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DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP
LAKEVIEW CONDOMINIUMS
HORIZONTAL PROPERTY REGIME

THIS DECLARATION, made this 4th day of SEPTEMBER, 1997, by the "Declarant" Daniel N. Ferran and Kimala A. Ferran;

WITNESSETH:

A. Whereas Declarant is the owner in fee simple of the following described real estate, Morgan County, State of Indiana, to-wit:

SEE ATTACHED EXHIBIT A

B. Whereas Declarant is the owner in fee simple of certain real estate within the above described real estate described as Section 1, Lakeview Condominiums and more particularly described as follows, to-wit:

SEE ATTACHED EXHIBIT B

C. Whereas, Declarant, by execution of this Declaration or a Supplemental Declaration or Declarations, creates a Horizontal Property Regime upon the Tract, subject to provisions of the Horizontal Property Act of the State of Indiana and the terms and conditions of this Declaration.

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

1. The following definitions shall apply throughout this Declaration:

- (a) "Act" means the Horizontal Property Act of the State of Indiana, Acts 1983, Chapter 349, Sections 1 through 31, as amended. The act is incorporated herein by reference.
- (b) "Additional Sections" means the real estate referred to paragraph 16, which may in part or in whole from time to time be annexed to and included within "the Regime" as provided in paragraph 16, all of which will be a part of the proposed tract.
- (c) "Association" means the association of Co-Owners of "the Regime", more particularly described in paragraph 13.
- (d) "Board of Managers" means the governing body of the Association elected by the Co-Owners in accordance with the By-Laws. The term "Board of Managers", as used herein and in the By-Laws, shall be synonymous with the term "Board of Directors" as used in the Act.
- (e) "Building", if and when used, shall mean and be the same as "Dwelling Unit", or "Dwelling Units" where more than one such unit is contained in one edifice.
- (f) "By-Laws" means the By-Laws of the Association providing for the administration and management of the property as required by and in conformity with the provisions of the Act. A true copy of the By-Laws is attached to this Declaration and incorporated herein by reference.
- (g) "Common Areas" means the common area and facilities appurtenant to the Property as defined in paragraph 6 of this Declaration.

- (h) "Common Expenses" means expenses of administration of the Association, expenses for the upkeep, maintenance, repair and replacement of the Common Areas and Limited Areas, except as otherwise expressly provided in this Declaration or the By-Laws, and all sums lawfully assessed against the Owners by the Association or as declared by the Act, this Declaration or the By-Laws.
- (i) "Co-Owners" means the Owners of all the Dwelling Units.
- (j) "Declarant" means owner of the real estate described at the time of filing of this Declaration, its successors and assigns to its interest herein, other than those persons who purchase Dwelling Units by deed from the Declarant, unless the conveyance indicates an intent that grantee become the Declarant.
- (k) "Dwelling Unit" means one of the individual units constituting "the Regime", each identified on the Plans more particularly described and identified on the Plans and in paragraphs 4 and 5 of this Declaration.
- (l) "Formula" means the method set forth in paragraph 8 of this Declaration for computing the Percentage Interest applicable to each Dwelling Unit.
- (m) "The Regime" means the name by which the Property and Horizontal Property Regime shall be known.
- (n) "Limited Areas" means the limited common areas and facilities as defined in paragraph 7 of this Declaration.
- (o) "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 Dwelling Unit.
- (p) "Percentage Interest" means the percentage of undivided interest in the fee simple title to each Dwelling Unit as and Limited Areas appertaining to each Dwelling Unit as determine in accordance with paragraphs 8 and 17 of this Declaration.
- (q) "Percentage Vote" means the Owner's percentage vote and is the relationship of his vote to the total eligible votes expressed as a percentage as determined in accord with paragraph 8 and 17 of this Declaration.
- (r) "Section" means a part of the Tract upon which Dwelling Units are constructed and annexed to "the Regime" as provided in paragraph 16. Each particular designation shall be identified by an Arabic numeral designation corresponding to the order of annexation.
- (s) "Plans" means a plat showing the location of the buildings, the elevations, the dwelling units within the buildings, Arabic identification numbers for each dwelling unit and the outside dimensions for each building for Section One, duly certified, all of which is incorporated by reference. "Plans" also shall include the Supplemental Plans which shall be prepared, verified and filed with each Supplemental Declaration, depicting the location of the buildings, the dwelling units within the buildings, Arabic identification numbers for each dwelling unit and the outside dimensions for buildings, which are constructed on the Sections of the Tract, when and if annexed to and made a part of "the Regime".
- (t) "Property" means the Tract and appurtenant easements, the Dwelling Units, the Buildings, improvements and

property of every kind and nature whatsoever, real, personal and mixed, and all replacements thereof, now or hereafter located upon the Tract and used in connection with the operation, use and enjoyment of "the Regime".

(u) "Tract" means the total real estate described in paragraph C above, of which the respective Sections will be a part.

2. Declaration. Declarant hereby expressly declares that the Property shall be a Horizontal Property Regime in accordance with the provisions of the Act.

3. Description of Dwelling Units. There are two (2) dwelling units in Section 1, as shown on the Plans.

4. Identification of Dwelling Unit. Each Dwelling Unit is also identified by an Arabic number on the Plans, same referring to the individual Dwelling Unit.

5. Further Description of Dwelling Units.

(a) Boundaries. The dimensions required to determine the boundaries of each Dwelling Unit shall be shown on the Plans and will include all the space bounded by the bottom of the concrete garage floor and any covered porch slab, and the top of the floor of the unit to the bottom of the ceiling joists including garage and covered porch ceiling joists in the horizontal plans and the inside surfaces of all perimeter stud walls extended to include any covered porch in the vertical plans. In the event that any horizontal or vertical boundary lines as shown on the Plans does not coincide with the actual location of the respective wall, floor or ceiling of the Dwelling Unit because of inexactness of construction, settling after construction, or for any other reasons, the boundary lines of each Dwelling Unit shall be deemed to be and treated for purposes of occupancy, possession, maintenance, decoration, use and enjoyment, as in accordance with the actual existing construction. In such case, permanent easements for exclusive use shall exist in favor of the Owner of each Dwelling Unit in and to such space lying outside of the actual boundary line of the Dwelling Unit, but within the appropriate area of the Dwelling Unit.

(b) Appurtenances. Each Dwelling Unit shall consist of all of the space within the boundaries thereof and all portions of the structure thereof situated, facilities, including, but not limited to all fixtures, appliances, utilities, equipment, appliances, and structural components designed and intended solely and exclusively for the enjoyment, use and benefit of the Dwelling Unit wherein they are located, or attached, but excluding therefrom that designated or intended for common use. All fixtures, equipment and appliances intended for the exclusive enjoyment, use and benefit of a Dwelling Unit shall constitute a part of such Dwelling Unit, even if they are located partly or completely without the boundaries of said Dwelling Unit. Those may include but are not limited to air conditioning condensing units, materials used to further enclose the covered porch, windows and doors, including garage doors, etc. The foregoing shall not be deemed a grant of authority to, in any way modify or change the buildings as heretofore constructed except as authorized under the provisions of the Declaration set forth elsewhere herein.

6. Common Area and Facilities. Common areas mean and include (1) the Tract, (2) the yards, planting areas, and drainage areas, (3) central electrical, gas and sanitary sewer mains, (4) exterior lighting fixtures and electrical service, except where separately metered to a particular Dwelling Unit, (5) all facilities and appurtenances located outside the boundary lines of the Dwelling Units, except those areas and facilities expressly defined as being part of the Dwelling Unit as described in paragraph 5 (b).

7. Limited Common Area and Facilities. Limited Areas and those Dwellings for which the use thereof is limited are as follows:

(a) Front Porch. The Front Porch through which access to a Dwelling Unit is obtained is limited to the use of the Dwelling Unit or Dwelling Units served by such entryway.

(b) Driveways. The driveways, walkways, and similar areas used to access to a particular individual Dwelling Units serving such Dwelling Units are limited to the Dwelling Unit so served.

8. Ownership of Common Areas, and Percentage Interest and Percentage Vote. Each Owner shall have an undivided interest in the Common Areas and Limited Areas as tenants in common with all other Owners equal to his Dwelling Unit's Percentage Interest. Each Dwelling Unit's Percentage Interest in accord with the Common Areas and Limited Areas shall be determined in accord with the Formula set forth in paragraph 17 of this Declaration.

If the Regime consists only of Section 1, each Dwelling Unit's Percentage Interest shall be that as each Unit bears to all the units in the Section. As Sections are annexed, as permitted and contemplated by paragraph 16 of this Declaration, the upon execution of the applicable Supplemental Declaration, the Percentage Interest of each Dwelling Unit in the Section or Sections which are a part of the Regime prior to such annexation shall automatically reduce in accord with the Formula. The Owners of Dwelling Units in the Section or Sections which are a part of the Regime prior to such annexation shall be granted and receive a Percentage Interest in the Common Area and of such Section of the additional Tract being annexed, the precise Percentage Interest to be determined according to the Formula and designated in the Supplemental Declaration.

Each owner shall have an equal vote on any matter upon which the Co-Owners are entitled to vote. Each owner is entitled to one vote. A multiple owner, meaning an Owner of more than one Unit, is entitled to multiple votes, that is one vote for each Unit owned.

The Percentage Interest appertaining to each Dwelling Unit as determined by paragraph 17 also shall be the Percentage Vote allocable to the Owner thereof in all matters with respect to the Regime and the Association upon which the Co-Owners are entitled to vote, but not limited to, the election of the Board of Managers.

9. Encroachments and Easements for Common Area. If, by reason of location, construction settling, or shifting of a Dwelling Unit, a Common Area or Limited Area now encroaches or shall hereafter encroach upon any Dwelling Unit, then in such event an easement shall be deemed to exist and run to the Co-Owners and the Association for the maintenance, use and enjoyment of such Common Area or Limited Areas.

Each Owner shall have an easement in common with each other Owner to use all pipes, wires, ducts, cables, conduits, utility lines, and other facilities.

10. Real Estate Taxes. Real Estate taxes are to be separately taxed to each Dwelling Unit as provided in the Act. In the event that for any year real estate taxes are not assessed and taxed on the Tract, or a part thereof, as a whole, then each Owner shall pay his proportionate share of the real estate taxes. Each Owner's proportionate share will be determined as follows:

- (a) With respect to the real estate taxes assessed against the land, the amount of such taxes shall be a sum equal to that Owner's Percentage Interest multiplied by the total real estate taxes assessed against the land. Declarant will pay the taxes on the real estate until annexed.
- (b) With respect to the real estate taxes assessed against the improvements, the respective Owners will be fully obligated to pay the amounts assessed against same.
- (c) All other taxes assessed against the real estate or improvements shall be calculated by the same formula as set forth in (a) above and paid for according to the Co-Owners Percentage Interest.

