; thence North 51 degrees 11 minutes 11 seconds West 181.70 feet to a S & A rebar; thence North 26 degrees 46 minutes 00 seconds West 149.72 feet to a S & A rebar; thence South 63 degrees 14 minutes 00 seconds West 40.00 feet to a S & A rebar and a point on the northern boundary line of Emerald Springs, Section 2 as recorded in Instrument No. 030022095, Plat Cabinet C, Slide No. 140 in the Office of the Recorder, Hancock County, Indiana; thence South 63 degrees 14 minutes 00 seconds West along said northern boundary line a distance of 100.00 feet to S & A rebar and a point on the eastern boundary line of Emerald Springs, Section 1 as recorded in Instrument No. 030022093, Plat Cabinet C, Slide No. 137 in said Recorder's Office; thence along said easterly boundary lines by the following three (3) courses; (1) North 26 degrees 46 minutes 00 seconds West 50.00 feet to S & A rebar and a point on a curve concave northerly, the radius point of said curve being North 26 degrees 46 minutes 00 seconds West 20.00 feet from said point; (2) westerly along said curve 31.42 feet to a S & A rebar and the point of tangency of said curve, said point being South 63 degrees 14 minutes 00 seconds West 20.00 feet from the radius point of said curve; (3) North 26 degrees 46 minutes 00 seconds West 70.00 feet to a S & A rebar; thence North 63 degrees 14 minutes 00 seconds East 130.00 feet to a S & A rebar; thence North 26 degrees 46 minutes 00 seconds West 80.00 feet to a S & A rebar; thence North 18 degrees 10 minutes 55 seconds West 78.46 feet to a S & A rebar; thence North 01 degrees 55 minutes 44 seconds West 77.66 feet to a S & A rebar; thence North 00 degrees 07 minutes 25 seconds East 20.80 feet to a S & A rebar; thence North 87 degrees 16 minutes 00 seconds East 376.26 feet to a S & A rebar; thence South 26 degrees 46 minutes 00 seconds East 233.36 feet to a S & A rebar; thence South 63 degrees 14 minutes 00 seconds West 9.38 feet to a S & A rebar; thence South 26 degrees 46 minutes 00 seconds East 115.47 feet to a S & A rebar; thence North 75 degrees 44 minutes 10 seconds East 62.09 feet to a S & A rebar; thence North 87 degrees 16 minutes 00 seconds East 477.54 feet to a S & A rebar; thence North 15 degrees 24 minutes 47 seconds East 42.09 feet to a S & A rebar; thence North 87 degrees 16 minutes 00 seconds East 130.00 feet to a S & A rebar; thence North 02 degrees 44 minutes 00 seconds West 5.00 feet to a S & A rebar; thence North 87 degrees 16 minutes 00 seconds East 203.21 feet to the place of beginning, containing 12.151 acres, more or less, subject to all legal highways, rights-of-ways, easements, and restrictions of record.

END OF DOCUMENT

This subdivision consists of 32 lots numbered 270-274, 288-305, and 314-322 (all inclusive) and 2 Common Areas labeled C.A. #16 and C.A. #17 (both inclusive). The size of lots and width of streets are shown in feet and decimal parts thereof.

Cross-Reference is hereby made to a survey plat prepared by Gibson Surveying Group recorded as Instrument Number 030019885 in the Office of the Recorder of Hancock County, Indiana.



CHICAGO TITLE

Section 6B

**SUPPLEMENTAL DECLARATION OF
COVENANTS AND RESTRICTIONS OF
EMERALD SPRINGS PROPERTY OWNERSHIP**

THIS SUPPLEMENTAL DECLARATION made this 3rd day of November, 2008, by Centex Homes, a Nevada general partnership by Centex Real Estate corporation, a Nevada corporation, its managing general partner ("Declarant"),

WITNESSETH:

WHEREAS, the following facts are true:

A. Declarant has the exclusive option and/or right to purchase fee simple title to the following described real estate located in Hancock County, Indiana, to-wit:

See legal description attached hereto made a part hereof and marked Exhibit A (hereinafter referred to as "Emerald Springs Section 6B").

B. Emerald Springs Development LLC, an Indiana limited liability company, is the fee simple owner of Section 6A. Emerald Spring Development, LLC desires to subject Section 6A to the Declaration.

