

MARtha A. WOMACKS
MARION COUNTY CLERK

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SUBJECT TO FINAL ACCEPTANCE
FOR TRANSFER

DECLARATION OF HORIZONTAL PROPERTY REGIME

AND OF

EASEMENTS, RESTRICTIONS, COVENANTS,

AND

BY-LAWS

FOR

LOMBARDI ROW TOWNHOMES, INC.,

A NOT-FOR-PROFIT CORPORATION

THIS DECLARATION is made and entered into by EMPIRE DEVELOPMENT, L. L. C., An Indiana Limited Liability Company (hereinafter referred to as the "Declarant"):

W I T N E S S E T H:

WHEREAS, the Declarant holds legal title to the following described parcel of real estate situated in Marion County, Indiana (hereinafter called the "Parcel"):

Lots 1, 2, 3, and 4 in St. Joseph Place II Subdivision, a Subdivision in the City of Indianapolis, as per plat thereof recorded February 26, 1996, as Instrument No. 96-24239, in the Office of the Recorder of Marion County, Indiana

WHEREAS, the Declarant desires and intends by this Declaration to submit the Property, as hereinafter defined, to the provisions of the Horizontal Property Act of the State of Indiana, as amended from time to time (hereinafter called the "Act") and is, further, desirous of establishing for its own benefit and for that of all future owners or occupants of the Property, and each part thereof, certain easements and rights in, over, and upon the Property and certain mutually beneficial restrictions and obligations with respect to the use and maintenance thereof, and

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Inst # 2000-0029622

WHEREAS, the Declarant desires and intends that the several owners, mortgagees, occupants, and other persons acquiring any interest in the Property shall at all times enjoy the benefits of, and shall at all times hold their interests subject to the rights, easements, privileges, and restrictions hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and to protect the cooperative aspect of ownership and to facilitate the proper administration of such Property and are established for the purpose of enhancing and perfecting the value, desirability, and attractiveness of the Property,

NOW, THEREFORE, the Declarant, as the legal title holder of the Parcel, and for the purposes above set forth, DECLARES AS FOLLOWS:

ARTICLE I

Definitions

For the purpose of brevity and clarity, certain words and terms used in this Declaration are defined as follows:

1.01 Declaration. This instrument by which the Property is submitted to the provisions of the Act, including such amendments, if any, to this instrument as may from time to time be adopted pursuant to the terms hereof.

1.02 Parcel. The entire tract of real estate above described which is hereby submitted to the provisions of the Act.

1.03 Building. The structure located on the Parcel forming a part of the Property and containing the Townhomes, as shown by the Plans, as hereinafter defined.

1.04 Property. All of the land, property, and space comprising the Parcel, all improvements and structures erected, constructed, or contained therein or thereon, including the Building, the Townhomes, and all easements, rights, and appurtenances belonging thereto, and all fixtures, and equipment intended for the mutual use, benefit, or enjoyment of the Townhome Owners, submitted to the provisions of the Act.

1.05 Townhome. A part of the Property designed and intended for use and occupancy as a residence by one (1) single family, and more specifically described hereafter in Article II.

1.06 Common Areas. All portions of the Property as are herein declared to be Common Areas on the Plans. The Common Areas include, without limitation, the land, foundations, common walls, public utility lines, structural parts of the Building, outside walks and driveways, fences, landscaping, and all other portions of the Property except for the individual Townhome Units.

1.07 Townhome Ownership. A part of the Property consisting of one Townhome, the portion of the Parcel appurtenant to such Townhome as shown by the Plans, and an undivided proportionate interest in the Common Areas.

1.08 Person. A natural individual, corporation, partnership, trustee, or other legal entity capable of holding title to real property.

1.09 Townhome Owner. The person or persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Townhome Ownership.

1.10 Occupant. Person or persons, other than a Townhome Owner, in possession of a Townhome.

1.11 By-Laws. The provisions for the administration of the Property, including, but not limited to, assessment, maintenance, use, occupancy, sale, leasing, and alienation, all as hereafter set forth, or as the same may be from time to time duly amended, the same to have full force and effect whether applied to or by the Declarant, the Board, or the Association, as hereinafter defined. Articles V, VI, and VII, hereof, shall constitute the By-Laws of the Association.

1.12 Association. The Lombardi Row Townhomes, Inc., an Indiana not-for-profit corporation.

1.13 Majority of the Unit Owners. Those Townhome Owners, without regard to their number, who own more than fifty percent (50%) in the aggregate of the entire undivided ownership interest in the Common Areas. Any specified percentage of the Townhome Owners shall mean those Townhome Owners who, in the aggregate, own such specified percentage of the entire undivided ownership interest in the Common Areas.

1.14 Board. The parties determined pursuant to Article V hereof and who are vested with the authority and responsibility of administering the Property.

1.15 Common Expenses. The proposed or actual expenses affecting the Property, including reserves, if any, lawfully assessed by the Board.

1.16 Plans. The floor plans of the Building and Townhomes prepared by Empire Development, L. L. C., An Indiana Limited Liability Company, which are incorporated herein by reference.

ARTICLE II

Townhomes and Building

2.01 Description and Ownership.

- (a) All Townhomes are delineated on the Plans and listed on Exhibit A and shall have lawful access to a public way.
- (b) Each Townhome consists of the space enclosed and bounded by the horizontal and vertical planes set forth in the delineation thereof on the Plans as well as any pipes, ducts, flues, shafts, electrical wiring and conduits, and individual heating, cooling, and ventilation systems or equipment situated entirely within a Townhome and serving only such Townhome. The legal description of each Townhome shall consist of the identifying number or symbol of such Townhome as shown on the Plans. Every deed, lease, mortgage, or other instrument may legally describe a Townhome by its identifying number or symbol as shown on Exhibit A, and every such description shall be deemed good and sufficient for all purposes.
- (c) No Townhome Owner shall, by deed, plat, court decree, or otherwise, combine or subdivide, or in any other manner cause his Townhome to be separated into any tract or parcels different from the whole Townhome as shown on the Plans.

2.02 Certain Structures Not Constituting Part of a Townhome. Except as a tenant in common with all other Townhome Owners, no Townhome Owner shall own any structural components of the Building, including structural columns or pipes, wires, conduits, ducts, flues, shafts, or public utility lines running through his Townhome and forming a part of any system serving more than his Townhome, or any components of communication systems, if any, located in his Townhome, whether or not any such items shall be located in the floors, ceilings, or perimeter or interior walls of the Townhome.

2.03 Real Estate Taxes. It is understood that real estate taxes are to be separately taxed to each Townhome Owner for his Townhome and his corresponding percentage of ownership in the Common Areas as provided in the Act, provided, however, until such time as separate real estate tax bills are issued with respect to each Townhome, the real estate taxes imposed on the Property shall be included in the Common Expenses assessed pursuant to this Declaration.

2.04 Description of Building. There is one (1) building containing five (5) Townhomes as depicted on the Plans. The building is identified and referred to in the Plans.

ARTICLE III

Common Areas

3.01 Ownership of Common Areas. Each Townhome Owner shall be entitled to the percentage of ownership in the Common Areas allocated to the respective Townhome owned by such Townhome Owner, as set forth in Exhibit A attached hereto. The percentages of ownership interests set forth in Exhibit A have been computed and determined in accordance with the Act and shall remain constant and shall not be changed, except as specifically permitted under the Act or the Declaration, without unanimous written consent of all Townhome Owners and all mortgagees having bona fide liens of record against any of the Townhome Ownerships. Said ownership interest in the Common Areas shall be an undivided interest, and the Common Areas shall be owned by the Townhome Owners as tenants in common in accordance with their respective percentages of ownership. The ownership of each Townhome shall not be conveyed separate from the percentage of ownership in the Common Areas corresponding to said Townhome. The undivided percentage of ownership in the Common Areas corresponding to any Townhome shall be deemed conveyed or encumbered with that Townhome even though the legal description in the instrument conveying or encumbering said Townhome may refer only to the fee title to that Townhome.

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ARTICLE IV

Provisions as to Townhomes and Common Areas

4.01 Submission of Property to the Act. The Property is hereby submitted to the provisions of the Horizontal Property Law of the State of Indiana.

4.02 No Severance of Ownership. No Townhome Owner shall execute any deed, mortgage, lease, or other instrument affecting title to his Townhome Ownership without including therein both his interest in the Townhome and his corresponding percentage of ownership in the Common Areas, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, lease, or other instrument purporting to affect the one without including also the other shall be deemed and taken to include the interest so omitted even though the latter is not expressly mentioned or described therein.

4.03 Easements.

- (a) **Encroachments.** In the event that (i) by reason of the construction, reconstruction, settlement, or shifting of the Building, any part of the Common Areas encroaches or shall hereafter encroach upon any part of any Townhome, or any part of any Townhome encroaches or shall hereafter encroach upon any part of the Common Areas or any other Townhome, or (ii) by reason of the design or construction of any Townhome it shall be necessary or advantageous to a Townhome Owner to use or occupy any portion of the Common Areas for any reasonable use appurtenant to said Townhome which will not unreasonably interfere with the use or enjoyment of the Common Areas by other Townhome Owners, or, if by reason of the design or construction of utility and ventilation systems, any pipes, ducts, flues, shafts, or conduits serving more than one Townhome encroach or shall hereafter encroach upon any part of any Townhome, then in any such case, valid easements for the maintenance of such encroachment and for such use of the Common Areas are hereby established and shall exist for the benefit of such Townhome, or the Common Areas, as the case may be, so long as all or any part of the Building shall remain standing, provided, that in no event shall a valid easement for any encroachment or use of the Common Areas be created in favor of any Townhome Owner if such encroachment or use is detrimental

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to or interferes with the reasonable use and enjoyment of the Property by the other Townhome Owners or has been created by the Townhome Owner or his agent through intentional, willful, or negligent conduct.