11. Utilities. Each Owner shall pay for his own utilities, which are separately metered. Utilities which are not separately metered shall be treated as and be paid as part of the Common Expenses.

12. Easement for Utilities and Public and Quasi-Public Vehicles. All public and quasi-public vehicles, including, but not limited to, police, fire and other emergency vehicles, trash and garbage collection, post office vehicles and privately owned vehicles, shall have the right to enter upon the streets, Common Areas and Limited Areas of the Regime in performance of their duties. An easement is also granted for all areas and their including privately owned units, to all utilities and their agents for ingress, egress, installation, replacement, repairing, and maintaining of such utilities, including but not limited to, water, sewers, gas, telephones, and electricity on the property; provided, however, nothing herein shall permit the installation of sewers, electric lines, water lines, or other utilities, except as initially designated and approved by Declarant or as thereafter may be approved by the Board of Managers. By virtue of this easement, the electric and telephone utilities are expressly permitted to erect and maintain electric and telephone wires, circuits and conduits on, above, across and under the roofs and exterior walls of the building.

13. Association of Owners. In order to provide for the maintenance, repair, replacement, administration and operation of the Property and in compliance with the provisions of the Act, there is hereby created an association of Co-Owners of the Dwelling Units in "the Regime" to be known as Lakeview Condominiums Association. Each Owner shall be a member of the Association, but membership shall terminate when such person ceases to be an Owner, and such membership will be transferred to the new Owner.

The Association shall elect a Board of Managers annually in accordance with and as prescribed by the By-Laws. The Co-Owners shall be entitled to cast their Percentage Vote for the election of the Board of Managers.

The Board of Managers shall be the governing body of the Association, representing all of the Co-Owners in providing for the management, maintenance, repair, replacement and upkeep of the property.

14. Maintenance, Decorating, Repairs and Replacement. The Co-Owners' Association shall be responsible for the maintenance, repairs, decoration and replacement of the exterior of each Dwelling Unit except the glass portions and doors and garage

doors. The Board of Managers reserve the exclusive right to determine the outside decor of each Dwelling Unit inclusive, but not exclusive of, color and paint, and all decor appurtenant to the aesthetics of each individual unit. Exclusive of those aesthetics that are visible from outside the Dwelling Units, Owner shall control and reserve the right of decoration of his or her Dwelling Unit on the inside. Each Owner shall repair any defect occurring in his Dwelling Unit which, if not repaired, might adversely affect any Dwelling Unit, Common Area or Limited Areas. Maintenance, repairs, replacements and upkeep of the Common Areas shall be furnished by the Association as part of the Common Expenses.

The Board of Managers shall adopt such rules and regulations concerning the maintenance, repairs, use and enjoyment of the Common Areas and Limited Areas as it deems appropriate, including the appointment of committees to oversee same.

The Board of Managers or their designated agent shall have the right at reasonable times and upon reasonable prior notice (except in cases of emergency in which case no notice shall be required), to enter into the Common Areas and Limited Areas appurtenant to the Dwelling Units to replace, repair, and maintain same.

15. Alterations, Additions, and Improvements. No Owner shall make any alterations or additions to the Common Areas or Limited Areas without the prior written approval of the Board of Managers, nor shall any Owner make any alterations to his respective Dwelling Unit or within the boundaries thereof which would adversely affect the safety or structural portion of the Dwelling Unit.

16. Expansion by Sections. Declarant anticipates that it will construct additional Dwelling Units on Additional Sections by expansion within the Tract, all or part of which may be expanded in the manner hereinafter set forth, and subject to the provisions of the Act. The general plan of development shall not exceed 25 units total. A time limit, not exceeding ten (10) years, shall be the limit where additional Sections may be added.

At any time prior to September 1, 2007, Declarant, at his option, may, but is not obligated to, cause all or part of the Additional Section or Sections within the Tract to be expanded, subject to the following conditions:

(a) Another Section or Sections may be annexed if the Dwelling Units to be constructed in such Section or Sections, have been completed to such an extent that the units' location may be accurately set and the Supplemental Plans to be filed with the Supplemental Declaration are completed and certified to by the engineer or architect as fully and accurately depicting the layout, location, and dimensions of the Dwelling Units. Declarant shall reserve the right to determine the developmental standards of each Section.

(b) The Dwelling Units on any Section to be annexed shall be constructed with labor and material of comparable quality to the Dwelling Units previously constructed although not necessarily of similar type floor plan, design or exterior.

(c) Declarant, or its assigns, shall be the sole owner of the fee simple title to the Section or Sections to be annexed.

Declarant expressly reserves the right not to annex any or all of the Tract in Sections after Section 1. No Owner shall acquire any rights whatsoever in the Tract except as to those Sections which are annexed to and made a part of the Horizontal

Property Regime. After each Section is annexed, those Co-Owners owning Dwelling Units in that Section or Sections shall then incur and pay all Common Expenses attendant with that Section or Sections according to the Formula and their respective Percentage Interest. Units under construction, models and unsold units and the common areas associated with such units shall not be assessed and shall be maintained by the Declarant until sold.

17. Percentage Interest. The Owner of each Dwelling Unit shall have the same Percentage Interest and Percentage Vote as all other such Owners and there shall be no differentiation based upon the size of such Dwelling Unit. Each Owner shall be equal as to Percentage Interest and Percentage Vote.

The Percentage Interest apportioned to each unit shall be computed and, upon the annexation of an Additional Section or Sections, same shall be recomputed dividing among the then-existing Dwelling Unit Owners an equal share to the extent that the total shares at all times equal 100%. The Percentage Interest and Percentage Vote shall be expressed as a fraction if necessary when the number of units is not evenly divisible into 100 so that the total interest and vote equals 100% at all times.

As each Section is developed, Declarant shall record a Supplemental Declaration annexing and adding such Section to this Declaration and making it a part of "the Regime", Declarant reserves the right to annex additional Sections thereof that are not necessarily in numerical order shown on the plans. Such Supplemental Declaration shall contain the following:

- (a) A description of the real estate to be annexed.
- (b) A description of the Dwelling Units described in a manner consistent with this Declaration.
- (c) The Percentage Interest of all Dwelling Units upon annexation, computed in accordance with the Formula.

Each Owner, by acceptance of a deed to a Dwelling Unit, acknowledges, consents, and agrees that the following rights and conditions shall be applicable upon the recording of each Supplemental Declaration:

- (a) The Section described in each Supplemental Declaration shall be governed in all applicable respects by the provisions of this Declaration.
- (b) The Percentage Interest applicable to each Dwelling Unit shall be automatically reallocated in accordance with the schedule set forth in such Supplemental Declaration, which shall be based upon the Formula. On recording of each Supplemental Declaration, the amount by which the Percentage Interest of a Dwelling Unit is reduced thereby shall be deemed to release and divest that amount from such Dwelling Unit Owner and revert to the Declarant, its successors and assigns.
- (c) Each deed, mortgage, or other instrument affecting a Dwelling Unit shall be deemed given subject to the limitation that the Percentage Interest apportioned to each Dwelling Unit shall be, upon the recording of each Supplemental Declaration, altered in accordance with the Supplemental Declaration based upon the Formula.
- (d) The Percentage Interest in the Common Areas and Limited Areas apportioned to each Dwelling Unit shall be deemed to include any additional Common Area and Limited Areas annexed hereto by a Supplemental Declaration, which Supplemental Declaration shall grant and convey to the Owners the appropriate Percentage Interest, and each deed, mortgage, or other instrument

affecting a Dwelling Unit shall be deemed to include such additional Common Areas and Limited Areas, and the ownership of any Dwelling Unit and lien of any mortgage shall automatically include and attach to such additional Common Area and limited Area upon recording of such Supplemental Declaration.

(e) The recording of a Supplemental Declaration shall not alter the amount of the lien for Common Expenses assessed to a Dwelling Unit in a Section already a part of the Regime prior to such recording. The lien for the proportional share of Common Expenses for the Sections annexed upon such recording shall be assessed and paid as provided in the By-Laws.

(f) Each Owner agrees for himself and all those claiming under him, including Mortgagees, that this Declaration and each Supplemental Declaration is and shall be deemed to be in accordance with the Act, and for the purpose of this Declaration and the Act, any changes in Percentage Interest as set forth in any supplemental Declaration which is in accordance with the Formula expressed herein, shall be deemed to be made by agreement of all owners.

(g) Each Owner agrees to execute and deliver such documents as are necessary or desirable to accomplish the annexation of the Sections in the Tract in accordance with the provisions and intent of this paragraph 17.

(h) Each Owner, by acceptance of a deed to a Dwelling Unit, shall thereby appoint Declarant or its nominee as such Owner's attorney-in-fact for the purpose of reallocating from time to time the Percentage Interest appurtenant to such Owner's Dwelling Unit in accordance with the provisions of this paragraph 17, and, to the extent required by law to carry out the intent of this paragraph 17, on behalf of such Owner to consent to or vote in favor of the amendment of this Declaration, as well as to do all things as contained in such agreement allowing Declarant to act as attorney-in-fact, which agreement for a power of attorney and power of attorney are incorporated herein by reference. The appointment of Declarant or its nominee as such attorney-in-fact and the granting of such special power to Declarant or its nominee shall be deemed to be coupled with an interest in the common areas, and shall be irrevocable and binding upon the heirs, successors and assigns of such Owner, but shall expire when all of the Additional Tract has been annexed, Declarant turns the project over to the Co-Owners, or on September 1, 2007, whichever first occurs.

In the event Declarant does not elect to annex Additional Sections within the Tract or any part thereof, as permitted by this paragraph 17, Declarant shall file a Supplemental Declaration which shall permanently remove that part of the Tract that has not been annexed from any right to be made a part of "the Regime"; provided, however, any Section for which a Supplemental Declaration has not been filed by September 1, 2007, shall automatically be removed from the possibility of becoming a part of "the Regime" in the manner provided in this Declaration. Upon the filing of such Supplemental Declaration removing a part of "the Regime" in accordance with this Declaration, the Percentage Interest designated in the Declaration or Supplemental Declaration last filed shall not be altered without the consent of all Owners.

18. Easements to and from Additional Sections. In the event all or any part of the Additional Sections of the Tract are not annexed, Declarant reserves unto itself, its successors and

assigns, for the use and benefit of that part of the Tract not annexed, the right and easement to enter upon the streets and Common Areas to provide ingress and egress to the Additional Sections. It is the purpose and intent of the easements herein granted or reserved to provide free and unrestricted use and access across the roadway and sidewalks for the Owners and residents of the Additional Sections, their guests, invitee, and all public and quasi-public vehicles.