C. On September 30, 2003, Declarant executed a Declaration of Covenants and Restrictions of Emerald Springs which was recorded in the Office of the Recorder of Hancock County, Indiana on October 10, 2003, as Instrument No. 20030022096 as amended and supplemented by a First Amendment recorded on December 27, 2003 as Instrument No. 070014366, a Supplemental Declaration recorded on March 14, 2005 as Instrument No. 050003149 and a Supplemental Declaration recorded on ~~October~~ 5th, 2008 as Instrument No. 080011402 collectively referred to as the "Declaration"). The Declaration is incorporated herein by reference and all of the terms and definitions as described therein are hereby adopted and shall have the same meaning in this Supplemental Declaration.

D. Emerald Springs Section 6B is part of the Real Estate described in paragraph A of the recitals of the Declaration. Paragraph 23 of the Declaration provides that all or part of the Real Estate may be annexed to Emerald Springs, incorporated into the Declaration and the Owners thereof become members of Emerald Springs in accordance with the conditions in paragraph 23 of the Declaration and the filing of the Supplemental Declaration by Declarant. All conditions relating to the annexation of Emerald Springs Section 6B to the Tract of Emerald Springs have been met, and Declarant, by execution of this Supplemental Declaration, hereby incorporates Emerald Springs Section 6B into Emerald Springs.

NOW, THEREFORE, Declarant makes this Supplemental Declaration as follows:

1. Declaration. Declarant hereby expressly declares that Emerald Springs Section 6B and all appurtenant easements, Common Area, Lots, improvements and property of every kind and nature whatsoever, real, personal and mixed, located thereon is hereby annexed to and becomes a part of Emerald Springs as if such originally had been included in the Declaration, and shall hereafter be held, transferred, sold conveyed and occupied subject to the covenants, restrictions and provisions of the

Declaration, and the rules and regulations as adopted by the Board of Directors, as each may be amended from time to time. Emerald Springs Section 6B hereafter and for all purposes shall be included in the definition of "Tract" as defined in paragraph 1(w) of the Declaration.

2. Description of Lots. There shall be twenty-one (21) Lots, Numbered 275 – 287 and 306 – 313 (all inclusive) in Emerald Springs Section 6B as shown on the Supplemental Plat for Emerald Springs Section 6B. Emerald Springs or the Tract now has two hundred thirty-five (235) Lots.

3. Square Footage. All Dwelling Units located on Lots in Emerald Springs Section 6B shall have a minimum square feet of finished living area (exclusive of garages, carports, basements and porches) required by the Zoning Commitments for Emerald Springs and/or other applicable zoning and subdivision laws.

4. Acceptance and Ratification. The acceptance of a deed of conveyance or the act of occupancy of a Lot and/or Dwelling Unit shall constitute an agreement that the provisions of this Supplemental Declaration, the Declaration and any rules and regulations adopted pursuant thereto, as each may be amended from time to time, are accepted and ratified by each Owner, tenant and occupant, and all such provisions shall be covenants running with the land and shall bind any person having at any time any interest or estate in a Lot and/or Dwelling Unit or the Property as if those provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

5. Supplemental Plat. The Supplemental Plat for Emerald Springs Section 6B prepared by Stoeppelwerth & Associates, Inc., certified by Dennis D. Olmstead, a registered land surveyor under the date of the 28th day of July, 2008, setting forth the layout, location, identification and dimension of the Lots identified in this Supplemental Declaration is incorporated into the Declaration, added to the plans filed with the Declaration, and has been filed in the Office of the Recorder of Hancock County, Indiana, as of the 21st day of August, 2008 as Instrument No. 080008775.

6. To the extent that there are any inconsistencies in the terms and conditions of this Supplemental Declaration, the Declaration and any recorded Plat, the terms of such recorded Plat shall control.

7. Except to the extent modified or amended herein, all terms and conditions of the Declaration remain in full force and effect.

EXECUTED the day and year first above written.

CENTEX HOMES, a Nevada general partnership

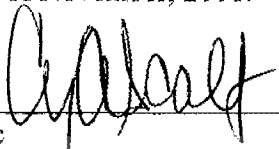
By: Cextex Real Estate Corporation, a Nevada corporation
Its: Managing General Partner

By: Edward Hackett 11.3.08
Edward Hackett, Division President

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Edward Hackett, by me known and by me known to be the Division President of Centex Real Estate Corporation, the managing general partner of Centex Homes, and acknowledged the execution of the foregoing "Supplemental Declaration of Covenants and Restrictions of Emerald Springs" on behalf of said corporation.

WITNESS my hand and Notarial Seal this 3rd day of November, 2008.

