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DECLARATION OF COVENANTS AND RESTRICTIONS
FOR FORREST COMMONS ASSOCIATION, INC.
A NOT-FOR-PROFIT CORPORATION

ONLY ENTERED
FOR TAXATION

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COUNTY AUDITOR

George H. Hoover

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THIS DECLARATION made this 16th day of July, 1985, by
MICHAEL J. KIAS and FRED J. SCOTT, hereinafter referred to
alternatively as the "Developer" and/or "Declarant".

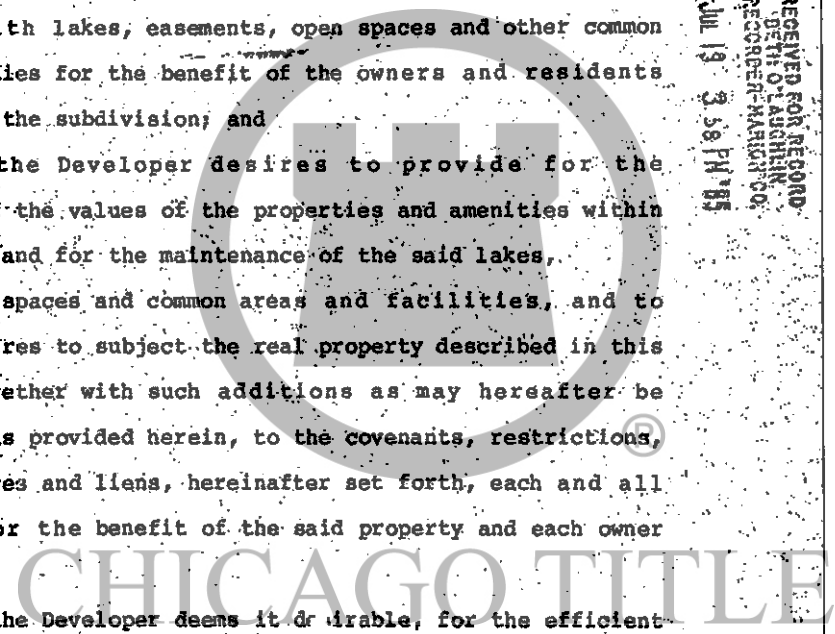
W I T N E S S E T H :

WHEREAS, the Developer is the owner of certain real
property, hereinafter described, in Perry Township, Marion
County, Indiana, and desires to create thereon a residential
subdivision with lakes, easements, open spaces and other common
areas and amenities for the benefit of the owners and residents
of the homes in the subdivision; and

WHEREAS, the Developer desires to provide for the
preservation of the values of the properties and amenities within
the subdivision and for the maintenance of the said lakes,
easements, open spaces and common areas and facilities, and to
this end, desires to subject the real property described in this
Declaration, together with such additions as may hereafter be
made thereto, as provided herein, to the covenants, restrictions,
easements, charges and liens, hereinafter set forth, each and all
of which is for the benefit of the said property and each owner
thereof; and

WHEREAS, the Developer deems it desirable, for the efficient
preservation of the said values and amenities in the subdivision,
to create an entity to which should be delegated and assigned the
power of maintaining and administering the common properties,
amenities and facilities and administering and enforcing the
covenants and restrictions and collecting and disbursing the
assessments and charges hereinafter created; and

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WHEREAS, the Developer has incorporated under the laws of the State of Indiana, as a not-for-profit corporation, Forrest Commons Association, Inc., for the purpose of exercising the above-mentioned functions, all as set forth herein.

NOW, THEREFORE, MICHAEL J. KIAS and FRED J. SCOTT declare that the real estate described in Article II of this Declaration, and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, assessments, charges and liens (sometimes hereinafter referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I

DEFINITIONS

Section 1. The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Corporation" shall mean and refer to Forrest Commons Association, Inc.

(b) "The Properties" shall mean and refer to all such properties and additions thereto, as are subject to this Declaration or any Supplemental Declaration under the provisions of Article II, hereof.

(c) "Common Properties" shall mean and refer to those areas of land shown on any recorded subdivision plat of The Properties and intended to be devoted to the common use and enjoyment of the owners of The Properties.

(d) "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of The Properties with the exception of Common Properties as heretofore defined.

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(e) "Dwelling Unit" shall mean and refer to any portion of a building designed and intended for use and occupancy as a residence by a single family.