19. Insurance.

(a) The Co-Owners, through the association of Co-Owners, shall provide insurance that shall:

1) Provide that notwithstanding any provision thereof giving the insurer an election to restore damage in lieu of a cash settlement, such option shall not be exercisable in the event the owners do not elect to restore pursuant to paragraph 20 below; and,

2) Contain a "replacement cost endorsement". Such insurance coverage shall be for the benefit of each owner and the association and, if applicable, the owner's mortgages. The proceeds shall be payable to the association who shall hold such proceeds as trustee for the individual owners and mortgages as their interests appear. The proceeds shall be used or disbursed only in accordance with the provisions of this paragraph 19 and paragraph 20 of the declaration, as applicable, and any surety bond or bonds obtained by the Board covering the officers of "the Regime" as provided in the By-Laws shall specifically include protection for any insurance proceeds so received.

Such insurance shall insure to the benefit of each individual owner, the association, the Board of Managers, and any managing agent or company acting on behalf of the association, as their interests may appear. The Owners, as well as the Lessees, if any, shall be able to recover losses insured where applicable.

Each Owner shall have the right to purchase additional insurance he may deem necessary, and each Owner shall be solely responsible for loss or damage to the contents of his own dwelling unit, however caused, including all floor and wall coverings, and fixtures and betterment installed by the Owner, Each and his personal property stored elsewhere on the property. Each owner shall be solely responsible for obtaining his own insurance to cover any such loss and risk including, but not limited to, living expenses.

(b) The Co-Owners through the association of Co-Owners shall purchase and pay for as part of the Common Expenses, a master casualty policy affording fire and extended coverage insurance in an amount equal to the full replacement costs of the improvements that in whole, or in part comprise the Common Area and facilities. The Co-Owners through the Association of Co-Owners shall also purchase and pay for as part of the common expenses a master liability policy in an amount required by the By-Law or Declaration as revised from time to time by a decision of the Board of Managers of the association, which policy shall cover the association of Co-Owners, the executive body, if any, the managing agent, if any, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the condominiums, all the condominium unit owners and all other persons entitled to occupy any unit or other portions of the condominium. Such other policies as may be required may be obtained and paid for as part of the Common Expenses and in amounts as determined by the Board of Manager, by the Co-Owners through the association,

including, without limitation, workmen's compensation insurance, liability insurance on motor vehicles owned by the association, specialized policies covering lands or improvements on which the association has or shares' ownership or other rights, and officers' and managers' liability policies.

(c) When any policy of insurance has been obtained by or on behalf of the association of Co-Owners, written notice of the obtainment thereof and of any subsequent changes therein or termination thereof shall be promptly furnished to each Co-Owner or Mortgagee whose interest may be affected thereby by the officer required to send notices of meetings of the association of Co-Owners.

20. Disaster, Casualty and Restoration.

(a) In case of fire or any other casualty or disaster, other than complete destruction of all buildings containing the condominium units, the insurance improvements shall be reconstructed and the insurance proceeds applied to reconstruct the improvements.

(b) In the event of complete destruction of all of the buildings containing condominium units, the building(s) shall not be reconstructed, except as otherwise provided, and the insurance proceeds, if any, shall be divided among the Co-Owner(s) proportioned according to the fair market value of all other condominiums and the property considered as to be removed from the condominium under Section 28 of the act unless by vote of two thirds (2/3) of all of the Co-Owners a decision is made to rebuild the buildings, in which case the insurance proceeds shall be applied and any excess of construction costs over insurance proceeds shall be contributed of the buildings.

(c) A determination of total destruction of the buildings containing condominiums units shall be determined by a vote of two thirds (2/3) of all Co-Owners at a special meeting of the association of Co-Owners called for that purpose.

(d) Where the improvements are not insured or where the insurance proceeds are not sufficient to cover the costs of repair or reconstruction and the property is not to be removed from the horizontal property regime, the Co-Owners shall contribute the balance of any such costs in the percentage by which a condominium unit owner owns an undivided interest in the Common Areas and facilities as expressed in the Declaration. Such amount shall constitute a lien from the the Common Expense and shall constitute a lien from the time of assessment as provided in Section 24 of the Act.

(e) If, pursuant to a, b and c above, it is not determined by the Co-Owners to rebuild after a casualty or disaster has occurred, then in that event;

- 1) The property shall be deemed to be owned in common by the condominium unit owners;
- 2) The undivided interest in the property owned in common which shall appertain to each condominium unit owner shall be the percentage of undivided interest previously owned by such owner in the Common Areas and facilities;
- 3) Any liens affecting any of the condominiums units shall be deemed to be

transferred in accordance with the existing priorities to the percentage of the undivided interest of the condominium unit owner in property; and

4) The property shall be subject to an action for partition at the suit of any condominium unit owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the condominium unit owners in a percentage equal to the percentage of undivided interest owned by each owner in the property, after first paying out of the respective shares of the condominium unit owners, to the extent sufficient for the purpose, all liens on the undivided interest in the property owned by each condominium unit owner.

21. Sale of Dwelling by Declarant. For the purpose of maintaining the residential character of the Regime, and for the protection of the Co-Owners, Declarant specifically reserves the mode and method of the original sale of each Unit until the last unit in the Regime is sold.

22. Membership in the Co-Owners Association. The Tract is subject to the covenants and restrictions contained herein. For the purpose of this Declaration, upon the recording of this Declaration and any subsequent amendments and Supplemental Declaration, all the rights and obligations accruing to a Dwelling Unit shall include, but not be limited to, the obligation to pay the monthly assessments as provided in such Declaration, which monthly assessments are a lien on each Dwelling Unit, and the necessity and right to become a member of the Co-Owners Association, and to have a vote for each Dwelling Unit owned, pursuant to the formula heretofore set out.

23. Covenants and Restrictions. The covenants and restrictions applicable to the use and enjoyment of the Dwelling Units are set forth in the Code of By-Laws of the Co-Owners Association. These Covenants and Restrictions are for the mutual benefit and protection of the present and future Owners and shall run with the land and insure to the benefit of and be enforceable by the Owner, Co-Owners or by the Association. Present or future Owners or the Association shall be entitled to injunctive relief against any violation or attempted violation of these provisions, but there shall be no right to reversion or forfeiture of title resulting from such violation.

24. Amendment of Declaration. Except as otherwise provided in this Declaration, amendments to this Declaration shall be proposed and adopted in the following manner:

(a) Notice. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting at which the proposed amendment is considered. The Amendments to Declaration dealing with the Additional Sections and reassignment of Percentage Interest in the respective Sections, however, are not subject to the conditions of this Section and may be adopted by the Board of Managers without notice.

The restrictions and prohibitions against amendments are further qualified by an right or grant given to the Declarant by virtue of the Agreement of Power of Attorney and power of Attorney executed by the respective Owners in favor of the Declarant or its assigns, which Agreement and Power of Attorney are again incorporated herein by reference.

(b) Resolution. A resolution to adopt a proposed amendment may be proposed by the Board of Managers or

the Owners of at least a majority of the Percentage Vote.

(c) Meeting. The resolution concerning a proposed amendment must be adopted by the designated vote at a meeting duly held in accordance with the provisions of the By-Laws.

(d) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less than a majority of the Percentage Vote.

(e) Amendments. No amendment to this Declaration shall be adopted which changes:

- 1) The Percentage interest with respect to any Dwelling Unit or the applicable share of an Owner's Liability for the Common Expense without the approval of all of the Co-Owners, except as otherwise provided relating to annexation;
- 2) The provisions of paragraph 16 of this Declaration except by Declarant in the manner provided therein;
- 3) The provisions of paragraph 18 of this Declaration without the consent of the Declarant.

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

25. Acceptance and Ratification. All present and future Owners, Mortgagees, tenants, and occupants of a Dwelling Unit shall be subject to and shall comply with the provisions of this Declaration, the Act, the By-Laws appended hereto, and the rules and regulations as adopted by the Board of Managers as each may be amended from time to time. The acceptance of a deed of conveyance or the act of occupancy of any Dwelling Unit shall constitute an agreement that the provisions of this Declaration, the Supplemental Declarations, the Act, the By-Laws and any rules and regulations adopted pursuant thereto, as each may be amended 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 bind any person having at any time any interest or estate in Dwelling Unit or the Property in time any interest were recited and stipulated at length in though such provisions were recited and stipulated thereof. Each and every deed, conveyance, mortgage or lessee documents, if such Owner agrees to execute and deliver such other documents, if any, as may be necessary or desirable to comply with the Act as it may be amended from time to time. All persons, corporations, partnership, trusts, associations, or other legal entities who may occupy, use, enjoy or control a Dwelling Unit or Dwelling Units or any part of the Property in any manner shall be subject to the Declaration, the Act, the By-Laws, and the Rules and Regulations applicable thereto as each may be amended from time to time.

26. Rights of Mortgage Purchaser. In the event Federal Home Loan Mortgage Corp., or other purchaser of a mortgage of any property in this Regime should request or require it, the Declarant or Board of Managers may fully satisfy any needed requirements to make the regime and the mortgage FHLMC eligible and the right to act for and on behalf of such Co-Owners with regard to same is hereby conferred, among other things, in the Agreement for Power of Attorney and Power of Attorney executed herewith by each Co-Owner.

27. Maintenance. 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 Association. An Owner shall pay the amount of any increase in insurance premiums occasioned by his use, misuse, occupancy, or abandonment of his Dwelling Unit or its appurtenances or of the Common Areas or Limited Areas.

28. Reservation of Rights. Declarant reserves the right to amend this Declaration without consent of the respective Owners until six months after the last Dwelling Unit is sold, the project is turned over to the Co-Owners' Association, or September 1, 2007, whichever first occurs. In the event there is an annexation or annexations of an additional Section or Sections, the same rule will apply to amendments and supplements to this Declaration as pertains to each individual Section. Declarant also reserves the right to determine the mode and method of sale of the Dwelling Units until the last such unit in each respective Section is sold.

29. Costs and Attorneys' Fees. In a proceeding arising because of failure of an Owner to make any payments required or to comply with any provisions of the Declaration, The Act, the By-Laws, or the rules and regulations adopted pursuant thereto as each may be amended from time to time, the Association shall be entitled to recover its reasonable attorneys' fees incurred in connection with such default or failure.

30. 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 Areas or Limited Areas or by abandonment of his Dwelling Unit. Nor does the Association waive the right to place a lien on the Dwelling Unit and foreclose itself by failing to do so when payment is not timely made of the Common Expenses by the Owner when due.