- (b) **Easements for Utilities and Additional Purposes.** A l l suppliers of utilities serving the Property are hereby granted the right to install, lay, construct, operate, maintain, renew, repair, or replace, conduits, cables, pipes, and wires, and other equipment into, over, under, along, and on any portion of the Common Areas for the purpose of providing the Property with utility services, together with the reasonable right of ingress from the Property for said purposes, provided, however, that the location of any such easements shall be subject to the approval of the Board. The Declarant, Board, or Association may hereafter grant other or additional easements for utility purposes and for other purposes including such easements as the Developer may from time to time request upon the Common Areas for the benefit of the Property, over, under, along, and on any portion of said Common Areas, and each Townhome Owner hereby grants the Declarant, Board, or Association an irrevocable power of attorney to execute, acknowledge, and record for and in the name of such Townhome Owner, such instruments as may be necessary to effectuate the foregoing. Easements are also hereby declared and granted to install, lay, operate, maintain, repair, and replace any pipes, wires, ducts, flues, shafts, conduits, public utility lines, components of the communications systems, if any, or structural components which may run through the walls of a Townhome, whether or not such walls lie in whole or in part within the Townhome boundaries.

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- (c) **Easements to Run with Land.** All easements and rights described herein are easements appurtenant running with the land, and, as long as the Property is subject to the provisions of this Declaration, shall remain in full force and effect and shall inure to the benefit of and be binding upon the undersigned, its successors and assigns, and any Townhome Owner, purchaser, mortgagee, and other person having an interest in the Property, or any part or portion thereof. Reference in the respective deeds of conveyance or in any mortgage or trust deed or other evidence of obligation to the easements and rights described in this Article, or described in any other part of this Declaration, shall be sufficient to create and to reserve such easements and rights to respective grantees, mortgagees, and trustees of such Townhome Ownerships as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

4.04 Use of the Common Areas.

- (a) **General.** Each Townhome Owner shall have the right to use the Common Areas in common with all other Townhome Owners as may be required for the purposes of access, ingress to, egress from, use, occupancy, and enjoyment of the respective Townhome owned by such Townhome Owner. Such right to use the Common Areas shall extend to not only each Townhome Owner but also to his agents, servants, tenants, family members, invitees, and licensees. Such rights to use the Common Areas shall be subject to and governed by the provision of the Act, Declaration, By-Laws, and rules and regulations of the Association. In addition, the Association shall have the authority to lease, grant concessions, or grant easements with respect to parts of the Common

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Areas, subject to the provisions of the Declaration and By-Laws. All income derived by the Association from leases, concessions, or other sources, shall be held and used for the benefit of the members of the Association, pursuant to such rules, resolutions, or regulations as the Board may adopt or prescribe.

(b) **Guest Privileges.** The aforementioned rights shall extend to the Townhome Owner and the members of the immediate family and authorized guests and other authorized Occupants and visitors of the Townhome Owner, subject to reasonable rules and regulations with respect thereto. The use of the Common Areas and the rights of the Townhome Owners with respect thereto shall be subject to and governed by the provisions of the Act, this Declaration, the By-Laws, and rules and regulations of the Board as may be imposed from time to time.

(c) **Disclaimer of Bailee Liability.** Notwithstanding anything to the contrary contained in this Declaration, neither the Board, the Association, any Townhome Owner, nor the Developer shall be considered a bailee of any personal property stored in the Common Areas, whether or not exclusive possession of any particular area shall be given to any Townhome Owner for storage purposes, and shall not be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence.

4.06 Maintenance, Repairs, and Replacements.

(a) By the Board. The Board or Association, at its expense, shall be responsible for the maintenance, repair, and replacement of those portions, if any, of each Townhome which contribute to the support of the Building, excluding, however,

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interior wall, ceiling, floor surfaces, and roofing.

- (b) **By the Townhome Owner.** Except as otherwise provided in paragraph (a), above, each Townhome Owner shall furnish and be responsible for, at his own expense:

i.) All of the maintenance, repairs, and replacements within his own Townhome and of the doors and outside windows and frames and screens appurtenant thereto, and all internal installations of such Townhome, such as refrigerators, ranges, and other kitchen appliances, lighting fixtures and other electrical fixtures, plumbing fixtures or installations, and any pipes, ducts, flues, shafts, electrical wiring and conduits, and individual heating, cooling, and ventilating system or equipment situated entirely within the Townhome and servicing only such Townhome.

ii.) All of the decorating within his own Townhome as may be required from time to time, including, but not limited to painting, wallpapering, washing, cleaning, panelling, floor covering, draperies, window shades, curtains, lighting and other furnishings and decoration. Each Townhome Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, floors, and ceiling of his Townhome, and such Townhome Owner shall maintain such interior surfaces in good condition at his sole expense. Such maintenance and use shall be subject to the rules and regulations of the Board or Association as may be imposed from time to time. The interior surfaces of all windows forming part of a perimeter wall of a Townhome shall be cleaned or washed at the expense of each respective Townhome Owner. The use of and the covering of the interior surfaces of such windows,

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whether by draperies, shades, or other items visible on the exterior of the Building shall be subject to the rules and regulations of the Board as may be imposed from time to time.

iii.) All repairs, maintenance, and replacements of all door and window locks and hardware with respect to which each Townhome Owner is entitled to the exclusive use. At the direction of the Board, the Board may perform, or cause to be performed, such maintenance, repairs, and replacements, and the cost thereof shall be assessed in whole or in part to Townhome Owners benefitted thereby, and, further, at the discretion of the Board, the Board may direct such Townhome Owners, in the name and for the account of such Townhome Owners, to arrange for such maintenance, repairs, and replacements, to pay the costs thereof with the fund of the Townhome Owner, and to procure and to deliver to the Board such lien waivers and contractor's or subcontractor's sworn statements as may be required to protect the Property from all mechanics' or materialmen's lien claims that may arise therefrom.

- (c) In the event that any repair or replacement to the Common Areas is made necessary by reason of any act or occurrence for which insurance is maintained by the Board pursuant to Section 5.08 hereof and for which insurance proceeds are available as provided in Section 8.01 hereof, the Association, at its expense, shall be responsible for the repair or replacement of such Common Areas.
- (d) **Nature of Obligations.** Nothing herein contained shall be construed to impose a contractual liability upon the Association for maintenance, repair, and replacement, but the Association's liability shall be limited to

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damages resulting from negligence. The respective obligations of the Association and Townhome Owners set forth in this Declaration shall not be limited, discharged, or postponed by reason of the fact that any such maintenance, repair, or replacement is required to cure a latent or patent defect in material or workmanship in the construction of the Building, nor because they may become entitled to proceeds under policies of insurance. In addition, and notwithstanding anything hereinabove to the contrary, no Townhome Owner shall have a claim against the Board or Association (or against the Declarant) for any work (such as certain exterior window cleaning, or repair of the Common Areas), ordinarily the responsibility of the Board or Association but which the Townhome Owner himself has performed or paid for, unless the same shall have been agreed to in advance by the Board or Association or the Declarant.

4.07 Additions, Alterations, or Improvements.

- (a) The Board may authorize and charge as a Common Expense additions, alterations, or improvements to the Common Areas. The cost of any such work to the Common Areas may be paid out of a special assessment.
- (b) No additions, alterations, or improvements shall be made by a Townhome Owner to any part of the Common Areas, and no additions, alterations, or improvements shall be made by a Townhome Owner to his Townhome (where such work affects the safety or structural integrity of the Building, reduces the value thereof, or impairs any easement granted hereunder), including but not limited to remodeling the Townhome, refacing and/or repainting the exterior wall surfaces of the Townhome, and/or changing the current color scheme of the exterior of the Townhome, without the prior

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written consent of all Townhome Owners. In the event such consent is obtained, such consent may be conditioned upon the Townhome Owner's agreement either (i) to be solely responsible for the maintenance of such addition, alteration, or improvement, subject to such standards as the Board may from time to time set, or (ii) to pay to the Association from time to time the additional cost of maintenance and/or insurance as a result of the addition, alteration, or improvement. If an addition, alteration, or improvement is made by a Townhome Owner without the prior written consent of the Townhome Owners, then the Board may, in its discretion, take any of the following actions:

i.) Require the Townhome Owner to remove the addition, alteration, or improvement and restore the Property to its original condition, all at the Owner's expense, or

ii.) If the Townhome Owner refuses or fails to properly perform the work required under (i), the Board may cause such work to be done and may charge the Owner for the cost thereof as determined by the Board, or

iii.) Ratify the action taken by the Townhome Owner, and the Board may, but shall not be required to, condition such ratification upon the same conditions which it may impose upon the giving of its prior consent under this Section.

4.08 Negligence of Townhome Owner. If, due to the negligent act or omission of a Townhome Owner, a member of his family or household, pet, or of a guest or other authorized Occupant or visitor of such Townhome Owner, damage shall be caused to the Common Areas or to a Townhome or Townhomes owned by others, or maintenance, repairs, or replacements shall be required which would otherwise be a Common Expense, then such Townhome Owner shall pay for such damage and such maintenance, repairs, and replacements as may be determined by the Board.

4.09 Joint Facilities. To the extent that equipment, facilities, and fixtures within any Townhome or Townhomes shall be connected to similar equipment, facilities, or fixtures affecting or serving other Townhomes or the Common Areas, then the use thereof by the individual Townhome Owners shall be subject to the rules and regulations of the Board as may be imposed from time to time. The authorized representatives of the Association or the Board or of the manager or the managing agent for the Building shall be entitled to reasonable access to the individual Townhomes as may be required in connection with maintenance, repairs, or replacements of or to the Common Areas or any equipment, facilities, or fixtures affecting or serving other Townhomes or the Common Areas.

ARTICLE V

Administration

5.01 Administration of Property. The direction and the administration of the Property shall be vested in the Board of Directors (herein sometimes referred to as the "Board" or the "Board of Managers") which shall consist of three (3) persons who shall be elected in the manner hereinafter set forth, provided, however, that irrespective of anything else contained in this Declaration, for a period commencing on the date this Declaration is executed and ending upon the qualification of the directors elected at the initial meeting of voting members, the Declarant shall have the right to designate and select the persons who shall serve as members of each Board or to exercise the powers of the Board as provided in the Act. The Board shall be deemed to be the "Board of Directors" for the Townhome Owners referred to in the Act. Except for directors so designated by the Declarant, each member of the Board shall be one of the Townhome Owners and shall reside on the Property, provided, however, that in the event a Townhome Owner is a corporation, partnership, trust, or other legal entity other than a natural person or persons, then any designated agent of such corporation, partnership, trust, or other legal entity, shall be eligible to serve as a member of the Board so long as any such agent, other than a person designated by the Declarant, resides on the Property. If a director fails to meet such qualifications during his term, he shall thereupon cease to be a director, and his place on the Board shall be deemed vacant.