(f) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Dwelling Unit situated upon The Properties and Contract Purchasers, but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgages unless and until such mortgages has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

(g) "Subdivision" shall mean and refer to Forrest Commons Subdivision as platted and approved by the Metropolitan Development Commission of Indianapolis, Marion County, Indiana.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION; ADDITIONS THERETO

Section 1. Property. The real property which is, and shall be held, transferred, sold, conveyed, and occupied, subject to this Declaration, is located in Perry Township, Marion County, Indiana, and is more particularly described as follows:

The Northwest Quarter of the Southwest Quarter
of Section 12, Township 14 North, Range 3 East
in Marion County, Indiana.

all of which said property shall hereinafter be referred to as "the Properties".

Section 2. Easements to Owners. Declarant hereby grants an easement in favor of each Owner for the use, enjoyment, and benefit of the Common Properties, and such easement shall be appurtenant to and shall pass with the title to every lot.

Section 3. Covenant to Convey Common Properties. Declarant hereby covenants and declares that all areas within the Subdivision now owned by it which are not included in the definition of "Lot" and have not been dedicated to the public for

street rights-of-way or other easement purposes, shall be conveyed to the Corporation as and for the Common Properties, at such time after Declarant has sold and conveyed ninety percent (90%) of the Lots in the Subdivision to initial Owners as, in the discretion of the Declarant, will be in the best interests of the Owners and the Subdivision, by a general warranty deed free and clear of all liens and encumbrances, except the lien of current taxes, rights-of-way, the provisions of these covenants and restrictions and other easements and restrictions of record. Declarant may, in its sole discretion, convey the said Common Properties to the Corporation prior to the sale and conveyance of ninety percent (90%) of the Lots in The Properties, should Declarant determine such conveyance to be in the best interests of the Owners and the Subdivision.

Section 4. Additions to the Properties. Additional lands may become subject to this Declaration in the following manner:

(a) Upon approval in writing of the Corporation pursuant to Article 6 of its Articles of Incorporation or any amendment thereof, the Owner of any property who is desirous of adding it to the jurisdiction of the Corporation, may file of record a Supplementary Declaration of Covenants and Restrictions which shall extend the scheme of the covenants and restrictions of this Declaration to such property. A Supplemental Declaration adopting by reference the provisions of this Declaration in its entirety shall be sufficient to conform with this Section. In addition, such Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme of this Declaration. In no event, however, shall such Supplementary Declaration

revoke, modify or add to the covenants established by this Declaration within The Properties.

(b) Upon a merger or consolidation of the Corporation with another corporation, as provided in its Articles of Incorporation, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated corporation or, alternatively, The Properties, rights and obligations of another corporation may, by operation of law, be added to The Properties, rights and obligations of the Corporation as a surviving corporation pursuant to a merger. The surviving or consolidated corporation may administer the covenants and restrictions established by this Declaration with The Properties, except as hereinafter provided.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE CORPORATION

Section 1. Membership. Every person or entity who is a record owner of a fee interest in any Lot which is part of The Properties, or is party to a Conditional Sales Contract for the sale and purchase of any Lot, and which is subject by covenants of record to assessment by this Corporation shall be a member of the Corporation, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member.

Section 2. Voting Rights. The Corporation shall have two (2) classes of voting membership:

Class A. Class A members shall be all those Owners as defined in this Article III, Section 1, with the exception of the Declarants. Except as otherwise set forth in the Articles of Incorporation, Class A members shall be entitled to one vote for each Lot in which they hold the interest required for membership

by this Article III, Section 1. When more than one person hold such interest or interests in any Lot, all such persons shall be members and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

Class B. Class B members shall be the undersigned Declarants-Developers and their successors in interest. The Class B members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership by Article III, provided, however, that the Class B membership shall be cancelled and cease to exist upon conveyance of the Common Properties from Declarant to the Corporation.

ARTICLE IV

COVENANT FOR MAINTENANCE AND ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant for each lot owned by it within The Properties hereby covenants and each purchaser of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay the Corporation: (1) annual assessments or charges; (2) special assessments for capital improvements, such assessment to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessment levied by the Corporation shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in The Properties and in particular, for the improvement and maintenance of property, services and facilities devoted to this purpose and directly related to the use and enjoyment of the Common Properties and of the homes situated upon The Properties including, but not limited to, the payment of taxes and insurance for the Common Properties, installation and maintenance of street lights, the grass cutting, yard maintenance and snow removal of the Common Properties, and adjacent street rights-of-way, payment of applicable utility charges and repair, replacement and additions thereto and for the cost of labor, equipment, materials, management and supervision for the Common Properties, right-of-way areas, and all recreational facilities located thereon, all as may be approved by the Board of Directors, from time to time.