31. Severability of Claims. The invalidity of any covenant, restriction, condition, limitation, or other provision of this Declaration or the By-Laws filed herewith shall not impair or affect in any manner the validity, enforceability, or effect of the rest of this Declaration or the attached By-Laws.

32. Plans. The Plans, as described in paragraph 1 (s) of this Declaration, are incorporated into this declaration by reference and have been filed in the Office of the Recorder of Morgan County, Indiana, in Book 199 pages 19, as of Sept. 5, 1997 and amended Plans as may, from time to time, be so filed pursuant to this Declaration, are also incorporated into this declaration.

33. Drainage & Sewer Easements. Declarant hereby reserves the open areas of the Tract, as undefined Drainage and Sewer Easement (D. & S. Easement). In doing so, it is the intention of Declarant to provide the needed flexibility to itself to properly install and allow to be maintained all sewer and drainage services, to the dwelling units constructed. The D. & S. Easement shall include all common areas. No other improvements or permanent structures (excluding walkways, pavement or driveways and fences) shall be placed within the D. & S. Easements and any fences so installed shall be and are expressly subject to the rights (including the right to remove where reasonably necessary, without the duty of replacement or reimbursement) of any public or private utility to construct, maintain, repair, or remove any necessary facilities and the right of the Declarant (while he develops the tract) and the Association to provide for and maintain appropriate drainage.

34. Additional Easement Rights. Declarant further reserve unto himself an easement and the full right, title and authority to relocate, alter, or otherwise change the location of any drainage, utility, or sewer easement and to grant such further easements, licenses and rights-of-way, temporary or permanent,

exclusive or non-exclusive, surface or otherwise, as Declarant may deem necessary or appropriate, for ingress, egress, utility and similar purposes on or within the Tract or any portion of the Tract. Declarant further reserves the right to more specifically describe or to change the description of any such drainage, utility and sewer easement, or other easement Plat or amendment to the Plat recorder in the Office of Recorder of Morgan County, Indiana, and any Owner of any Dwelling Unit shall take title subject to the rights and easements reserved herein; provided, the rights reserved in this Section shall not be exercised in a manner which unreasonably and adversely affects any Building or portion thereof or any Dwelling Unit Owner's use or enjoyment thereof or which unreasonably restricts the rights of ingress and egress to any Dwelling Unit. The rights and easements reserved by the Declarant in this Section shall run with the land and Declarant's right to further alter or grant easements shall automatically terminate one (1) year after Declarant shall have conveyed the last dwelling unit within the property or on October 2, 2007, whichever first occurs.

35. Construction of Deck Enclosures.

- (a) An Owner may construct, in strict accord with the requirements hereafter set forth, a deck enclosure/screened room/roof, in a manner that will add to the aesthetics and value of the horizontal property regime;
- (b) In the event an individual co-owner shall desire to construct an enclosed deck to be added to his/her individual unit, a detailed plan and plat prepared and certified by architect or engineer in a form suitable for recording shall first be presented to the Board of Managers for their consideration. No construction shall be commenced nor shall approval of a design be presumed without the express written consent of a majority of the Board of Managers. Design shall be of a type matching the existing structure and the addition must be built according to the plans and specifications developed by an architect or engineer and in compliance with all governmental codes and be approved by the Board of Managers. Only deck enclosures are authorized.
- (c) The Board of Managers shall have complete discretion to approve or disapprove the proposed plans and specifications for compliance with the restrictions and requirements set forth herein.
- (d) The added structures, when built, shall become part of the existing horizontal property regime. The ownership of shall be divided consistent with paragraph 5 of this Declaration, namely, that the added structure becomes a part of the dwelling unit to which it is attached with the exterior being common property and subject to maintenance by the Co-Owners Association. Responsibilities for maintenance, insurance, upkeep and supervision shall be the same as those outlined for each unit in various paragraphs of the Declaration and the added structure shall be integrated into the Regime accordingly.
- (e) The plat showing the added structure shall be recorded in the Office of the Recorder of Morgan County, Indiana showing proper cross-referencing and showing, by signature of the President and Secretary of the co-owners association, that the plat has been considered and approved.
- (f) Additions of structures herein shall in no way modify or change the relative percentage ownership, percentage interest or percentage vote as set forth in the Recorded Declaration and the Recorded Supplemental Declarations.

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

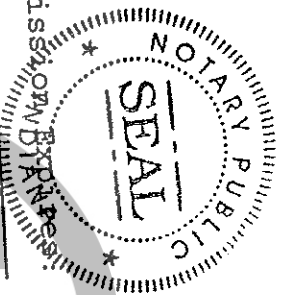
Daniel N. Ferran
Daniel N. Ferran

Kimala A. Ferran
Kimala A. Ferran

STATE OF INDIANA)
COUNTY OF MORGAN) SS:

Before me, a Notary Public, in and for said County and State, personally appeared Daniel N. Ferran and Kimala A. Ferran, who acknowledged the execution of the above and foregoing Declaration of Horizontal Property Ownership.

Witness my hand and Notarial Seal this 4th day of September, 19 97.



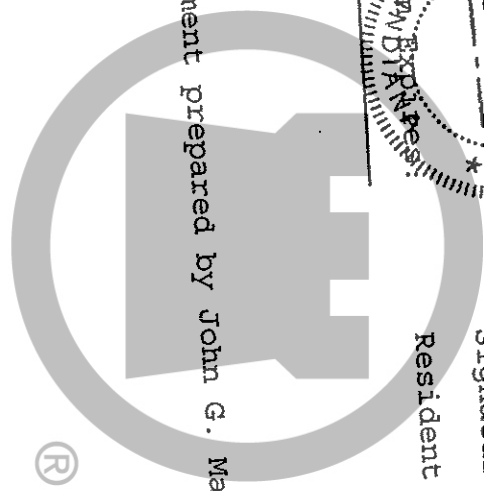
[Signature]
Notary Public

Marvel J. Marvel
Morgan County Resident
My Commission expires:
12-12-1997

Resident of _____ County, IN

My Commission Expires 12-12-1997

This instrument prepared by John G. Marvel, Attorney.



CHICAGO TITLE

RECEIVED FOR RECORD

19__

at _____
[Signature]
MORGAN COUNTY RECORDER

EXHIBIT B

Lakeview Condominiums
Section One

DESCRIPTION: Part of the East Half of the Northeast Quarter of Section 5, Township 11 North, Range 1 East, Second Principal Meridian, Morgan County, Indiana, being more particularly described as follows:

Commencing at an iron pipe which marks the southeast corner of the Northeast Quarter of said Section 5, thence North 89 degrees 35 minutes 45 seconds West, 35.27 feet to an iron pipe, thence North 88 degrees 04 minutes 39 seconds West, 293.32 feet to the centerline of Mary A. Nutter ditch; thence along said centerline, North 17 degrees 20 minutes 22 seconds East, 68.44 feet; thence along said centerline, North 01 degree 39 minutes 19 seconds East, 430.07 feet; thence North 81 degrees 09 minutes 03 seconds East, 54.58 feet to the POINT OF BEGINNING for this description, thence continuing North 81 degrees 09 minutes 03 seconds East, 161.99 feet to the shore line of Spring Lake; thence along said shore line, South 16 degrees 11 minutes 35 seconds East, 107.89 feet; thence along said shore line, South 20 degrees 06 minutes 03 seconds East, 12.65 feet; thence along said shore line, South 20 degrees 06 minutes 03 seconds West, 104.67 feet; thence South 19 degrees 17 minutes 30 seconds East, 201.19 feet; thence 164.88 feet along a curve to the right having a radius of 47.00 feet, said curve being subtended by a chord bearing South 81 degrees 12 minutes 27 seconds West, 92.43 feet; thence North 01 degree 42 minutes 24 seconds East, 148.05 feet; thence 54.24 feet along a curve to the left having a radius of 148.00 feet, said curve being subtended by a chord bearing North 08 degrees 47 minutes 33 seconds West, 53.94 feet; thence North 19 degrees 17 minutes 30 seconds West, 21.05 feet; thence 48.24 feet along a curve to the left having a radius of 99.00 feet, said curve being subtended by a chord bearing North 33 degrees 15 minutes 03 seconds West, 47.76 feet; thence 70.92 feet along a curve to the right having a radius of 102.00 feet, said curve being subtended by a chord bearing North 27 degrees 17 minutes 25 seconds West, 69.50 feet to the Point of Beginning.

Containing in Lakeview Condominiums, Section One, 0.79 acre, more or less. ®

CHICAGO TITLE

RECEIVED FOR RECORD

9/7
1977

SEPT. 5 8:06 A.M.

at
Jakie Hurett
MORGAN COUNTY RECORDER

0924175

REVISEDDECLARATION OF HORIZONTAL PROPERTY OWNERSHIPLAKEVIEW CONDOMINIUMSHORIZONTAL PROPERTY REGIME

THIS REVISED DECLARATION, made this 18 day of FEBRUARY, 19 98, by the "Declarant" Daniel N. Ferran and Kimala A. Ferran;

WITNESSETH:

A. Whereas Declarant is the owner in fee simple of the following described real estate, Morgan County, State of Indiana, to-wit:

SEE ATTACHED EXHIBIT A
(hereinafter referred to as the "Real Estate")

B. Whereas Declarant is the owner in fee simple of certain real estate within the above described real estate described as Section 1, Lakeview Condominiums and more particularly described as follows, to-wit:

SEE ATTACHED EXHIBIT B
(hereinafter referred to as the "Tract")

C. Whereas, Declarant, by execution of this Declaration or a Supplemental Declaration or Declarations, creates a Horizontal Property Regime upon the Tract, subject to provisions of the Horizontal Property Act of the State of Indiana and the terms and conditions of this Declaration.

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

1. The following definitions shall apply throughout this Declaration:

- (a) "Act" means the Horizontal Property Act of the State of Indiana, Acts 1983, Chapter 349, Sections 1 through 31, as amended. The act is incorporated herein by reference.
- (b) "Additional Sections" means the real estate referred to paragraph 16, which may in part or in whole from time to time be annexed to and included within "the Regime" as provided in paragraph 16, all of which will be a part of the Real Estate.
- (c) "Association" means the association of Co-Owners of "the Regime", more particularly described in paragraph 13.
- (d) "Board of Managers" means the governing body of the Association elected by the Co-Owners in accordance with the By-Laws. The term "Board of Managers", as used herein and in the By-Laws, shall be synonymous with the term "Board of Directors" as used in the Act.