5.02 Association. The Association has been formed, prior to the recording hereof, as a not-for-profit corporation under the General Not-for-Profit Corporation Act of the State of Indiana, having the name Lombardi Row Townhomes, Inc., and shall be the governing body for all of the Townhome Owners for the maintenance, repair, replacement, administration, and operation of the Property. The Association shall not be deemed to be conducting a business of any kind, and all funds received by the Association shall be held

and applied by it for the use and benefit of Townhome Owners in accordance with the provisions contained herein. Each Townhome Owner shall be a member of the Association so long as he shall be a Townhome Owner, and such membership shall automatically terminate when he ceases to be a Townhome Owner, and, upon the transfer of his ownership interest, the new Townhome Owner succeeding to such ownership interest shall likewise succeed to such membership in the Association. The Association may issue certificates evidencing membership therein and shall have only one class of membership.

5.03 Voting Rights. There shall be one person with respect to each Townhome Ownership who shall be entitled to vote at any meeting of the Townhome Owners. Such voting member may be the Townhome Owner or one of a group who compose the Townhome Owner of a Townhome Ownership, or be some person designated by such Townhome Owner to act as proxy on his or their behalf, which person must be a Townhome Owner. Such designation shall be made in writing to the Board and shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any designator or by written notice to the Board by the designator. Any or all Townhome Owners may be present at any meeting of the voting members and (those constituting a group acting as a single voting member) may vote or take any other action as a voting member either in person or by proxy.

5.04 Meetings.

- (a) **Quorum.** Meetings of the voting members shall be held at the Property or at such other place in Marion County, Indiana, as may be designated in any notice of a meeting. The presence in person or by proxy at any meeting of the voting members having fifty percent (50%) of the total votes shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the voting members at which a quorum is present at the commencement of the meeting upon the affirmative vote of the voting members having a majority of the total votes present at such meeting. The Board may prescribe reasonable rules for the conduct of all meetings of the Board and Unit Owners, or, in the absence of such rules, Roberts' Rules of Order shall be used.

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- (b) **Initial and Annual Meeting.** The initial meeting of the voting members shall be held upon not less than ten (10) nor more than thirty (30) days written notice given by the Declarant. Said initial meeting shall be held no later than the first to happen of (i) sixty (60) days after the date the Declarant sold and delivered its deed for at least four (4) Townhomes or (ii) three (3) years from the date of the recording of this Declaration. Thereafter, there shall be an annual meeting of the voting members on the second Tuesday of May following such initial meeting, and on the second Tuesday of May of each succeeding year thereafter, at 7:30 o'clock, P. M., or at such other reasonable time or date as may be designated by written notice of the Board delivered to the voting members.
- (c) **Special Meetings.** Special meetings of the voting members may be called at any time after the initial meeting provided for in Section 5.04 (b) hereof for the purpose of considering matters which, by the terms of this Declaration, require the approval of all or some of the voting members, or for any other reasonable purpose, provided, however, that the following matters shall require the approval of voting members having not less than two-thirds (2/3s) of the total votes, namely: (i) the merger or consolidation of the Association, (ii) the sale, lease, exchange, mortgage, pledge, or other disposition of all or substantially all of the property and assets of the Association, and (iii) the purchase or sale or lease of Townhomes or other real estate on behalf of all Townhome Owners. Special meetings may be called by written notice authorized by a majority of the Board, the President of the Board, or by twenty-five percent (25%) of the voting members and delivered not less than ten (10)

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days and no more than thirty (30) days prior to the date fixed for said meeting. The notices shall specify a date, time, and place of the meeting and the matters to be considered. Matters to be submitted at special meetings of the voting members shall first be submitted to the Board at least ten (10) days prior to the special meeting, who shall then submit the matters to the voting members.

5.05 Notices of Meetings. Except as otherwise provided herein, notices of meetings of the voting members shall be delivered either personally or by mail to the persons entitled to vote thereat, addressed to each such person at the address given by him to the Board for the purpose of service of such notice, or to the Townhome of the Townhome Owner with respect to which such voting right appertains if no address has been given to the Board, provided that such notice shall be delivered no less than ten (10) days and no more than thirty (30) days prior to the date fixed for such meeting and shall state the date, time, place, and purpose of such meeting.

5.06 Board of Directors.

- (a) The initial Board of Directors designated by the Declarant pursuant to Section 5.01 hereof shall consist of three (3) directors who shall serve without compensation. Such initial Board shall serve for a period commencing on the date this Declaration is executed and ending upon the qualification of the directors elected at the initial meeting of voting members held as provided in Section 5.04 (b) hereof. Said initial Board may, on behalf of the Declarant exercise the rights reserved in Section 11.01 hereof. At the initial meeting of voting members held as provided in Section 5.04 (b) hereof, the voting members shall elect the Board consisting of five (5) members in all elections for members of the Board, each voting member shall be entitled to vote on a non-cumulative voting basis and the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be

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elected. Members of the Board elected at the initial meeting shall serve until the first annual meeting. At the first annual meeting three (3) Board members shall be elected. The two (2) persons receiving the highest number of votes at the first annual meeting shall be elected to the Board for a term of two (2) years, and the person receiving the lowest number of votes shall be elected to the Board for a term of one (1) year. The election and term of office as between candidates receiving the same number of votes shall be determined by lot. Upon the expiration of the terms of office of the Board members so elected at the first annual meeting and thereafter, successors shall be elected for a term of two (2) years each. The voting members having at least two-thirds (2/3s) of the total votes may from time to time increase or decrease such number of persons on the Board or may decrease the term of office of Board members at any annual or special meeting, provided that (i) such number shall not be less than three (3), (ii) the terms of a least one-third (1/3) of the persons on the Board shall expire annually, and (iii) no Board member shall be elected for a term of more than two (2) years, but Board members may succeed themselves. Members of the Board shall receive no compensation for their services. Vacancies in the Board, including vacancies due to any increase in the number of persons on the Board, shall be filled by majority vote of the remaining members thereof, except that a vacant position of the Board last filled by a person appointed by the Declarant shall be filled by a person appointed by the Declarant. Any director so elected or appointed to fill a vacancy shall hold office for a term equal to the unexpired term of the director he succeeds. Except as otherwise provided in this Declaration, the

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Property shall be managed by the Board, and the Board shall act by majority vote of those present at its meetings when a quorum exists. Meetings of the Board may be called, held, and conducted in accordance with such regulations as the Board may adopt. A majority of the total number of members on the Board shall constitute a quorum.

- (b) The Board shall elect from among its members for the term of one (1) year (i) a President who shall preside over both its meetings and those of the voting members and who shall be the chief executive officer of the Board and of the Association and who shall be designated to mail and to receive all notices and execute all amendments hereto as provided herein and in the Act, (ii) a Secretary who shall keep the minutes of all meetings of the Board and of the voting members and who shall, in general, perform all the duties incident to the office of Secretary, (iii) a Treasurer to keep the financial records and books of account, and (iv) such additional officers as the Board shall see fit to elect. Vacancies in any office shall be filled by the Board by a majority vote of the remaining members thereof at a special meeting of the Board. Any director elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer he succeeds. Any officer may be removed for cause at any time by a vote of two-thirds (2/3s) of the total membership of the Board at a special meeting thereof.
- (c) Except for directors designated by Declarant pursuant to Section 5.01 hereof, any Board member may be removed from office at any time after the election of directors at the initial meeting of voting members pursuant to Section 5.06 (a) hereof, by affirmative vote of the voting members having at least two-

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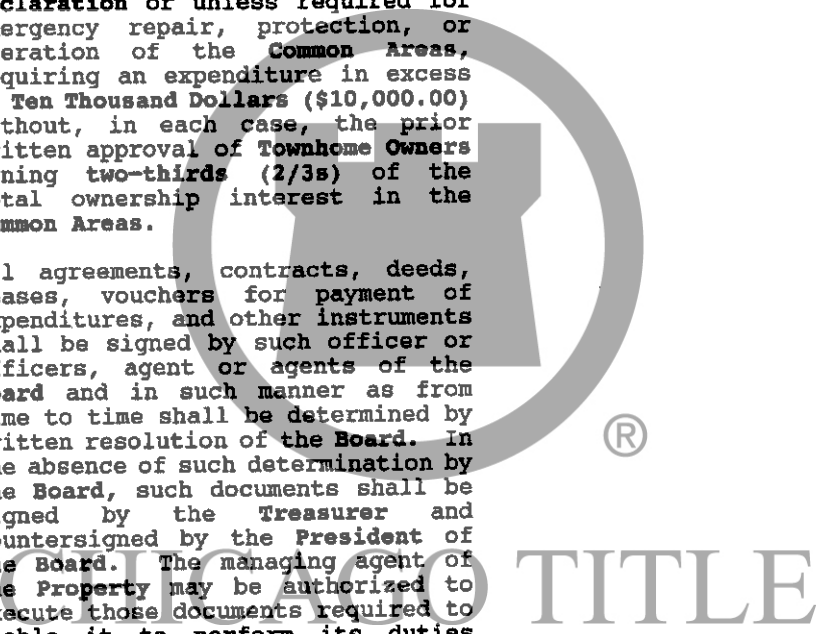
thirds (2/3s) of the total votes, at any special meeting called for the purpose. A successor to fill the unexpired term of a Board member removed may be elected by the voting members at the same meeting or any subsequent meeting called for that purpose.

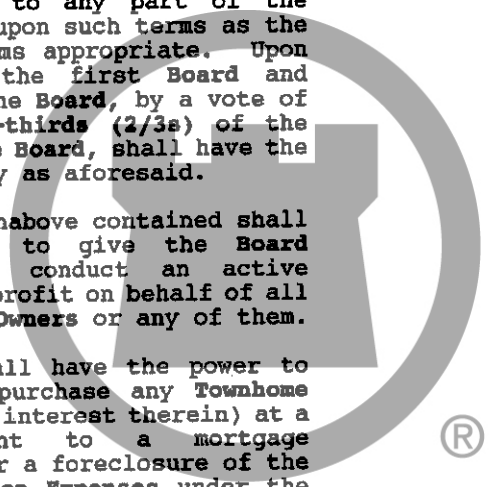
- (d) Written notice stating the place, date, and hour of any meeting of the Board shall be delivered to each member of the Board not less than ten (10) days prior to the date of such meeting. The purpose for which the meeting is called shall be stated in the notice.