Section 3. Basis and Maximum of Annual Assessments. Until the year beginning January, 1986, the annual assessment shall be One Hundred Twenty Dollars (\$120.00) per Lot owned by Class A members of the Corporation. From and after January 1st, 1986, the annual assessment may be increased by vote of the Board of Directors and members of the corporation, as hereinafter provided, for the next succeeding two (2) years and at the end of each such period of two (2) years for each succeeding period of two (2) years. Notwithstanding the foregoing, Lots within The Properties owned in fee by the Class B member shall not be subject to annual assessments as provided herein, however, the Developer shall participate in and contribute to the expense of maintaining the Common Properties and right-of-way areas, as may be reasonably required in the best interests of The Properties.

The Board of Directors of the Corporation may, after consideration of current maintenance costs and future needs of the Corporation, fix the actual assessment for any year at a lesser amount.

Section 4. Special Assessments for Capital Improvements.

In addition to the annual assessments authorized by Section 3 hereof, the Corporation may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of each class of its membership, voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be given to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Change in Basis and Maximum of Annual

Assessments. Subject to the limitations of Section 3 hereof, and for the periods therein specified, the Corporation may change the maximum and basis of the assessments fixed by Section 3 hereof prospectively for any such period, provided that any such change shall have the assent of fifty one percent (51%) of each class of its membership, voting in person or by proxy (as defined and required in Section 6 below), at a meeting duly called for this purpose, written notice of which shall be given to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting, and provided further that the limitations of Section 3 hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger of

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consolidation in which the Corporation is authorized to participate under its Articles of Incorporation and under Article II, Section 2 hereof.

Section 6. Quorum for Any Action Authorized Under Sections 4 and 5. The quorum required for any action authorized by Sections 4 and 5 hereof shall be as follows:

At the first meeting called, as provided in Sections 4 and 5 hereof, the presence at the meeting of members, or of proxies, entitled to cast sixty percent (60%) of all of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 4 and 5, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence on the date fixed by the Board of Directors of the Corporation to be the date of commencement.

The first annual assessments shall be made for the balance of the calendar year and shall become due and payable on the day fixed for commencement. The assessments for any year, after the first year, shall become due and payable on the first day of January of said year.

The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided for in Section 3 hereof as the remaining number of months in that year bears to twelve. The same reduction in the amount of the assessment shall apply to the first assessment

levied against any property which is hereafter added to The Properties now subject to assessment at a time other than the beginning of any assessment period.

The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment, which resolution may authorize payment in equal installments no less often than monthly, provided the entire special assessment is paid during the calendar year to which it is applicable.

Section 8. Duties of the Board of Directors. The Board of Directors of the Corporation shall fix the date of commencement and the amount of the assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of The Properties and assessments applicable thereto which shall be kept in the office of the Corporation and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be mailed to every Owner subject thereto.

The Corporation shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Corporation, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Fund for Capital Expenditures. All sums assessed by the Corporation shall be determined and established by using generally accepted accounting principles approved on a consistent basis and shall include the establishment and maintenance of a replacement reserve fund for capital expenditures and replacement and repair of the Common Areas and

facilities, which funds shall be used for those purposes and not for usual and ordinary repair expenses of the Common Areas and facilities. The said fund for capital expenditures in repair and replacement of Common Areas and facilities shall be maintained in a separate interest bearing account with a bank or savings and loan association authorized to conduct business in Johnson County, Indiana. Assessments collected for contribution to this fund shall not be subject to Indiana gross income tax or adjusted gross income tax.