- (e) "Building", if and when used, shall mean and be the same as "Dwelling Unit", or "Dwelling Units" where more than one such unit is contained in one edifice.
- (f) "By-Laws" means the By-Laws of the Association providing for the administration and management of the property as required by and in conformity with the provisions of the Act. A true copy of the By-Laws is attached to this Declaration and incorporated herein by reference.
- (g) "Common Areas" means the common area and facilities appurtenant to the Property as defined in paragraph 6 of this Declaration.
- (h) "Common Expenses" means expenses of administration of the Association, expenses for the upkeep, maintenance, repair and replacement of the Common Areas and Limited Areas, except as otherwise expressly provided in this Declaration or the By-Laws, and all sums lawfully assessed against the Owners by the Association or as declared by the Act, this Declaration or the By-Laws.
- (i) "Co-Owners" means the Owners of all the Dwelling Units.
- (j) "Declarant" means owner of the real estate described at the time of filing of this Declaration, its successors and assigns to its interest herein, other than those persons who purchase Dwelling Units by deed from the Declarant, unless the conveyance indicates an intent that grantee become the Declarant.
- (k) "Dwelling Unit" means one of the individual units constituting "the Regime", each individual unit being more particularly described and identified on the Plans and in paragraphs 4 and 5 of this Declaration.
- (l) "Formula" means the method set forth in paragraph 8 of this Declaration for computing the Percentage Interest applicable to each Dwelling Unit.
- (m) "The Regime" means the name by which the Property and Horizontal Property Regime shall be known.
- (n) "Limited Areas" means the limited common areas and facilities as defined in paragraph 7 of this Declaration.
- (o) "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 Dwelling Unit.
- (p) "Percentage Interest" means the percentage of undivided interest in the fee simple title to the Common Areas and Limited Areas appertaining to each Dwelling Unit as determine in accordance with paragraphs 8 and 17 of this Declaration.
- (q) "Percentage Vote" means the Owner's percentage vote and is the relationship of his vote to the total eligible votes expressed as a percentage as determined in accord with paragraph 8 and 17 of this Declaration.
- (r) "Section" means a part of the Real Estate upon which Dwelling Units are constructed and annexed to "the Regime" as provided in paragraph 16. Each particular Section shall be identified by an Arabic numeral designation corresponding to the order of annexation.
- (s) "Plans" means a plat showing the location of the buildings, the elevations, the dwelling units within

the buildings, Arabic identification numbers for each dwelling unit and the outside dimensions for each building for Section One, duly certified, all of which is incorporated by reference. "Plans" also shall include the Supplemental Plans which shall be prepared, verified and filed with each Supplemental Declaration, depicting the location of the buildings, the dwelling units within the buildings, Arabic identification numbers for each dwelling unit and the outside dimensions for buildings, which are constructed on the Sections of the Real Estate, when and if annexed to and made a part of "the Regime".

(t) "Property" means the Tract and appurtenant easements, the Dwelling Units, the Buildings, improvements and property of every kind and nature whatsoever, real, personal and mixed, and all replacements thereof, now or hereafter located upon the Tract and used in connection with the operation, use and enjoyment of "the Regime".

(u) "Tract" means the real estate described in paragraph B above, and such other sections of the Real Estate which have, as of any given time, been subjected to the Act and this Declaration or a supplemental declaration, as herein provided.

2. Declaration. Declarant hereby expressly declares that the Property shall be a Horizontal Property Regime in accordance with the provisions of the Act.

3. Description of Dwelling Units. There are two (2) dwelling units in Section 1, as shown on the Plans.

4. Identification of Dwelling Unit. Each Dwelling Unit is also identified by an Arabic number on the Plans, same referring to the individual Dwelling Unit.

5. Further Description of Dwelling Units.

(a) Boundaries. The dimensions required to determine the boundaries of each Dwelling Unit shall be shown on the Plans and will include all the space bounded by the bottom of the concrete garage floor and any covered porch slab, and the top of the floor of the unit to the bottom of the ceiling joists including garage and covered porch ceiling joists in the horizontal plans and the inside surfaces of all perimeter stud walls extended to include any covered porch in the vertical plans. In the event that any horizontal or vertical boundary lines as shown on the Plans does not coincide with the actual location of the respective wall, floor or ceiling of the Dwelling Unit because of inexactness of construction, settling after construction, or for any other reasons, the boundary lines of each Dwelling Unit shall be deemed to be and treated for purposes of occupancy, possession, maintenance, decoration, use and enjoyment, as in accordance with the actual existing construction. In such case, permanent easements for exclusive use shall exist in favor of the Owner of each Dwelling Unit in and to such space lying outside of the actual boundary line of the Dwelling Unit, but within the appropriate area of the Dwelling Unit.

(b) Appurtenances. Each Dwelling Unit shall consist of all of the space within the boundaries thereof and all portions of the structure thereof situated, including, but not limited to all fixtures, facilities, utilities, equipment, appliances, and structural components designed and intended solely and exclusively for the enjoyment, use and benefit of the Dwelling Unit wherein they are located, or attached, but excluding

therefrom that designated or intended for common use. All fixtures, equipment and appliances intended for the exclusive enjoyment, use and benefit of a Dwelling Unit shall constitute a part of such Dwelling Unit, even if they are located partly or completely without the boundaries of said Dwelling Unit. Those may include but are not limited to air conditioning condensing units, materials used to further enclose the covered porch, windows and doors, including garage doors, etc. The foregoing shall not be deemed a grant of authority to, in any way modify or change the buildings as heretofore constructed except as authorized under the provisions of the Declaration set forth elsewhere herein.

5. Common Area and Facilities. Common areas mean and include (1) the Tract, (2) the yards, planting areas, and drainage areas, (3) central electrical, gas and sanitary sewer mains, (4) exterior lighting fixtures and electrical service, except where separately metered to a particular Dwelling Unit, (5) all facilities and appurtenances located outside the boundary lines of the Dwelling Units, except those areas and facilities expressly defined as being part of the Dwelling Unit as described in paragraph 5 (b).

7. Limited Common Area and Facilities. Limited Areas and those Dwellings for which the use thereof is limited are as follows:

(a) Front Porch. The Front Porch through which access to a Dwelling Unit is obtained is limited to the use of the Dwelling Unit or Dwelling Units served by such entryway.

(b) Driveways. The driveways, walkways, and similar areas used to access to a particular individual Dwelling Units serving such Dwelling Units are limited to the Dwelling Unit so served.

8. Ownership of Common Areas, and Percentage Interest and Percentage Vote. Each Owner shall have an undivided interest in the Common Areas and Limited Areas as tenants in common with all other Owners equal to his Dwelling Unit's Percentage Interest. Each Dwelling Unit's Percentage Interest in the Common Areas and Limited Areas shall be determined in accord with the Formula set forth in paragraph 17 of this Declaration.

If the Regime consists only of Section 1, each Dwelling Unit's Percentage Interest shall be that as each Unit bears to all the units in the Section. As Sections are annexed, as permitted and contemplated by paragraph 16 of this Declaration, the upon execution of the applicable Supplemental Declaration, the Percentage Interest of each Dwelling Unit in the Section or Sections which are a part of the Regime prior to such annexation shall automatically reduce in accord with the Formula. The Owners of Dwelling Units in the Section or Sections which are a part of the Regime prior to such annexation shall be granted and receive a Percentage Interest in the Common Area and of such Section of the additional Tract being annexed, the precise Percentage Interest to be determined according to the Formula and designated in the Supplemental Declaration.

Each owner shall have an equal vote on any matter upon which the Co-Owners are entitled to vote. Each owner is entitled to one vote. A multiple owner, meaning an Owner of more than one Unit, is entitled to multiple votes, that is one vote for each Unit owned.

The Percentage Interest appertaining to each Dwelling Unit as determined by paragraph 17 also shall be the Percentage Vote allocable to the Owner thereof in all matters with respect

to the Regime and the Association upon which the Co-Owners are entitled to vote, but not limited to, the election of the Board of Managers.

9. Encroachments and Easements for Common Area. If, by reason of location, construction settling, or shifting of a Dwelling Unit, a Common Area or Limited Area now encroaches or shall hereafter encroach upon any Dwelling Unit, then in such event an easement shall be deemed to exist and run to the Co-Owners and the Association for the maintenance, use and enjoyment of such Common Area or Limited Areas.

Each Owner shall have an easement in common with each other Owner to use all pipes, wires, ducts, cables, conduits, utility lines, and other facilities.

10. Real Estate Taxes. Real Estate taxes are to be separately taxed to each Dwelling Unit as provided in the Act. In the event that for any year real estate taxes are not assessed and taxed on the Tract, or a part thereof, as a whole, then each Owner shall pay his proportionate share of the real estate taxes. Each Owner's proportionate share will be determined as follows:

(a) With respect to the real estate taxes assessed against the land, the amount of such taxes shall be a sum equal to that Owner's Percentage Interest multiplied by the total real estate taxes assessed against the land. Declarant will pay the taxes on the real estate until annexed.

(b) With respect to the real estate taxes assessed against the improvements, the respective Owners will be fully obligated to pay the amounts assessed against same.

(c) All other taxes assessed against the real estate or improvements shall be calculated by the same formula as set forth in (a) above and paid for according to the Co-Owners Percentage Interest.

11. Utilities. Each Owner shall pay for his own utilities, which are separately metered. Utilities which are not separately metered shall be treated as and be paid as part of the Common Expenses. (R)

12. Easement for Utilities and Public and Quasi-Public Vehicles. All public and quasi-public vehicles, including, but not limited to, police, fire and other emergency vehicles, trash and garbage collection, post office vehicles and privately owned vehicles, shall have the right to enter upon the streets, Common Areas and Limited Areas of the Regime in performance of their duties. An easement is also granted for all areas of the Regime including privately owned units, to all utilities and their agents for ingress, egress, installation, replacement, repairing, and maintaining of such utilities, including but not limited to, water, sewers, gas, telephones, and electricity on the installation provided, however, nothing herein shall permit the installation of sewers, electric lines, water lines, or other utilities, except as initially designated and approved by Declarant or as thereafter may be approved by the Board of Managers. By virtue of this easement, the electric and telephone utilities are expressly permitted to erect and maintain electric and telephone wires, circuits and conduits on, above, across and under the roofs and exterior walls of the building.

13. Association of Owners. In order to provide for the maintenance, repair, replacement, administration and operation of the Property and in compliance with the provisions of the Act, there is hereby created an association of Co-Owners of the Dwelling Units in "the Regime" to be known as Lakeview Condominiums Association. Each Owner shall be a member of the Association, but membership shall terminate when such person ceases to be an Owner, and such membership will be transferred to

the new Owner.

The Association shall elect a Board of Managers annually in accordance with and as prescribed by the By-Laws. The Co-Owners shall be entitled to cast their Percentage Vote for the election of the Board of Managers.