5.07 General Powers of the Board. The Board shall have the following general powers:

- (a) Subject to the rights reserved by the Declarant pursuant to Section 11.01 hereof, the Board may engage the services of an agent to manage the portions of the Property for which the Board is responsible, pursuant to this Declaration, to the extent deemed advisable by the Board, provided, however, that any agreement for professional management shall provide for termination by either party for cause upon thirty (30) days written notice and shall be for a term not to exceed one (1) year.
- (b) The Board shall have the power and the duty to provide for the designation, hiring, and removal of employees and other personnel, including lawyers and accountants, to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management, and operation of the Property and to delegate any such powers to the manager or managing agent and any such employees or other personnel as may be employees of the managing agent.

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- (c) The Board or its agents, upon reasonable notice, may enter any Townhome when necessary in connection with any maintenance or construction for which the Board is responsible or to make emergency repairs as may be necessary to prevent damage to the Common Areas or to any other Townhome or Townhomes.
- (d) The Board's powers hereinafter enumerated shall be limited in that the Board shall have no authority to acquire and pay for out of the maintenance fund any structural alterations of, capital additions to, or capital improvements of the Common Areas, other than for purposes of replacing or restoring portions of the Common Areas subject to all the provisions of this Declaration or unless required for emergency repair, protection, or operation of the Common Areas, requiring an expenditure in excess of Ten Thousand Dollars (\$10,000.00) without, in each case, the prior written approval of Townhome Owners owning two-thirds (2/3s) of the total ownership interest in the Common Areas.
- (e) All agreements, contracts, deeds, leases, vouchers for payment of expenditures, and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the Treasurer and countersigned by the President of the Board. The managing agent of the Property may be authorized to execute those documents required to enable it to perform its duties under its management agreement.
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- (f) The Board by vote of at least two-thirds (2/3s) of its members, and without approval from any of the voting members except as hereinafter set forth, may adopt such reasonable rules and regulations as it may deem advisable for the maintenance, conservation, and beautification of the Property, and for the health, comfort, safety, and general welfare of the Townhome Owners and occupants of the Property. Written notice of such rules and regulations, together with any amendments thereto, shall be given to all voting members.
- (g) Prior to the election by voting members of the first Board, the Declarant shall, subject to the terms of this Declaration, have the authority to lease or to grant licenses, concessions, and contracts with respect to any part of the Common Areas upon such terms as the Declarant deems appropriate. Upon election of the first Board and thereafter, the Board, by a vote of at least two-thirds (2/3s) of the persons on the Board, shall have the same authority as aforesaid.
- (h) Nothing hereinabove contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all the Townhome Owners or any of them.
- (i) The Board shall have the power to bid for and purchase any Townhome Ownership (or interest therein) at a sale pursuant to a mortgage foreclosure or a foreclosure of the lien for Common Expenses under the Act, or at a sale pursuant to an order of direction of a court or other involuntary sale, upon the consent or approval of Townhome Owners owning not less than sixty-six and two-thirds percent (66 2/3s %) in the aggregate of the undivided ownership of the Common Areas, which consent shall set forth a maximum price which the members of the Board or its duly authorized
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representatives are authorized to bid and pay for said Townhome Ownership or interest therein.

- (j) The Board shall have the power to exercise all other powers and duties of the Board of Directors or Townhome Owners as a group referred to in this Declaration or the Act.
- (k) Subject to the provisions of Section 4.04 and Section 4.06 (b) (iii), hereof, the Board, for the benefit of all the Townhome Owners, shall acquire and shall pay out of the maintenance funds, hereinafter provided for, the following:

- i.) Operating expenses of the Common Areas not separately metered or charged to the Townhomes.

- ii.) Services of any person or firm to act on behalf of the Townhome Owners in connection with real estate taxes and special assessments on the Townhome Ownerships and in connection with any other matter where the respective interests of the Townhome Owners are deemed by the Board to be similar and nonadverse to each other. The costs of such services shall be Common Expenses.

- iii.) Painting, cleaning, tuckpointing, maintenance, decorating, repair and replacement of the Common Areas (but not including the interior surfaces of the Townhomes and of the perimeter doors appurtenant thereto, and repair of windows and frames and screens which the Townhome Owners shall clean, maintain, and repair) and such furnishings and equipment for the Common Areas as the Board shall determine are necessary and proper.

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iv.) Any other materials, supplies, utilities, equipment, labor, services, maintenance, repairs, or structural alterations which the Board is required to secure or to pay for, pursuant to the terms of this Declaration and By-Laws or which, in its opinion, shall be necessary or proper for the maintenance and operation of the Property as a first-class condominium development or for the enforcement of the restrictions contained herein.

v.) Any amount necessary to discharge any mechanic's lien or other encumbrance levied against the entire Property or any part thereof which may, in the opinion of the Board, constitute a lien against the Property or against the Common Areas, rather than merely against the interests therein of particular Townhome Owners. Where one or more Townhome Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it, and any costs incurred by the Board by reason of said lien or liens shall be specifically assessed to said Townhome Owners.

vi.) Maintenance and repair of any Townhome if such maintenance or repair is necessary, in the discretion of the Board, to protect the Common Areas, or any other portion of the Building, and if a Townhome Owner of any Townhome has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said Townhome Owner, provided that the Board shall levy a special assessment against such Townhome Owner for the cost of said maintenance or repair.

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5.08 Insurance.

(a) The Board shall have the authority to and shall obtain insurance for the Property as follows:

i.) Insurance on the Property, including the Townhomes and the Common Areas, against loss or damage by fire and against loss or damage by risks now or hereafter embraced by standard extended coverage and vandalism and malicious mischief endorsements, in an amount sufficient to prevent the insured from being a co-insurer within the terms of the applicable policies but in any event in an amount not less than One Hundred Percent (100%) of the full insurable replacement cost thereof. The "full insurable replacement cost" of the Property, including the Townhomes and the Common Areas, shall be determined from time to time by the Board, which determination may be based upon appropriate insurance appraisals. Insurable replacement cost shall be deemed to be the cost of restoring the Common Areas, Townhomes, or any part thereof, to substantially the same condition in which they existed prior to damage or destruction. The cost of any and all such appraisals shall be Common Expenses.

ii.) Comprehensive public liability and property damage insurance against claims for personal injury or death or property damage suffered by the public or by any Townhome Owner, occurring in, on, or about the Property or upon, in or about the streets and passageways and other areas adjoining the Property, such public liability and property damage insurance to afford protection to such limits as the Board shall deem desirable, but in no event for less than One Million Dollars (\$1,000,000.00) with respect to liability for personal injury or property damage arising out of a

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single accident.

iii.) Such workmen's compensation insurance as may be necessary to comply with applicable laws.

iv.) Employer's liability insurance in such amount as the Board shall deem desirable.

v.) A fidelity bond indemnifying the Association, the Board, and the Townhome Owners for loss of funds resulting from fraudulent or dishonest acts of any employee of the Association or of any other person handling the funds of the Association, the Board, or of the Townhome Owners, in such amount as the Board shall deem desirable.

vi.) Such other insurance, including insurance with respect to officers' and directors' liability, in such reasonable amounts as the Board shall deem desirable.

The premiums for the above described insurance, except as otherwise provided in this Section 5.08, shall be Common Expenses.

- (b) All insurance provided for in this Section 5.08 shall be effected under valid and enforceable policies issued by insurers of recognized responsibility authorized to do business in the State of Indiana.
- (c) All policies of insurance of the character described in clause (i) of Paragraph (a) of this Section 5.08, (i) shall name as insured the Declarant, so long as he has an insurable interest, and the Board as trustees for the Townhome Owners in the percentages established in Exhibit A to this Declaration as the respective interests of all such assureds may appear, (ii) shall be without contribution as respects other such policies of insurance carried individually by the Townhome Owners whether such other insurance covers their respective Townhomes and/or the additions and

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improvements made by such Townhome Owners to their respective Townhome, (iii) shall provide that notwithstanding any provision thereof which gives the insurer an election to restore damage in lieu of making a cash settlement therefor, such option shall not be exercisable in the event the Townhome Owners elect to sell the Property or remove the Property from the provisions of the Act, and (iv) shall contain an endorsement to the effect that such policy shall not be terminated for nonpayment of premiums without at least ten (10) days prior written notice to the mortgagee of each Townhome. Policies of insurance of the character described in clause (i) of Paragraph (a) of this Section 5.08 may contain an endorsement extending coverage so as to include the payment of Common Expenses with respect to damaged Townhomes during the period of reconstruction thereof. Notwithstanding the issuance of standard mortgage clause endorsements under the policies of insurance of the character described in clause (i) of Paragraph (a) of this Section 5.08, any losses under such policies shall be payable, and all insurance proceeds recovered thereunder shall be applied and disbursed, in accordance with the provisions of this Declaration.

- (d) All policies of insurance of the character described in clauses (ii), (iv), (v), and (vi) of Paragraph (a) of this Section 5.08 shall name as assured each Townhome Owner and their spouses and the Association, Board, and its managing agent, and the other agents and employees of such Association, Board, and managing agent, and the Declarant in his or its capacity as a Townhome Owner and Board member. In addition, all policies of insurance of the character described in clause (ii) of Paragraph (a) of this Section 5.08 shall contain an

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endorsement or clause whereby the insurer waives any right to be subrogated to any claim against the Association, its officers, members of the Board, the Declarant, the managing agent, their respective employees and agents, and the Townhome Owners and Occupants and shall cover claims of one or more insured parties against other insured parties.

- (e) The Association, for the benefit of the Townhome Owners and the mortgagee of each Townhome, shall pay the premiums on the policies of insurance described in Paragraph (a) of this Section 5.08 at least thirty (30) days prior to the expiration date of the respective policies and shall notify the mortgagee of each Townhome of such payment within ten (10) days after the date on which payment is made.
- (f) The loss, if any, under any policies of insurance of the character described in clause (i) in Paragraph (a) of this Section 5.08 shall be payable, and the insurance proceeds paid, on account of any such loss, to the Board, as trustee for each of the Townhome Owners in their respective percentages of ownership in the Common Areas as established in this Declaration, which insurance proceeds, less the actual cost, fees and expenses, if any, incurred in connection with the adjustment of the loss, shall be applied to the payment of the cost of restoring the Property to substantially the same condition in which it existed immediately prior to such damage or destruction, with each Townhome and the Common Areas having the same vertical and horizontal boundaries as before, free from vendor's, mechanic's, materialmen's, and other similar liens.