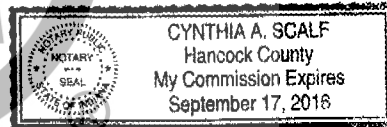
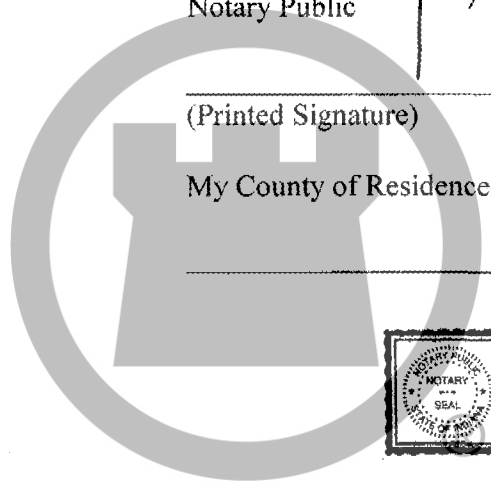


Notary Public

(Printed Signature)

My Commission Expires:

My County of Residence:



CHICAGO TITLE

I affirm, under penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. Tammy K. Haney

This instrument prepared by Tammy K. Haney, Attorney at Law, Bose McKinney & Evans LLP, 111 Monument Circle, Suite 2700, Indianapolis, IN 46204.

CONSENT

The undersigned, Emerald Springs Development, LLC, an Indiana limited liability company, hereby consents to the foregoing Supplemental Declaration of Covenants and Restrictions of Emerald Springs Property Ownership and specifically acknowledges that the Declarant for purposes of the forgoing Supplemental Declaration is Centex Homes.

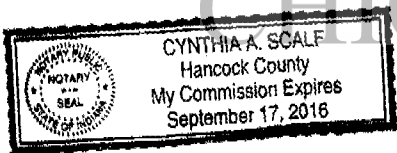
EMERALD SPRINGS DEVELOPMENT, LLC, an Indiana limited liability company

By: Christopher R. White
Printed: Christopher R. White
Title: Managing member

STATE OF INDIANA)
) SS:
COUNTY OF Marion)

Before me, a Notary Public in and for said County and State, personally appeared Christopher R. White, by me known and by me known to be the Managing Member of Emerald Springs Development, LLC, an Indiana limited liability company and acknowledged the execution of the foregoing "Supplemental Declaration of Covenants and Restrictions of Emerald Springs" on behalf of said corporation.

WITNESS my hand and Notarial Seal this 4th day of November, 2008.



Cynthia A. Scalf
Notary Public

(Printed Signature)

My Commission Expires:

My County of Residence:

EXHIBIT A

EMERALD SPRINGS
SECTION 6B

I, the undersigned Registered Land Surveyor hereby certify that the included plat correctly represents a subdivision of part of the Northwest Quarter of Section 24, Township 17 North, Range 5 East, Hancock County, Indiana, being more particularly described as follows

Commencing at the Northeast Corner of said Quarter Section being marked by a railroad spike; thence South 00 degrees 10 minutes 30 seconds West along the East line of said Quarter Section a distance of 695.19 feet to a 5/8" rebar with cap stamped "S & A Firm #0008" (hereafter referred to a S & A rebar) and the POINT OF BEGINNING of this description; thence continuing South 00 degrees 10 minutes 30 seconds West along said East line a distance of 265.34 feet to a S & A rebar; thence South 87 degrees 16 minutes 00 seconds West 203.21 feet to a S & A rebar; thence South 02 degrees 44 minutes 00 seconds East 5.00 feet to a S & A rebar; thence South 87 degrees 16 minutes 00 seconds West 130.00 feet to a S & A rebar; thence South 15 degrees 24 minutes 47 seconds West 42.09 feet to a S & A rebar; thence South 87 degrees 16 minutes 00 seconds West 477.54 feet to a S & A rebar; thence South 75 degrees 44 minutes 10 seconds West 62.09 feet to a S & A rebar; thence North 26 degrees 46 minutes 00 seconds West 115.47 feet to a S & A rebar; thence North 63 degrees 14 minutes 00 seconds East 9.38 feet to a S & A rebar; thence North 26 degrees 46 minutes 00 seconds West 233.36 feet to a S & A rebar; thence North 87 degrees 16 minutes 00 seconds East 1,031.66 feet to the place of beginning, containing 6.492 acres, more or less, subject to all legal highways, rights-of-ways, easements, and restrictions of record.

This subdivision consists of 21 lots numbered 275-287, 306-313 (all inclusive). The size of lots and width of streets are shown in feet and decimal parts thereof.

Cross-Reference is hereby made to a survey plat prepared by Gibson Surveying Group recorded as Instrument Number 030019885 in the Office of the Recorder of Hancock County, Indiana.

CHICAGO TITLE