The Board of Managers shall be the governing body of the Association, representing all of the Co-Owners in providing for the management, maintenance, repair, replacement and upkeep of the property.

14. Maintenance, Decorating, Repairs and Replacement. The Co-Owners' Association shall be responsible for the maintenance, repairs, decoration and replacement of the exterior of each Dwelling Unit except the glass portions and doors and garage doors. The Board of Managers reserve the exclusive right to determine the outside decor of each Dwelling Unit inclusive, but not exclusive of, color and paint, and all decor appurtenant to the aesthetics of each individual unit. Exclusive of those aesthetics that are visible from outside the Dwelling Units, Owner shall control and reserve the right of decoration of his or her Dwelling Unit on the inside. Each Owner shall repair any defect occurring in his Dwelling Unit which, if not repaired, might adversely affect any Dwelling Unit, Common Area or Limited Areas. Maintenance, repairs, replacements and upkeep of the Common Areas shall be furnished by the Association as part of the Common Expenses.

The Board of Managers shall adopt such rules and regulations concerning the maintenance, repairs, use and enjoyment of the Common Areas and Limited Areas as it deems appropriate, including the appointment of committees to oversee same.

The Board of Managers or their designated agent shall have the right at reasonable times and upon reasonable prior notice (except in cases of emergency in which case no notice shall be required), to enter into the Common Areas and Limited Areas appurtenant to the Dwelling Units to replace, repair, and maintain same.

15. Alterations, Additions, and Improvements. No Owner shall make any alterations or additions to the Common Areas or Limited Areas without the prior written approval of the Board of Managers, nor shall any Owner make any alterations to his respective Dwelling Unit or within the boundaries thereof which would adversely affect the safety or structural portion of the Dwelling Unit.

16. Expansion by Sections. Declarant anticipates that it will construct additional Dwelling Units on Additional Sections by expansion within the Real Estate, all or part of which may be expanded in the manner hereinafter set forth, and subject to the provisions of the Act. The general plan of development shall not exceed 25 units total. A time limit, not exceeding ten (10) years, shall be the limit where additional Sections may be added.

At any time prior to September 1, 2007, Declarant, at his option, may, but is not obligated to, cause all or part of the Additional Section or Sections within the Tract to be expanded, subject to the following conditions:

(a) Another Section or Sections may be annexed if the Dwelling Units to be constructed in such Section or Sections, have been completed to such an extent that the units' location may be accurately set and the Supplemental Plans to be filed with the Supplemental Declaration are completed and certified to by the engineer or architect as fully and accurately depicting the layout, location, and dimensions of the Dwelling Units. Declarant shall reserve the right to determine

the developmental standards of each Section.

(b) The Dwelling Units on any Section to be annexed shall be constructed with labor and material of comparable quality to the Dwelling Units previously constructed although not necessarily of similar type floor plan, design or exterior.

(c) Declarant, or its assigns, shall be the sole owner of the fee simple title to the Section or Sections to be annexed.

Declarant expressly reserves the right not to annex any or all of the Real Estate in Sections after Section 1. No owner shall acquire any rights whatsoever in the Real Estate except as to those Sections which are annexed to and made a part of the Horizontal Property Regime. After each Section is annexed, those Co-Owners owning Dwelling Units in that Section or Sections shall then incur and pay all Common Expenses attendant with that Section or Sections according to the Formula and their respective Percentage Interest. Units under construction, models and unsold units and the common areas associated with such units shall not be assessed and shall be maintained by the Declarant until sold.

17. Percentage Interest. The Owner of each Dwelling Unit shall have the same Percentage Interest and Percentage Vote as all other such Owners and there shall be no differentiation based upon the size of such Dwelling Unit. Each Owner shall be equal as to Percentage Interest and Percentage Vote.

The Percentage Interest apportionment to each unit shall be computed and, upon the annexation of an Additional Section or Sections, same shall be recomputed dividing among the then-existing Dwelling Unit Owners an equal share to the extent that the total shares at all times equal 100%. The Percentage Interest and Percentage Vote shall be expressed as a fraction if necessary when the number of units is not evenly divisible into 100 so that the total interest and vote equals 100% at all times.

As each Section is developed, Declarant shall record a Supplemental Declaration annexing and adding such Section to this Declaration and making it a part of "the Regime", Declarant reserves the right to annex additional Sections thereof that are not necessarily in numerical order shown on the plans. Such Supplemental Declaration shall contain the following:

- (a) A description of the real estate to be annexed.
- (b) A description of the Dwelling Units described in a manner consistent with this Declaration.
- (c) The Percentage Interest of all Dwelling Units upon annexation, computed in accordance with the Formula.

Each Owner, by acceptance of a deed to a Dwelling Unit, acknowledges, consents, and agrees that the following rights and conditions shall be applicable upon the recording of each Supplemental Declaration:

- (a) The Section described in each Supplemental Declaration shall be governed in all applicable respects by the provisions of this Declaration.
- (b) The Percentage Interest applicable to each Dwelling Unit shall be automatically reallocated in accordance with the schedule set forth in such Supplemental Declaration, which shall be based upon the Formula. On recording of each Supplemental Declaration, the amount by which the Percentage Interest of a Dwelling Unit is reduced thereby shall be deemed to release and divest that amount from such Dwelling Unit Owner and revert to the Declarant, its

successors and assigns.

(c) Each deed, mortgage, or other instrument affecting a Dwelling Unit shall be deemed given subject to the limitation that the Percentage Interest appurtenant to each Dwelling Unit shall be, upon the recording of each Supplemental Declaration, altered in accordance with the Supplemental Declaration based upon the Formula.

(d) The Percentage Interest in the Common Areas and Limited Areas appurtenant to each Dwelling Unit shall be deemed to include any additional Common Area and Limited Areas annexed hereto by a Supplemental Declaration, which Supplemental Declaration shall grant and convey to the Owners the appropriate Percentage Interest, and each deed, mortgage, or other instrument affecting a Dwelling Unit shall be deemed to include such additional Common Areas and Limited Areas, and the ownership of any Dwelling Unit and lien of any mortgage shall automatically include and attach to such additional Common Area and limited Area upon recording of such Supplemental Declaration.

(e) The recording of a Supplemental Declaration shall not alter the amount of the lien for Common Expenses assessed to a Dwelling Unit in a Section already a part of the Regime prior to such recording. The lien for the proportional share of Common Expenses for the Sections annexed upon such recording shall be assessed and paid as provided in the By-Laws.

(f) Each Owner agrees for himself and all those claiming under him, including Mortgagees, that this Declaration and each Supplemental Declaration is and shall be deemed to be in accordance with the Act, and for the purpose of this Declaration and the Act, any changes in Percentage Interest as set forth in any supplemental Declaration which is in accordance with the Formula expressed herein, shall be deemed to be made by agreement of all owners.

(g) Each Owner agrees to execute and deliver such documents as are necessary or desirable to accomplish the annexation of the Sections in the Real Estate in accordance with the provisions and intent of this paragraph 17.

(h) Each Owner, by acceptance of a deed to a Dwelling Unit, shall thereby appoint Declarant or its nominee as such Owner's attorney-in-fact for the purpose of reallocating from time to time the percentage interest appurtenant to such Owner's Dwelling Unit in accordance with the provisions of this paragraph 17, and, to the extent required by law to carry out the intent of this paragraph 17, on behalf of such Owner to consent to or vote in favor of the amendment of this Declaration, as well as to do all things as contained in such agreement allowing Declarant to act as attorney-in-fact, which agreement for a power of attorney and power of attorney are incorporated herein by reference. The appointment of Declarant or its nominee as such attorney-in-fact and the granting of such special power to Declarant or its nominee shall be deemed to be coupled with an interest in the common areas, and shall be irrevocable and binding upon the heirs, successors and assigns of such Owner, but shall expire when all of the Additional Tract has been annexed, Declarant turns the project over to the Co-Owners, or on September 1, 2007, whichever first occurs.

In the event Declarant does not elect to annex Additional Sections within the Real Estate or any part thereof,

as permitted by this paragraph 17, Declarant shall permanently remove that part of Supplemental Declaration which shall permanently remove that part of Supplemental Declaration that has not been annexed from any right to be of the Real Estate that has not been annexed from any Section for made a part of "the Regime"; provided, however, any Section for which a Supplemental Declaration has not been filed by September 1, 2007, shall automatically be removed from the possibility of becoming a part of "the Regime" in the manner provided in this Declaration. Upon the filing of such Supplemental Declaration removing a part of "the Regime" in accordance with this Declaration, the Percentage Interest designated in the Declaration or Supplemental Declaration last filed shall not be altered without the consent of all Owners.

18. Easements to and from Additional Sections. In the event all or any part of the Additional Sections of the Real Estate are not annexed, Declarant reserves unto itself, its successors and assigns, for the use and benefit of that part of the Real Estate not annexed, the right and easement to enter upon the streets and Common Areas to provide ingress and egress to the Additional Sections. It is the purpose and intent of the easements herein granted or reserved to provide free and unrestricted use and access across the roadway and sidewalks for the Owners and residents of the Additional Sections, their guests, invitee, and all public and quasi-public vehicles.

19. Insurance.

(a) The Co-Owners, through the association of Co-Owners, shall provide insurance that shall:

1) Provide that notwithstanding any provision thereof giving the insurer an election to restore damage in lieu of a cash settlement, such option shall not be exercisable in the event the owners do not elect to restore pursuant to paragraph 20 below; and,

2) Contain a "replacement cost endorsement". Such insurance coverage shall be for the benefit of each owner and the association and, if applicable, the owner's mortgages. The proceeds shall be payable to the association who shall hold such proceeds as trustee for the individual owners and mortgages as their interests appear. The proceeds shall be used or disbursed only in accordance with the provisions of this paragraph 19 and paragraph 20 of the declaration, as applicable, and any surety bond or bonds obtained by the Board covering the officers of "the Regime" as provided in the By-Laws shall specifically include protection for any insurance proceeds so received.

Such insurance shall insure to the benefit of each individual owner, the association, the Board of Managers, and any managing agent or company acting on behalf of the association, as their interests may appear. The Owners, as well as the Lessees, if any, shall be able to recover losses insured where applicable.

Each Owner shall have the right to purchase additional insurance he may deem necessary, and each Owner shall be solely responsible for loss or damage to the contents of his own dwelling unit, however caused, including all floor and wall coverings, and fixtures and betterment installed by the Owner, and his personal property stored elsewhere on the property. Each owner shall be solely responsible for obtaining his own insurance to cover any such loss and risk including, but not limited to, living expenses.