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- (g) Each Townhome Owner shall be responsible for his own insurance on the contents of his own Townhome and furnishings and personal property therein and his personal property stored elsewhere on the Property, and his personal liability to the extent not covered by the policies of liability insurance obtained by the Board for the benefit of all of the Townhome Owners as above provided. All policies of casualty insurance carried by each Townhome Owner shall be without contribution as respects the policies of casualty insurance obtained by the Board for the benefit of all of the Townhome Owners as above provided.
- (h) Each Townhome Owner shall be required to report all additions or alterations to his Townhome promptly in writing to the Board, without prior request from the Board or the management agent, and to reimburse the Board for any additional insurance premiums attributable thereto, and he shall be responsible for any deficiency in any insurance loss recovery from his failure to so notify the Board. The Board shall not be responsible for obtaining insurance on such additions, alterations, or improvements unless and until such Townhome Owner shall make such report and request the Board in writing to obtain such insurance, and shall make arrangements satisfactory to the Board for such additional premiums. Upon the failure of such Townhome Owner to do so, the Board shall not be obligated to apply any insurance proceeds to restore the affected Townhome to a condition better than the condition existing prior to the making of such additions, alterations, or improvements. "Additions" or "alterations" shall mean property attached to the Townhome and not readily removable without damage to the Townhome, including but not limited to carpeting, special flooring, special

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wall covering, and paneling. The insurance coverage described in this paragraph (h) of Section 5.08 shall not be deemed to include personal property owned by the Townhome Owner and not attached to the Townhome.

- (i) Each Townhome Owner hereby waives and releases any and all claims which he may have against any other Townhome Owner, the Association, its officers, members of the Board, Declarant, the manager and managing agent of the Property, if any, and their respective employees and agents, for any damage to the Common Areas, the Townhomes, or to any personal property located in the Townhome or Common Areas caused by fire or other casualty to the extent that such damage is covered by fire or other form of casualty insurance.

5.09 Cancellation of Insurance. The Board shall be responsible, in the event any insurance required under Section 5.08 (a) (i) or (ii) is canceled, for serving notice of such cancellation upon any person insured thereunder. In addition, written notice of the procurement of any insurance obtained by the Association and any subsequent changes in said coverage shall be furnished to any person or entity insured thereunder.

5.10 Liability of the Board of Directors. Neither the members of the Board nor the officers of the Association shall be liable to the Townhome Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such Board members and officers except for any acts or omissions found by a court to constitute gross negligence or fraud. The Townhome Owners shall indemnify and hold harmless each of the members of the Board and each of the officers of the Association against all contractual and other liabilities to others arising out of contracts made by or other acts of the Board and officers unless any such contract or act shall have been made fraudulently or with gross negligence or contrary to the provisions of this Declaration. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses, including, but not limited to, counsel fees, amounts of judgments paid, and amounts paid or received in settlements, reasonably incurred in connection with the defense of any claim, action, suit, or proceeding, whether civil, criminal, administrative, or other, in which any member of the Board or officers of the Association may be involved by virtue of such persons being or having been such member or officer, provided, however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit, or proceeding to be liable for gross

negligence or fraud in the performance of his duties as such member or officer, or (b) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such persons being adjudged liable for gross negligence or fraud in the performance of his duties as such member or officer. It is also intended that the liability of any Townhome Owner arising out of any contract made by or other acts of the Board or officers of the Association or out of the aforesaid indemnity in favor of the members of the Board and officers of the Association, shall be limited to such proportion of the total liability thereunder as his percentage of interest in the Common Areas bears to the total percentage interest of all Townhome Owners in the Common Areas. Every agreement made by the Board or by the managing agent on behalf of the Townhome Owners shall provide that members of the Board or the managing agent, as the case may be, are acting only as agents for the Townhome Owners and shall have no personal liability thereunder, except as Townhome Owners, and that each Townhome Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his percentage of interest in the Common Areas bears to the total percentage interest of all Townhome Owners in the Common Areas.

ARTICLE VI

Common Expenses--Maintenance Fund

6.01 Preparation of Estimated Budget. Each year, on or before November 1, the Board shall estimate the total amount necessary to pay the cost of wages, materials, insurance, services, and supplies which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements and shall on or before November 15 notify each Townhome Owner in writing as to the amount of such estimate, with reasonable itemization thereof and containing each Townhome Owner's respective assessment, provided, however, that such annual budget shall be furnished to each Townhome Owner at least thirty (30) days prior to its adoption by the Board. The annual budget shall also take into account the net available cash income for the year derived from the operation or use of the Common Areas. Subject to the provisions of Section 4.04 and 4.06 (b) (iii) hereof, said "estimated cash requirement" shall be assessed to the Townhome Owners according to each Townhome Owner's percentage of ownership in the Common Areas as set forth in Exhibit A attached hereto. On or before January 1 of the ensuing year, and the first of each and every month of said year, each Townhome Owner, jointly and severally, shall be personally liable for and obligated to pay to the Board or as it may direct, one-twelfth (1/12th) of the assessments made pursuant to this paragraph. On or before April 1 of each calendar year following the initial meeting,

the Board shall supply to all Townhome Owners an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus reserves. Such accounting shall be prepared by a certified public accountant. Any net shortage or excess shall be applied as an adjustment to the installments due under the current year's estimate in the succeeding six (6) months after rendering of the accounting, subject, however, to the provisions of Section 6.02 hereof.

6.02 Reserve for Contingencies and Replacements--Supplemental Budget. The Board shall build up and maintain a reasonable reserve for contingencies and replacements, which reserve shall be segregated and allocated for specific purposes and maintained in a separate interest-bearing account with a bank or savings and loan association authorized to conduct business in Marion County, Indiana. Extraordinary expenditures not originally included in the annual estimate which may become necessary during the year shall be charged first against such portions of the contingency and replacement reserve which remains unallocated. If the "estimated cash requirement" proves inadequate for any reason or in the event a non-recurring Common Expense is anticipated for any year, then the Board may prepare and approve a supplemental budget covering the estimated deficiency or non-recurring expenses for the remainder of such year, copies of which supplemental budget shall be furnished to each Townhome Owner, and thereupon a separate assessment shall be made to each Townhome Owner for his proportionate share of such supplemental budget. All Townhome Owners shall be personally liable for and obligated to pay their respective adjusted monthly amount.

6.03 Initial Budget. The initial Board appointed by the Declarant shall determine and adopt, prior to the conveyance of the first Townhome hereunder, the "estimated cash requirement" for the initial period commencing with the first day of the month in which the sale of the first Townhome is closed and ending on December 21 of the calendar year in which such sale occurs and shall continue to determine the "estimated cash requirement" for each succeeding calendar year until such time as the first Board elected hereunder takes office. Assessments shall be levied against the Townhome Owners during said periods as provided in Section 6.01 of this Article.

6.04 Failure to Prepare Annual Budget. The failure or delay of the Board to prepare or serve the annual or adjusted estimate on the Townhome Owner shall not constitute a waiver or release in any manner of such Townhome Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and, in the absence of any annual estimate or adjusted estimate, the Townhome Owner shall continue to pay the monthly maintenance charge at the then existing monthly rate established for the previous period until the monthly maintenance

payment which is due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

6.05 Books and Records. The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the **Common Areas**, specifying and itemizing the maintenance and repair expenses of the **Common Areas** and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for inspection at the office of the **Association**, if any, by any **Townhome Owner** or any holder of a first mortgage lien on a **Townhome Ownership**, at such reasonable time or times during normal business hours as may be requested by the **Townhome Owner**. Upon ten (10) days notice to the **Board** and payment of a reasonable fee, any **Townhome Owner** shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such **Townhome Owner**.

6.06 Status of Collected Funds. All funds collected hereunder shall be held and expended for the purposes designated herein, and, except for such special assessments as may be levied hereunder against less than all the **Townhome Owners** and for such adjustments as may be required to reflect delinquent or prepaid assessments or user charges, shall be deemed to be held for the benefit, use, and account of all the **Townhome Owners** in the percentages set forth in **Exhibit A**.

6.07 Start-up Costs. At the time the initial sale of each **Townhome** is closed, the purchaser of the **Townhome** shall pay to the **Association** an amount equal to two (2) times the first monthly assessment for such **Townhome**. This sum shall be used and applied for start-up costs and as a working capital fund in connection with all initial operating expenses for the **Common Areas**. This payment shall not be refundable or be applied as a credit against the **Townhome Owner's** monthly assessment.

6.08 Non-Use and Abandonment. No **Townhome Owner** may waive or otherwise escape liability for the assessments provided for herein by non-use of the **Common Areas** or abandonment of his or their **Townhomes**.

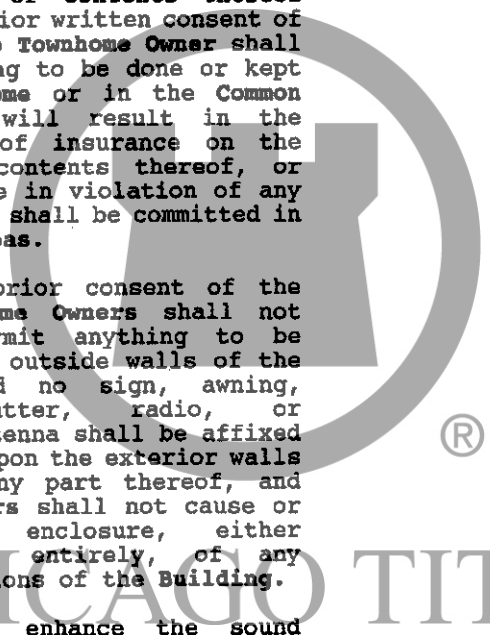
ARTICLE VII

Covenants and Restrictions as to Use and Occupancy

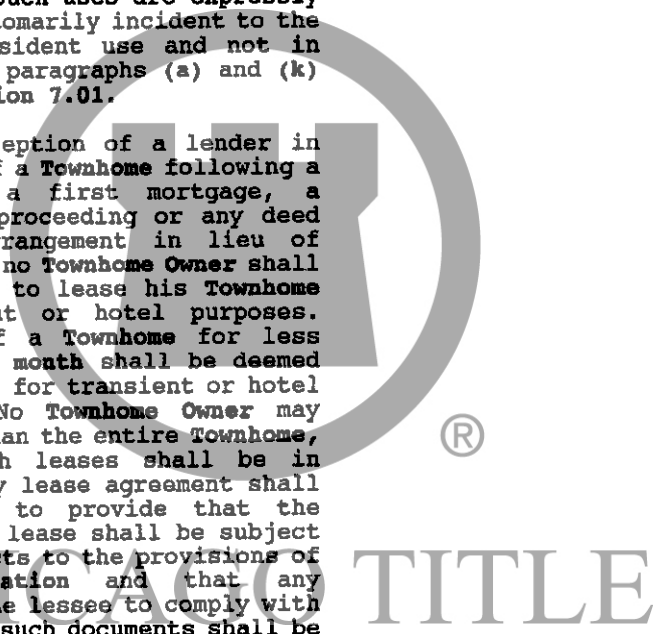
7.01 Use and Occupancy. The Property shall be occupied and used as follows:

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- (a) Each **Townhome** or any two (2) or more adjoining **Townhomes** used together shall be used for housing and related common purposes for which the **Property** was designed and for no other purpose.
- (b) There shall be no obstruction of the **Common Areas**, nor shall anything be stored in the **Common Areas**, except in areas designed for such purpose, without the prior consent of the **Board** or except as hereinafter expressly provided. Each **Townhome Owner** shall be obligated to maintain and keep in good order and repair his own **Townhome**.
- (c) Nothing shall be done or kept in any **Townhome** or in the **Common Areas** serving the **Townhomes** which will increase the rate of insurance on the **Building** or contents thereof without the prior written consent of the **Board**. No **Townhome Owner** shall permit anything to be done or kept in his **Townhome** or in the **Common Areas** which will result in the cancellation of insurance on the **Building** or contents thereof, or which would be in violation of any law. No waste shall be committed in the **Common Areas**.
- (d) Without the prior consent of the **Board**, **Townhome Owners** shall not cause or permit anything to be placed on the outside walls of the **Building**, and no sign, awning, canopy, shutter, radio, or television antenna shall be affixed to or placed upon the exterior walls or roof of any part thereof, and **Townhome Owners** shall not cause or permit the enclosure, either partially or entirely, of any exterior portions of the **Building**.
- (e) In order to enhance the sound conditioning of the **Building**, the floor covering for all occupied **Townhomes** shall meet the minimum standard as may be specified by rules and regulations of the **Board**.
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- (f) No animals of any kind shall be raised, bred, or kept in any Townhome or in the Common Areas except that dogs and cats or other usual household pets may be kept in Townhomes, subject to rules and regulations adopted by the Board, provided that they are not kept, bred, or maintained for any commercial purpose, and, provided, further, that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon three (3) days' written notice from the Board. The Board may restrict pets from access to any portions of the Common Areas and may designate other portions of the Common Areas to accommodate the reasonable requirements of Townhome Owners who keep pets.
- (g) No noxious or offensive activity shall be carried on in any Townhome or in the Common Areas, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Townhome Owners or Occupants.
- (h) No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of the Common Areas. The Common Areas shall be kept free and clear of rubbish, debris, and other unsightly materials which are not in receptacles provided for such purpose.
- (i) There shall be no playing, lounging, parking of baby carriages or playpens, bicycles, wagons, toys, vehicles, benches, or chairs on any part of the Common Areas, except that all amenity and service areas may be used for their intended purposes.
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- (k) Without the prior consent of the Board, no industry, business, trade, occupation, or profession of any kind, commercial, religious, educational, or otherwise, designed for profit, altruism, exploration, or otherwise, shall be conducted, maintained, or permitted in any Townhome.
- (l) The Townhome restrictions in paragraphs (a) and (k) of this Section 7.01 shall not, however, be construed in such a manner as to prohibit a Townhome Owner from (i) maintaining his personal professional library therein, (ii) keeping his personal business or professional records or accounts therein, or (iii) handling his personal business or professional telephone calls or correspondence therefrom. Such uses are expressly declared customarily incident to the principal resident use and not in violation of paragraphs (a) and (k) of this Section 7.01.
- (m) With the exception of a lender in possession of a Townhome following a default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no Townhome Owner shall be permitted to lease his Townhome for transient or hotel purposes. Any lease of a Townhome for less than one (1) month shall be deemed to be a lease for transient or hotel purposes. No Townhome Owner may lease less than the entire Townhome, and all such leases shall be in writing. Any lease agreement shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration and that any failure of the lessee to comply with the terms of such documents shall be a default under the lease.
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7.02 Amendment to By-Laws. Articles V, VI, and VII of this Declaration comprise the By-Laws of the Association. The By-Laws may be amended pursuant to the provisions of Section 11.07 herein, which are applicable to this Declaration.

ARTICLE VIII

Damage, Destruction, Condemnation, and Restoration of Building

8.01 Partial Destruction. In the event of partial destruction of the improvements forming a part of the Property, or any portions thereof, including any Townhomes, from any cause, then the Association shall cause the Property to be promptly repaired and restored, and the proceeds of the insurance carried by the Association shall be applied to the cost of such restoration. If the insurance proceeds are not adequate to cover the cost of such reconstruction, or, in the event there are no proceeds, or, in the event the Property is not withdrawn from the provisions of this Declaration and from the provisions of the Act, then the costs of such reconstruction shall be borne by each Townhome Owner in an amount equal to that Townhome Owner's percentage of ownership interest in the Common Areas. Such amount shall be assessed as a Common Expense.

8.02 Complete Destruction. Within sixty (60) days after the date of any damage or destruction to any improvements forming a part of the Property, or any portions thereof, including any Townhomes, from any cause, a special meeting of the Townhome Owners called for that purpose shall be held to determine, by a vote of no less than two-thirds (2/3s) of all of the Townhome Owners, whether a complete destruction has occurred pursuant to the terms of Section 19 (b) of the Act. In the event the Townhome Owners determine that a complete destruction has occurred, then, by a vote of no less than two-thirds (2/3s) of all of the Townhome Owners, which vote shall occur at the same meeting, the Townhome Owners shall determine whether to rebuild the Property. In the event such approval to rebuild is not obtained, then the provisions of Section 21 of the Act shall apply. In the event the Townhome Owners determine that a complete destruction has not occurred, then the provisions of Section 8.01 hereof shall apply.

8.03 Eminent Domain. In the event any portion of the Property is taken by condemnation or eminent domain proceedings, provision for withdrawal from the provisions of the Act of such portion so taken may be made by the Board. Upon the withdrawal of any Townhome or portion thereof due to eminent domain, the percentage of interest in the Common Areas appurtenant to such Townhome or portion thereof shall be reallocated among the remaining Townhomes on the basis of the percentage of interest of each remaining Townhome. If only a portion of a Townhome is withdrawn, the percentage of interest appurtenant to that Townhome

shall be reduced accordingly, upon the basis of diminution in market value of the Townhome, as determined by the Board. The allocation of any condemnation award or other proceeds to any withdrawing or remaining Townhome Owner shall be on an equitable basis. Any condemnation award or other proceeds available in connection with the withdrawal of any portion of the Common Areas shall be allocated on the basis of each Townhome Owner's percentage interest therein. Upon the withdrawal of any Townhome, or portion thereof, the responsibility for the payment of assessments on such Townhome or portion thereof by the Townhome Owner shall cease.

8.04 Repair, Restoration, or Reconstruction of the Improvements. As used in this Article, "repair, restoration, or reconstruction of improvements" means restoring the improvements to substantially the same condition in which they existed prior to the damage or destruction, with each Townhome and Common Areas having the same vertical and horizontal boundaries as before.

ARTICLE IX

Remedies

9.01 Abatement and Enjoyment. The violation of any restriction or condition or regulation adopted by the Board, or the breach of any covenant or provision herein contained, shall give the Board the right, upon not less than ten (10) days notice, in addition to the rights set forth in the next succeeding section, the following rights and remedies:

- (a) to enter upon that part of the Property where such violation or breach exists and summarily abate and remove, at the expense of the defaulting Townhome Owner, any structure, thing, or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Declarant or its successor assigns, or the Board, or its agents, shall not thereby be deemed guilty in any manner of trespass, or
- (b) to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

All expenses of the Board in connection with such actions or proceedings, including court costs and attorneys' fees and other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the rate of eight percent (8%) per annum until paid, shall be charged to and assessed against such defaulting Townhome Owner and shall be added to and deemed part of his respective share of the Common Expenses, and the Board shall

have a lien for all of the same upon the Townhome Ownership of such defaulting Townhome Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Townhome or located elsewhere on the Property. Any and all such rights and remedies may be exercised at any time and from time to time cumulatively, or otherwise, by the Board. In addition, any aggrieved Townhome Owner shall have the same rights and remedies as the Board hereunder in connection with any such violation.

9.02 Involuntary Sale. If any Townhome Owner, either by his own conduct or any other occupant of his Townhome, shall violate any of the covenants or restrictions or provisions of this Declaration or the regulations adopted by the Board, and such violation shall continue for thirty (30) days after notice in writing from the Board, or shall recur after such notice, and subsequent curing thereof by the Townhome Owner, then the Board shall have the power to issue to the defaulting Townhome Owner a ten (10) day notice in writing to terminate the right of said defaulting Townhome Owner to continue as a Townhome Owner and to continue to occupy, use, or control his Townhome, and thereupon, an action in equity may be filed by the members of the Board against the defaulting Townhome Owner for a decree of mandatory injunction against the Townhome Owner or Occupant or, in the alternative, a decree declaring the termination of the defaulting Townhome Owner's right to occupy, use, or control the Townhome owned by him on account of the breach of covenant and ordering that the right, title, and interest of the Townhome Owner in the Property shall be sold, subject to the lien of any existing mortgage, at a judicial sale upon such notice and terms as the court shall establish, except that the court shall enjoin and restrain the defaulting Townhome Owner from reacquiring his interest in the Property at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees, and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting Townhome Owner in said decree. Any balance of proceeds, if any, after satisfaction of such charges and any unpaid assessments hereunder or any liens, shall be paid to the Townhome Owner. Upon the confirmation of such sale, the purchaser thereof shall thereupon be entitled to a deed to the Townhome Ownership and to immediate possession of the Townhome sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall provide, that the purchaser shall take the interest in the Property sold subject to this Declaration.