Section 10. Effect of Nonpayment of Assessments; The Personal Obligation of the Owner; The Lien; Remedies of Corporation. If the assessments are not paid on the date or dates when due (being the dates specified in Section 7 hereof), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, successors and assigns. If, under Section 7 installment payments of special assessments have been authorized, then failure to pay any one installment within ten (10) days after the due date shall accelerate the payment of all installments and the entire unpaid balance of such assessment shall immediately become due and owing without further notice. The Grantee of any Lot in the Properties shall be jointly and severally liable with the Grantor for all unpaid assessments against the latter for his share of the Common Properties' expenses, as herein provided, incurred up to the time of the conveyance, without prejudice, however, to the Grantees' right to recover from the Grantor the amounts paid by the Grantee therefor. However, any such Grantee shall be entitled to a statement from the Corporation setting forth the amount of unpaid assessments.

against the Grantor and such Grantee shall not be liable for, nor shall the Lot so conveyed be subject to a lien for any unpaid assessments against the Grantor in excess of the amount certified by the Corporation to the Grantee.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of fifteen percent (15%) per annum, and the Corporation may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action.

Section 11. Subordination of Lien to Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the Properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to the sale of such property pursuant to a decree of foreclosure of any such mortgage. Such sale shall not relieve such property from liability for any assessments thereafter becoming due nor from the lien of any such subsequent assessment.

Section 12. "Junior Lien" Provision. If any promises subject to the lien hereof shall become subject to the lien of a mortgage or deed of trust (1) the foreclosure of the lien hereof shall not operate to affect or impair the lien of the mortgage or deed of trust; and (2) the foreclosure of the lien of the mortgage or deed of trust or the acceptance of a deed in lieu of

foreclosure by the mortgagee shall not operate to affect or impair the lien hereof, but said charges as shall have accrued up to the foreclosure on the acceptance of the deed in lieu of foreclosure shall be subordinate to the lien of the mortgage or deed of trust with the foreclosure purchaser or deed in lieu Grantee taking title free of the lien hereof for all such charges that have accrued up to the time of the foreclosure or deed given in lieu of foreclosure, but subject to the lien hereof for all said charges that shall accrue subsequent to the foreclosure or deed given in lieu of foreclosure.

ARTICLE V

INCORPORATION OF PLAT RESTRICTIVE COVENANTS

The Developer has caused to be executed and placed of record with the Recorder of Marion County, Indiana, certain Restrictive Covenants governing construction upon and the use of all Lots within The Properties; and here declares that those said Restrictive Covenants of Forrest Commons, Section I, and all subsequent restrictive covenants recorded in connection with the platting of subsequent sections of Lots within The Properties are hereby incorporated in this Declaration and thus may be enforced by the undersigned and the Corporation as these Covenants are enforced.

ARTICLE VI

GENERAL PROVISIONS

Section 1. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Declarants, the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns and Forrest Commons Association, Inc., for a term of thirty-five (35) years from the date this Declaration is recorded, after which time said

covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then Owners of the Lots has been recorded, agreeing to change said covenants and restrictions in whole or in part.

Section 2. Enforcement. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction either to restrain violation or to recover damages and against the land to enforce any lien created by these covenants; and failure by the Developer, or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 3. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 4. Payment of Fees and Expenses of Litigation. Class A members and others acting for, on behalf of, or through any Class A member violating the terms and restrictions of these Covenants shall be responsible for and pay all professional fees and expenses for any litigation, arbitration or other proceedings, including negotiations, and time and services otherwise incurred in enforcing the terms and provisions of this Declaration and/or the Restrictions of the Plat of Forrest Commons and the collection of assessments and other sums due by these provisions.

IN WITNESS WHEREOF, the Declarants, MICHAEL J. KIAS and FRED J. SCOTT, have caused this document to be executed the day, month and year first mentioned above.

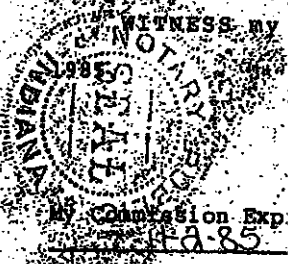
Michael J. Kias
MICHAEL J. KIAS

Fred J. Scott
FRED J. SCOTT

STATE OF INDIANA)
)SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared MICHAEL J. KIAS and FRED J. SCOTT, who executed the within Declaration stating that the representations therein contained are true and correct to the best of their knowledge and belief.

WITNESS my hand and Notarial Seal this 10th day of July,



Vickie Lynn Johns
VICKIE LYNN JOHNS, Notary Public
County of Residence: MARION

My Commission Expires: 7-2-85
This Instrument Prepared By:

MICHAEL J. KIAS
FORBES, KIAS & PENNAMPED, P.C.
131 East Ohio Street
Indianapolis, IN 46204
Phone: (317) 634-7094

CHICAGO TITLE

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