(b) The Co-Owners through the association of Co-Owners shall purchase and pay for as part of the Common Expenses, a master casualty policy affording fire and extended coverage insurance in an amount equal to the full replacement costs of the improvements that in whole, or in part comprise the Common Area and

The Co-Owners through the association shall also purchase and pay for as part of Co-Owners shall also purchase and pay for as part of the common expenses a master liability policy in an amount required by the By-Law or Declaration as revised from time to time by a decision of the Board of Managers of the association, which policy shall cover the association of Co-Owners, the executive body, if any, the managing agent, if any, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the condominiums, all condominium unit owners and all other persons entitled to occupy any unit or other portions of the condominium. Such other policies as may be required may be obtained and paid for as part of the Common Expenses and in amounts as determined by the Board of Manager, by the Co-Owners through the association, including, without limitation, workmen's compensation insurance, liability insurance on motor vehicles owned by the association, specialized policies covering lands or improvements on which the association has or shares ownership or other rights, and officers' and managers' liability policies.

(c) When any policy of insurance has been obtained by or on behalf of the association of Co-Owners, written notice of the obtainment thereof and of any subsequent changes therein or termination thereof shall be promptly furnished to each Co-Owner or Mortgagee whose interest may be affected thereby by the officer required to send notices of meetings of the association of Co-Owners.

20. Disaster, Casualty and Restoration.

(a) In case of fire or any other casualty or disaster, other than complete destruction of all buildings containing the condominium units, the improvements shall be reconstructed and the insurance proceeds applied to reconstruct the improvements.

(b) In the event of complete destruction of all of the buildings containing condominium units, the building(s) shall not be reconstructed, except as otherwise provided, and the insurance proceeds, if any, shall be divided among the Co-Owner(s) proportioned according to the fair market value of all other condominiums and the property considered as to be removed from the condominium under Section 28 of the act unless by vote of two thirds (2/3) of all of the Co-Owners a decision is made to rebuild the buildings, in which case the insurance proceeds shall be applied and any excess of construction costs over insurance proceeds shall be contributed of the buildings.

(c) A determination of total destruction of the buildings containing condominiums units shall be determined by a vote of two thirds (2/3) of all Co-Owners at a special meeting of the association of Co-Owners called for that purpose.

(d) Where the improvements are not insured or where the insurance proceeds are not sufficient to cover the costs of repair or reconstruction and the property is not to be removed from the horizontal property regime, the Co-Owners shall contribute the balance of any such costs in the percentage by which a condominium unit owner owns an undivided interest in the Common Areas and facilities as assessed in the Declaration. Such amount shall constitute a lien from the time of assessment and shall constitute a lien from the time of assessment as provided in Section 24 of the Act.

(e) If, pursuant to a, b and c above, it is not determined by the Co-Owners to rebuild after a casualty or disaster has occurred, then in that event;

1) The property shall be deemed to be owned in common by the condominium unit owners;

2) The undivided interest in the property owned in common which shall appertain to each condominium unit owner shall be the percentage of undivided interest previously owned by such owner in the Common Areas and facilities;

3) Any liens affecting any of the condominiums units shall be deemed to be transferred in accordance with the existing priorities to the percentage of the undivided interest of the condominium unit owner in property; and

4) The property shall be subject to an action for partition at the suit of any condominium unit owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the condominium unit owners in a percentage equal to the percentage of undivided interest owned by each owner in the property, after first paying out of the respective shares of the condominium unit owners, to the extent sufficient for the purpose, all liens on the undivided interest in the property owned by each condominium unit owner.

21. Sale of Dwelling by Declarant. For the purpose of maintaining the residential character of the Regime, and for the protection of the Co-Owners, Declarant specifically reserves the mode and method of the original sale of each Unit until the last unit in the Regime is sold.

22. Membership in the Co-Owners Association. The Tract is subject to the covenants and restrictions contained herein. For the purpose of this Declaration, upon the recording of this Declaration and any subsequent amendments and Supplemental Declaration, all the rights and obligations accruing to a Dwelling Unit shall include, but not be limited to, the obligation to pay the monthly assessments as provided in such Declaration, which monthly assessments are a lien on each Dwelling Unit, and the necessity and right to become a member of the Co-Owners Association, and to have a vote for each Dwelling Unit owned, pursuant to the formula heretofore set out.

23. Covenants and Restrictions. The covenants and restrictions applicable to the use and enjoyment of the Dwelling Units are set forth in the Code of By-Laws of the Co-Owners Association. These Covenants and Restrictions are for the mutual benefit and protection of the present and future Owners and shall run with the land and insure to the benefit of and be enforceable by the Owner, Co-Owners or by the Association. Present or future Owners or the Association shall be entitled to injunctive relief against any violation or attempted violation of these provisions, but there shall be no right to reversion or forfeiture of title resulting from such violation.

24. Amendment of Declaration. Except as otherwise provided in this Declaration, amendments to this Declaration shall be proposed and adopted in the following manner:

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

Regulations applicable thereto as each may be amended from time to time.

26. Rights of Mortgage Purchaser. In the event Federal Home Loan Mortgage Corp., or other purchaser of a mortgage of any property in this Regime should request or require it, the Declarant or Board of Managers may fully satisfy any needed requirements to make the regime and the mortgage FHLMC eligible, and the right to act for and on behalf of such Co-Owners with regard to same is hereby conferred, among other things, in the Agreement for Power of Attorney and Power of Attorney executed herewith by each Co-Owner.

27. Maintenance. 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 Association. An Owner shall pay the amount of any increase in insurance premiums occasioned by his use, misuse, occupancy, or abandonment of his Dwelling Unit or its appurtenances or of the Common Areas or Limited Areas.

28. Reservation of Rights. Declarant reserves the right to amend this Declaration without consent of the respective Owners until six months after the last Dwelling Unit is sold, the project is turned over to the Co-Owners' Association, or September 1, 2007, whichever first occurs. In the event there is an annexation or annexations of an additional Section or Sections, the same rule will apply to amendments and supplements to this Declaration as pertains to each individual Section. Declarant also reserves the right to determine the mode and method of sale of the Dwelling Units until the last such unit in each respective Section is sold.

29. Costs and Attorneys' Fees. In a proceeding arising because of failure of an Owner to make any payments required or to comply with any provisions of the Declaration, The Act, the By-Laws, or the rules and regulations adopted pursuant thereto as each may be amended from time to time, the Association shall be entitled to recover its reasonable attorneys' fees incurred in connection with such default or failure.

30. 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 Areas or Limited Areas or by abandonment of his Dwelling Unit. Nor does the Association waive the right to place a lien on the Dwelling Unit and foreclose itself by failing to do so when payment is not timely made of the Common Expenses by the Owner when due.

31. Severability of Claims. The invalidity of any covenant, restriction, condition, limitation, or other provision of this Declaration or the By-Laws filed herewith shall not impair or affect in any manner the validity, enforceability, or effect of the rest of this Declaration or the attached By-Laws.

32. Plans. The Plans, as described in paragraph 1 (s) of this Declaration, are incorporated into this declaration by reference and have been filed in the Office of the Recorder of Morgan County, Indiana, in Book _____, pages _____, as of _____, 19____, and amended Plans as may, as also incorporated into this declaration.

33. Drainage & Sewer Easements. Declarant hereby reserves the open areas of the Tract, as undefined Drainage and Sewer Easement (D. & S. Easement). In doing so, it is the intention of Declarant to provide the needed flexibility to itself to properly install and allow to be maintained all sewer and drainage services, to the dwelling units constructed. The D. & S. Easement shall include all common areas. No other improvements

or permanent structures (excluding walkways, pavement or driveways and fences) shall be placed within the D. & S. Easements and any fences so installed shall be and are expressly subject to the rights (including the right to remove or reasonably necessary, without the duty of replacement or reimbursement) of any public or private utility to construct, maintain, repair, or remove any necessary facilities and the right of the Declarant (while he develops the tract) and the Association to provide for and maintain appropriate drainage.

34. Additional Easement Rights. Declarant further reserves unto himself an easement and the full right, title and authority to relocate, alter, or otherwise change the location of any drainage, utility, or sewer easement and to grant such further easements, licenses and rights-of-way, temporary or permanent, exclusive or non-exclusive, surface or otherwise, as Declarant may deem necessary or appropriate, for ingress, egress, utility and similar purposes on or within the Tract or any portion of the Tract. Declarant further reserves the right to more specifically describe or to change the description of any such drainage, utility and sewer easement, or other easement Plat or amendment to the Plat recorder in the Office of Recorder of Morgan County, Indiana, and any Owner of any Dwelling Unit shall take title subject to the rights and easements reserved herein; provided, the rights reserved in this Section shall not be exercised in a manner which unreasonably and adversely affects any Building or portion thereof or any Dwelling Unit Owner's use or enjoyment thereof or which unreasonably restricts the rights of ingress and egress to any Dwelling Unit. The rights shall run with the land reserved by the Declarant in this Section shall run with the land and Declarant's right to further alter or grant easements shall automatically terminate one (1) year after Declarant shall have conveyed the last dwelling unit within the property or on October 2, 2007, whichever first occurs.

35. Construction of Deck Enclosures.

(a) An Owner may construct, in strict accord with the requirements hereafter set forth, a deck enclosure/screened room/roof, in a manner that will add to the aesthetics and value of the horizontal property regime;

(b) In the event an individual co-owner shall desire to construct an enclosed deck to be added to his/her individual unit, a detailed plan and plat prepared and certified by architect or engineer in a form suitable for recording shall first be presented to the Board of Managers for their consideration. No construction shall be commenced nor shall approval of a design be presumed without the express written consent of a majority of the Board of Managers. Design shall be of a type matching the existing structure and the addition must be built according to the plans and specifications developed by an architect or engineer and in compliance with all governmental codes and be approved by the Board of Managers. Only deck enclosures are authorized.

(c) The Board of Managers shall have complete discretion to approve or disapprove the proposed plans and specifications for compliance with the restrictions and requirements set forth herein.

(d) The added structures, when built, shall become part of the existing horizontal property regime. The ownership of shall be divided consistent with paragraph 5 of this Declaration, namely, that the added structure becomes part of the dwelling unit to which it is attached with the exterior being common property and subject to maintenance of the Co-Owners Association. Responsibilities for the maintenance, insurance, upkeep and supervision shall be the same as those outlined for each unit in various paragraphs of the Declaration and the added structure shall be integrated into the Regime accordingly.

(e) The plat showing the added structure shall be recorded in the Office of the Recorder of Morgan County, Indiana showing proper cross-referencing and showing, by

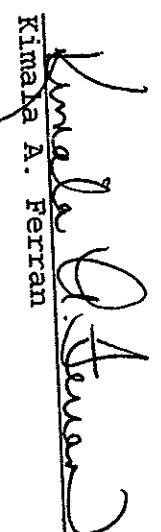
signature of the President and Secretary of the co-owners association, that the plat has been considered and approved.