9.03 Remedies for Failure to Pay Common Expenses. Each Townhome Owner shall pay his proportionate share of the Common Expenses. Such proportionate share shall be in the same ratio as his percentage of ownership in the Common Areas as set forth in Exhibit A. In the event of the failure of a Townhome Owner to pay such Common Expenses when due, the amount thereof shall constitute a lien on the interest of such Townhome Owner, as provided by the Act, provided, however, that such lien shall be subordinate to the

lien of a prior recorded first mortgage on the interest of such Townhome Owner. Except as hereinafter provided, the lien provided for in this Section 9.03 shall not be affected by any transfer of title to the Townhome Ownership. Where title to the Townhome Ownership is transferred pursuant to a decree of foreclosure or by deed or assignment in lieu of foreclosure, such transfer of title shall, to the extent permitted by law, extinguish the lien for any assessments or other charges or payments under Section 6.01 which became due prior to (i) the date of the transfer of title, or (ii) the date on which the transferee comes into possession of the Townhome, whichever occurs first. However, the transferee of a Townhome Ownership shall be liable for his share of any assessments or other charges or payments with respect to which a lien against his Townhome Ownership has been extinguished pursuant to the preceding sentence which are reallocated among the Townhome Owners pursuant to a subsequently adopted annual, revised, or special assessment, and nonpayment thereof shall result in a lien against the transferee's Townhome Ownership as provided in this Section 9.03. If any Owner fails to pay any installment of such Common Expenses within thirty (30) days after notice of default, the Board may accelerate the maturity of the remainder of installments of such Common Expenses due from such Townhome Owner for the balance of the assessment year and may enforce collection thereof and of all of such user charges then or thereafter falling due. A late charge in the amount of Thirty Five Dollars (\$35.00) per month shall be charged to and assessed against such defaulting Townhome Owner until paid, which late charge shall be subject to review by the Board from time to time. In addition to the foregoing, the Board, or the Declarant, in the exercise of the powers, rights, duties, and functions of the Board as provided in Section 11.01 hereof, or its agents, shall have such other rights and remedies to enforce such collection as shall otherwise be provided or permitted by law from time to time.

ARTICLE X

Miscellaneous Provisions Regarding Mortgages

The following provisions are intended for the benefit of each holder of a first mortgage upon a Townhome, and, to the extent, if at all, that any other provisions of this Declaration conflict with the following provisions, the following provisions shall control:

- (a) The Association shall furnish each first mortgagee of a Townhome written notice of any default by the Townhome Owner of such Townhome in the performance of such Townhome Owner's obligations under this Declaration which is not cured within thirty (30) days. Any first mortgagee of a Townhome who comes into possession of said Townhome pursuant to the

remedies provided in the mortgage, foreclosure of the mortgage, or deed, or assignment in lieu of foreclosure, shall take such property free of any claims for unpaid assessments or charges in favor of the Association against the mortgaged Townhome which accrue prior to the time such holder comes into possession of the Townhome, except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Townhomes, including the mortgaged Townhome.

(b) Upon request in writing, each first mortgagee of a Townhome shall have the right:

i) to examine the books and records of the Association during normal business hours,

ii) to receive an annual financial statement from the Association within ninety (90) days following the end of each of the respective fiscal years,

iii) to receive notices of all meetings of the Association and to designate a representative to attend all such meetings, and

iv) to receive notice of any decision by the Townhome Owners to make a material amendment to this Declaration, By-Laws contained herein, or Articles of Incorporation of the Association.

(c) No provision of this Declaration, or Articles of Incorporation of the Association, or any similar instrument pertaining to the Property or the Townhomes therein shall be deemed to give a Townhome Owner or any other party priority over any rights of the first mortgagees of Townhomes pursuant to their mortgages in the case of a distribution to Townhome Owners of insurance proceeds or condemnation awards for losses to or a taking of the Townhomes and/or the Common Areas, or any portion thereof or interest therein. In such event, the holder of any first mortgage on a Townhome shall be entitled to timely written notice of any such loss.

(d) There shall be included in each annual assessment levied by the Association, but not as a special assessment, an amount sufficient to establish an adequate reserve fund for the

replacement of the Common Areas.

- (e) Unless the first mortgagees of all of the individual Townhomes which have become a part of the Property have given their prior written approval, neither the Association nor the Townhome Owners shall be entitled to:

i) by act or omission seek to abandon or terminate the condominium regime, except for abandonment provided by the Act in case of complete destruction to the Building,

ii) change the pro rata interest or obligations of any Townhome Owner for (a) purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards and for (b) determining the pro rata share of ownership of each Townhome Owner in the Common Areas, except as provided in Section 8.03 hereof,

iii) partition or subdivide any Townhome,

iv) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Areas. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Areas by the condominium project shall not be deemed a transfer within the meaning of this clause,

v) use hazard insurance proceeds for losses to any Property, whether to Townhomes or to Common Areas, for other than the repair, replacement, or construction of such improvements, except as provided by statute in case of substantial loss to the Townhomes and/or the Common Areas of the Property,

vi) terminate professional management of the Property and assume self-management of the same, and

vii) materially amend the Declaration.

- (f) Upon specific written request to the Association, each first mortgagee of a Townhome shall be furnished notice in writing by the Association of any damage to or destruction or taking of the Common Areas if such damage or destruction or taking exceeds Ten Thousand Dollars (\$10,000.00), or, if

damage shall occur to a Townhome in excess of One Thousand Dollars (\$1,000.00), notice of such event shall also be given.

- (g) If any Townhome, or portion thereof, or the Common Areas, or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the institutional holder of any first mortgage on a Townhome will be entitled to timely written notice of any such proceeding or proposed acquisition, and no provision of any document will entitle the owner of a Townhome or other party to priority over such institutional holder with respect to the distribution to such Townhome of the proceeds of any award or settlement.

ARTICLE XI

General Provisions

11.01 Certain Rights of the Declarant. Until the time established by this Declaration for the election of the initial Board by the Townhome Owners, the rights, titles, powers, privileges, trusts, duties, and obligations vested in or imposed upon the Board in the Act and in this Declaration shall be held and performed by the Declarant. If the initial Board shall not be elected by the Townhome Owners at the time established by the Declaration, the Declarant shall continue in the aforesaid office for a period of thirty (30) days after written notice of its resignation is sent to all of the Townhome Owners entitled to vote at such election. In exercising such rights and the other rights reserved by the Declarant pursuant to this Declaration, the Declarant, or its designees on the Board, shall not be under any disability which would otherwise be imposed by law by reason of the Declarant's interest in the subject matter of any transaction, provided, however, that any such transaction shall have been entered into in good faith.

11.02 Notice to Mortgagees. Upon written request to the Board, the holder of any duly recorded mortgage or trust deed against any Townhome Ownership shall be given a copy of any and all notices permitted or required by this Declaration to be given to the Townhome Owner whose Townhome Ownership is subject to such mortgage or trust deed.

11.03 Manner of Giving Notices. Notices provided for in this Declaration and in the Act shall be in writing and shall be addressed to the Board or Association or any Townhome Owner, as the case may be, at the address of the respective Townhome Owner, indicating thereon the number of a respective Townhome if addressed to a Townhome Owner, or at such other address as herein provided. Any Townhome Owner may designate a different address or addresses for notices to him by giving notice of his change of address to the Board or Association. Notices addressed as above shall be deemed delivered three (3) business days after being mailed by United States Postal Service, first class mail, postage prepaid, or when delivered in person with written acknowledgement of the receipt thereof, or, if, addressed to Townhome Owner, when deposited in his mailbox in the Building or at the door of his Townhome in the Building.

11.04 Notices to Estate or Representatives. Notices required to be given any devisee, heir, or personal representative of a deceased Townhome Owner may be delivered either personally or by mail to such party at his or its address appearing in the records of the court wherein the estate of such deceased Townhome Owner is being administered.

11.05 Conveyance and Leases. Each grantee of the Declarant and each subsequent grantee, by the acceptance of a deed of conveyance, and each purchaser under a purchase contract therefor, and each tenant under a lease for a Townhome accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights, and powers created or reserved by this Declaration, and all rights, benefits, and privileges of every character hereby granted, created, reserved, or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land and shall bind any person having at any time an interest or estate in the Property and shall inure to the benefit of such Townhome Owner in like manner as though the provisions of the Declaration were recited and stipulated at length in each and every deed of conveyance.

11.06 No Waivers. No covenants, restrictions, conditions, obligations, or provisions contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches which may occur.

11.07 Change, Modification, or Rescission. No provision of this Declaration affecting the rights, privileges, and duties of the Declarant may be modified without written consent. The provisions of Section 9.03, Article X, and the following provisions of Section 11.07 of this Declaration may be changed, modified, or rescinded by an instrument in writing setting forth such change, modification, or rescission, signed and acknowledged by the Board and by all of the Townhome Owners and all mortgagees having bona fide liens of record against any of the Townhome Ownerships. Other

provisions of this Declaration may be changed, modified, or rescinded by an instrument in writing setting forth such change, modification, or rescission, signed and acknowledged by the Board and approved by Townhome Owners having at least seventy-five percent (75%) of the total vote at a meeting called for that purpose, provided, however, that all holders of first mortgages of record have been notified by certified mail of any change, modification, or rescission and an affidavit by the Secretary of the Association certifying to such mailing is made a part of such instrument, and provided further, that any provisions herein which specifically grant rights to holders of first mortgages of record may be amended only with the written consent of all such holders of first mortgages. The change, modification, or rescission shall be effective upon recordation of such instrument in the Office of the Recorder of Marion County, Indiana.

11.08 Partial Invalidity. The invalidity of any covenant, restriction, condition, limitation, or any other provision of this Declaration, or any part of same, shall not impair or affect in any manner the validity, enforceability, or effect of the rest of this Declaration.

11.09 Perpetuities and Other Invalidity. If any of the options, privileges, covenants, or rights created by this Declaration would otherwise be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provisions, (b) the rule restricting restraints on alienation, or (c) any other statutory common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of A'Lelia Josephine Osili.

11.10 Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate the purpose of creating a uniform plan for the operation of a first-class condominium development.