(f) Additions of structures herein shall in no way modify or change the relative percentage ownership, percentage interest or percentage vote as set forth in the Recorded Declaration and the Recorded Supplemental Declarations.

(g) The purpose of this paragraph is to provide clarification of the manner in which an Owner may enclose the existing wooden deck attached to their Dwelling Unit.

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

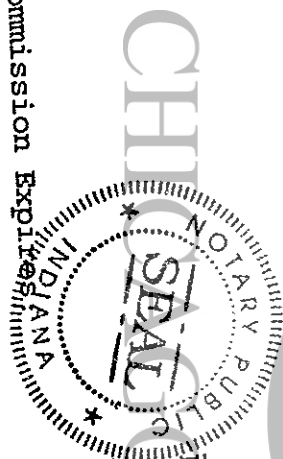

Daniel N. Ferran

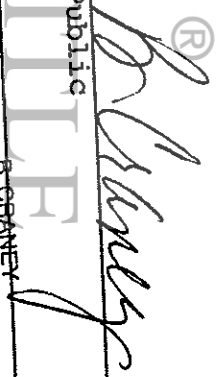

Kimala A. Ferran

STATE OF INDIANA)
COUNTY OF MORGAN) SS:

Before me, a Notary Public, in and for said County and State, personally appeared Daniel N. Ferran and Kimala A. Ferran, who acknowledged the execution of the above and foregoing Declaration of Horizontal Property Ownership.

Witness my hand and Notarial Seal this 10 day of FEBRUARY, 19 98.




Notary Public
Signature _____
Resident of _____
B. GRANNEY
Morgan County Resident
My Commission Expires: 2-3-2001
County, IN

My Commission Expires _____

This instrument prepared by John G. Marvel, Attorney.

Book 148 Page 352

EXHIBIT B

Book 151 Page 232

Lakeview Condominiums
Section One

DESCRIPTION: Part of the East Half of the Northeast Quarter of Section 5, Township 11 North, Range 1 East, Second Principal Meridian, Morgan County, Indiana, being more particularly described as follows:

Commencing at an iron pipe which marks the southeast corner of the Northeast Quarter of said Section 5, thence North 89 degrees 35 minutes 45 seconds West, 35.27 feet to an iron pipe; thence North 88 degrees 04 minutes 39 seconds West, 293.32 feet to the centerline of Mary A. Nutter ditch; thence along said centerline, North 17 degrees 20 minutes 22 seconds East, 68.44 feet; thence along said centerline, North 01 degree 39 minutes 19 seconds East, 430.07 feet; thence North 81 degrees 09 minutes 03 seconds East, 54.58 feet to the POINT OF BEGINNING for this description; thence continuing North 81 degrees 09 minutes 03 seconds East, 161.99 feet to the shore line of Spring Lake; thence along said shore line, South 16 degrees 11 minutes 35 seconds East, 107.89 feet; thence along said shore line, South 20 degrees 06 minutes 03 seconds East, 12.65 feet; thence South 74 degrees 20 minutes 00 seconds West, 104.67 feet; thence South 19 degrees 17 minutes 30 seconds East, 201.19 feet; thence 164.88 feet along a curve to the right having a radius of 47.00 feet, said curve being subtended by a chord bearing South 81 degrees 12 minutes 27 seconds West, 92.43 feet; thence North 01 degree 42 minutes 24 seconds East, 148.05 feet; thence 54.24 feet along a curve to the left having a radius of 148.00 feet, said curve being subtended by a chord bearing North 08 degrees 47 minutes 33 seconds West, 53.94 feet; thence North 19 degrees 17 minutes 30 seconds West, 21.05 feet; thence 48.24 feet along a curve to the left having a radius of 99.00 feet, said curve being subtended by a chord bearing North 33 degrees 15 minutes 03 seconds West, 47.76 feet; thence 70.92 feet along a curve to the right having a radius of 102.00 feet, said curve being subtended by a chord bearing North 27 degrees 17 minutes 25 seconds West, 69.50 feet to the Point of Beginning.

Containing in Lakeview Condominiums, Section One, 0.79 acre, more or less.

RECEIVED FOR RECORD 97
Sept. 5 1997
8:06 A.M.
at
Yiaki Kivett
MORGAN COUNTY RECORDER

RECEIVED FOR RECORD 98
Feb. 20 1998
12:47 P.M.
at
Yiaki Kivett
MORGAN COUNTY RECORDER

FIFTH SUPPLEMENTAL DECLARATION OF COVENANTS
AND RESTRICTIONS OF HORIZONTAL PROPERTY OWNERSHIP
LAKEVIEW CONDOMINIUMS
HORIZONTAL PROPERTY REGIME

This Fifth Supplemental Declaration, made this 4th day of October, 2002, by
Daniel N. Ferran and Kimala A. Ferran ("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 the City of Martinsville, Morgan County, Indiana, to wit:

SEE ATTACHED EXHIBIT A

(hereinafter referred to as "Lakeview Condominiums, Section Six")

B. On the 4th day of September, 1997, Declarant executed a Declaration of Horizontal Property Regime, which Declaration was recorded in the office of the Recorder of Morgan County, Indiana on the 5th day of September, 1997, as Instrument No. 9711439, in Miscellaneous Record 148, page 335 (the "Declaration") and being revised on the 18th day of February, 1998, which Revised Declaration was recorded in the office of the Recorder of Morgan County, Indiana on the 20th day of February, 1998, as Instrument No. 9802296, in Miscellaneous Record 151, page 215 (the "Revised Declaration"). Incorporated into the Revised Declaration by reference are the Code of By-Laws of Lakeview Condominiums Association. The Revised Declaration and By-Laws of the Lakeview Condominiums Association are incorporated herein by reference and all the terms and definitions as described therein are hereby adopted and shall have the same meaning in this Supplemental Declaration.

C. Lakeview Condominiums, Section Six, is part of the Real Estate described in Paragraph A and Paragraph 16 of the Revised Declaration. Paragraph 16 of the Revised Declaration provides that all or part of the Real Estate may be annexed to the Lakeview Condominiums, Section One, incorporated into the Declaration, and the Owners thereof become members of the Lakeview Condominiums Association in accordance with the conditions in Paragraphs 16 and 17 of the Revised Declaration and the filing of the Supplemental Declaration by Declarant. All conditions relating to the annexation of the Lakeview Condominiums, Section Five, to the Real Estate of the Lakeview Condominiums Horizontal Property Regime have been met and Declarant, by execution of this Supplemental Declaration, hereby incorporates the Lakeview Condominiums, Section Six, into the Revised Declaration and as annexed to the Lakeview Condominiums Horizontal Property Regime.

NOW THEREFORE, Declarant makes this Supplemental Declaration as follows:

1. Declaration. Declarant hereby declares that the Lakeview Condominiums, Section Six, and other appurtenant easements, dwelling units, buildings, improvements and property of every kind and nature whatsoever, real, personal or mixed located thereon, is hereby annexed to the Lakeview Condominiums Horizontal Property Regime and made part of the Revised Declaration as if such originally had been included in the Revised Declaration, and shall hereafter be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions and provisions of the Revised Declaration, the By-Laws and the rules and regulations as adopted by the Board of Directors as each may be amended from time to time. The Lakeview Condominiums, Section Six, hereafter and for all purposes shall be included in the definition of Real Estate as defined in Paragraph 1 (u) of the Revised Declaration.

2. Description of Lakeview Condominiums, Section Six. Lakeview Condominiums, Section Six, consists of one building, numbered Building Five (6), with two units included in the building, numbered units A and B, inclusive, together with the Common Area as designated on the Plat. The Common Area and the size of the units are designated on the Plat.

3. Percentage Interest. The Owner of each dwelling unit, including the owners of Sections One, Two, Three, Four, Five and Six annexed by this Supplement, shall each have a percentage interest in the Common Areas and Limited Areas and a corresponding percentage vote of 8 1/3 %.

4. Acceptance and Ratification. The acceptance of a deed of conveyance or the act of occupancy of a Dwelling Unit shall constitute an agreement that the provisions of this Supplemental Declaration, the Revised Declaration, the By-Laws, 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 or occupant and all such provisions shall be covenants running with the land and shall bind any person having at any time an interest or estate in a Dwelling Unit as if those provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

5. Supplemental Plat. The plat of Section Six of the Lakeview Condominiums Horizontal Property Regime, has been recorded in the Office of the Recorder of Morgan County, Indiana, on the 20th day of August, 2002, as Instrument No. 20214050, in the Office of the Recorder of Morgan County, Indiana, and is incorporated herein by reference.



CHICAGO TITLE

EXHIBIT A

Lakeview Condominiums Section Six

DESCRIPTION: Part of the East Half of the Northeast Quarter of Section 5, Township 11 North, Range 1 East, Second Principal Meridian, Morgan County, Indiana, being more particularly described as follows:

Commencing at an iron pipe which marks the southeast corner of the Northeast Quarter of said Section 5, thence North 89 degrees 35 minutes 45 seconds West, 35.27 feet to an iron pipe; thence North 88 degrees 04 minutes 39 seconds West, 293.32 feet to a centerline of Mary A. Nutter ditch; thence along said centerline, North 17 degrees 20 minutes 22 seconds East, 68.44 feet; thence along said centerline, North 01 degree 39 minutes 19 seconds East, 37.81 feet to the POINT OF BEGINNING for this description; thence continuing along said centerline, North 01 degree 39 minutes 19 seconds East, 105.95 feet to the southwest corner of Section Five of Lakeview Condominiums, as per plat thereof recorded on May 15, 2001, as Instrument #20107134, in the Office of the Recorder of Morgan County, Indiana; thence along the south line of said Section Five, South 88 degrees 12 minutes 27 seconds East, 131.83 feet to the southeast corner of said Section Five, said point also being on the west line of Section One of Lakeview Condominiums, as per plat thereof recorded in Condominium Record 1, page 17; thence along the west line of said Section One, South 01 degree 42 minutes 24 seconds West, 24.16 feet; thence continuing along said west line, Southeastely, 50.97 feet along a tangent curve to the left having a radius of 47.00 feet, said curve being subtended by a chord bearing South 29 degrees 21 minutes 42 seconds East, 48.51 feet; thence South 29 degrees 34 minutes 13 seconds West, 45.90 feet; thence North 88 degrees 04 minutes 08 seconds West, 135.32 feet to the Point of Beginning.

Containing in Lakeview Condominiums, Section Six, 0.341 acre, more or less. ®

CHICAGO TITLE