11.11 Floor Plans. The Plans setting forth the layout, location, identification numbers, and dimensions of the Townhomes and the Property are incorporated in to this Declaration by reference and have been filed in the Office of the Recorder of Marion County, Indiana, in Horizontal Property Plan File as of June 1999, as Instrument Number

1.0
1.0
1.0

11.12 Special Amendment. Developer and/or Declarant reserve the right and power to record a Special Amendment ("Special Amendment") to this Declaration at any time and from time to time which amends this Declaration (a) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Department of Veterans Affairs, or any other governmental agency or any other public, quasi-public, or private entity which performs, or may in the future perform,

UNRECORDED COPY FILE

functions similar to those currently performed by such agencies or entities, (b) to induce any of such agencies or entities to make, purchase, sell, insure, or guarantee first mortgages covering **Townhome Ownerships**, (c) to bring this Declaration into compliance with the Act, or (d) to correct clerical or typographical errors in this Declaration or any Exhibit thereto or any supplement or amendment thereto. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Developer and/or Declarant to vote in favor of, make, or consent to a Special Amendment on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust, deed, other evidence of obligation, or other instrument affecting a Townhome and the acceptance thereof shall be deemed to be a grant and acknowledgement and a consent to the reservation of the power to the Developer and/or Declarant to vote in favor of, make, execute, and record Special Amendments. The right of the Developer and Declarant to act pursuant to rights reserved or granted under this Section shall terminate at such time as the Declarant and Developer no longer hold or control title to a Townhome.

IN WITNESS WHEREOF, EMPIRE DEVELOPMENT, L. L. C., an Indiana Limited Liability Company, has caused this instrument to be executed this 11th day of June, 1999.

EMPIRE DEVELOPMENT, L. L. C.,
An Indiana Limited Liability
Company,

by [Signature]
Ifeanyi Osili II, Director

Before me, a Notary Public in and for the County of Marion, State of Indiana, personally appeared IFEANYI OSILI II, Director, EMPIRE DEVELOPMENT, L. L. C., An Indiana Limited Liability Company, who acknowledged the execution of the foregoing Declaration of Horizontal Property Regime and of Easements, Restrictions, Covenants, and By-Laws for Lombardi Row Townhomes, Inc., A Not-for-Profit Corporation, for and on behalf of EMPIRE DEVELOPMENT, L. L. C., An Indiana Limited Liability Company, for the uses and purposes therein set forth.

Witness my hand and Notarial Seal this 11th day of June,



CHICAGO TITLE

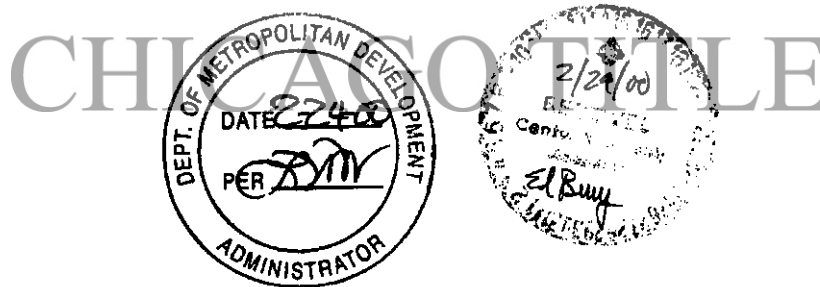
[Signature]
Printed DARRAN A. OWENS
Notary Public

MY COMMISSION EXPIRES:
MARCH 14 2000

MY COUNTY OF RESIDENCE:
MARION

This instrument prepared by: DARROW A. OWENS
Attorney No. 9797-49
302 North East Street
Indianapolis, Indiana 46202

(317) 638-1468



INSTRUMENT APPROVED
BY
CITY CLERK

EXHIBIT "A"

Unit 1 to have 100% ownership of all Common Areas indicated as part of Phase I. Upon completion and recording of documents of the remaining four (4) units of Lombardi Row Townhomes (Phase II), this exhibit to be immediately amended to grant 20% ownership of all Common Areas in both Phases I and II to each unit.



CHICAGO TITLE

3

Lombardi Row Townhomes, Inc.
By - Law Amendment

MARTHA A. WOMACKS
MARION COUNTY CLERK
377413 JUL -3 01
CLERK OF COURT FOR TAXATION
SUBJECT TO FINAL ACCEPTANCE
FOR TRANSFER

Amendment Number One
May 3, 2001

At the Corporation meeting on May 3, 2001, the following By-law change was made:

(1) under By-law section 6.01 and elsewhere, that any independent accountant may be used for tax preparation and financial review, and that no pro-forma need be prepared by a non-member, and that no external resource need be retained for audits; (2) under 6.02, that no reserve for contingencies be funded at this time, but that assessments be considered at the time of large expenditures; (3) under 5.08v. that no fidelity bond be purchased; and that (4) each unit owner would be responsible for, and bear the expense of, the proper lawn care and landscaping of the areas to the front and rear of his or her unit.

Acknowledged by the Board:

Jeffrey L. George
Jeffrey L. George, Secretary-Treasurer

Christopher D. Morris
Christopher D. Morris, President

Todd A. Houtman
Todd A. Houtman, Vice President

Acknowledged by 75% of Owners:

929 Jeffrey L. George
Jeffrey L. George

937 Christopher Morris
Christopher Morris

933 Todd A. Houtman
Todd A. Houtman

931 Patricia Trussell
Patricia Trussell

935 John Fitzgerald
John Fitzgerald

As Secretary- Treasurer of the corporation I certify that pursuant to Bylaw section 11.07 mortgage holders of the units have been notified by certified mail of this change.

Jeffrey L. George
Jeffrey L. George, Secretary-Treasurer

Date: 6/4/2001

CHICAGO TITLE

07/19/01 01:35PM WANDA MARTIN MARION CTY RECORDER JNU 14.00 PAGES: 3

Inst # 2001-0124129

7000 0520 0013 3378 5020

CERTIFIED MAIL RECEIPT

INDIANAPOLIS, IN 46277 UNIT ID: 0013

Package	0.34	Postmark	
Overhead Fee	1.90	Client's Name	
Return Receipt Fee (Postmark Required)	1.30	Client's Name	
Postage & Fees	3.74	Date	06/16/01

Postage's Name (Please Print) (To be completed by sender)
 BANK ONE INDIANA
 111 Monument Circle
 Indianapolis, IN 46277

7000 0520 0013 3378 5174

CERTIFIED MAIL RECEIPT

LANSVILLE, KY 40285 UNIT ID: 0013

Package	0.34	Postmark	
Overhead Fee	1.90	Client's Name	
Return Receipt Fee (Postmark Required)	1.30	Client's Name	
Postage & Fees	3.74	Date	06/16/01

Postage's Name (Please Print) (To be completed by sender)
 National City
 PO Box 856020
 Louisville, KY 40285-6020

7000 0520 0013 3378 5181

CERTIFIED MAIL RECEIPT

KOKOMO, IN 46904 UNIT ID: 0013

Package	0.34	Postmark	
Overhead Fee	1.90	Client's Name	
Return Receipt Fee (Postmark Required)	1.30	Client's Name	
Postage & Fees	3.74	Date	06/16/01

Postage's Name (Please Print) (To be completed by sender)
 First National Bank
 PO Box 9012
 Kokomo, IN 46904

7000 0520 0013 3378 5182

CERTIFIED MAIL RECEIPT

SPRINGFIELD, OH 45501 UNIT ID: 0013

Package	0.34	Postmark	
Overhead Fee	1.90	Client's Name	
Return Receipt Fee (Postmark Required)	1.30	Client's Name	
Postage & Fees	3.74	Date	06/16/01

Postage's Name (Please Print) (To be completed by sender)
 First National Bank
 PO Box 7298
 Springfield, OH 45501



**TO: Marion County Auditor
Marion County Recorder**
FROM: Lombardi Row Townhomes, Inc.
Jeffrey L. George, Treasurer
929 North Alabama Street
Indianapolis, IN 46202
317-951-1187

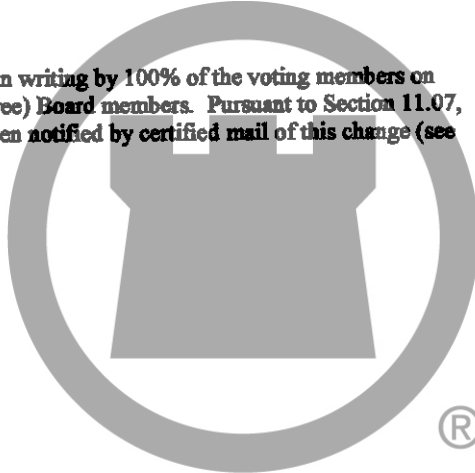
Attached is Amendment One to: Declaration of Horizontal Property Regime and of Easements, Restrictions and Covenants and By-Laws for Lombardi Row Townhomes, Inc., A Not for Profit Corporation.

The document herein amended, which contained 48 pages, was filed as follows:

Martha A. Womacks, Marion County Auditor, 213926 FEB 24 00

Wanda Martin, Marion County Recorder, Instrument #2000-0029622, 2/24/00 12:58PM

The attached amendment was approved in writing by 100% of the voting members on May 3, 2001 and is authorized by all (three) Board members. Pursuant to Section 11.07, all mortgage holders of the units have been notified by certified mail of this change (see Certified Mail Receipts attached).



CHICAGO TITLE

**LOMBARDI ROW TOWNHOMES - PHASE I
HORIZONTAL PROPERTY REGIME**

Legal Description
Part of Lot 1, L.I.C., being a portion of the addition to the 15' Alley, 213922 FER & B, as shown on the plat of said addition, together with the portion of said addition, more particularly described as follows: ...

SEVERANCE CERTIFICATE
I, the undersigned, being duly qualified and sworn, do hereby certify that the above described property is not subject to any liens or encumbrances, other than those mentioned in the foregoing recitation, and that the same is being severed from the remainder of the tract as shown on the attached plat of severance.

Richard H. Miller
Richard H. Miller, J.C. 100
February 11, 2023

OWNER'S DECLARATION
In accordance with the provisions of the Illinois Condominium Property Act, I hereby declare that the above described property is not subject to any liens or encumbrances, other than those mentioned in the foregoing recitation, and that the same is being severed from the remainder of the tract as shown on the attached plat of severance.

[Signature]
Empire Development, LLC, An Illinois Limited Liability Company

STATE OF ILLINOIS
COUNTY OF DEKALB

[Signature]
Proved before me on this 11th day of February, 2023.

NOTARY PUBLIC
STATE OF ILLINOIS
COMMISSION EXPIRES 02-15-2027

NOTARY PUBLIC
STATE OF ILLINOIS
COMMISSION EXPIRES 02-15-2027



ALABAMA STREET

**P.K. NAIL PD.
IN C.L./ C.L.**

LOT 4

LOT 8

LOT 2

LOT 1

ST. JOSEPH STREET

LOT 14

**EDWARD SORIN'S
ADDITION**

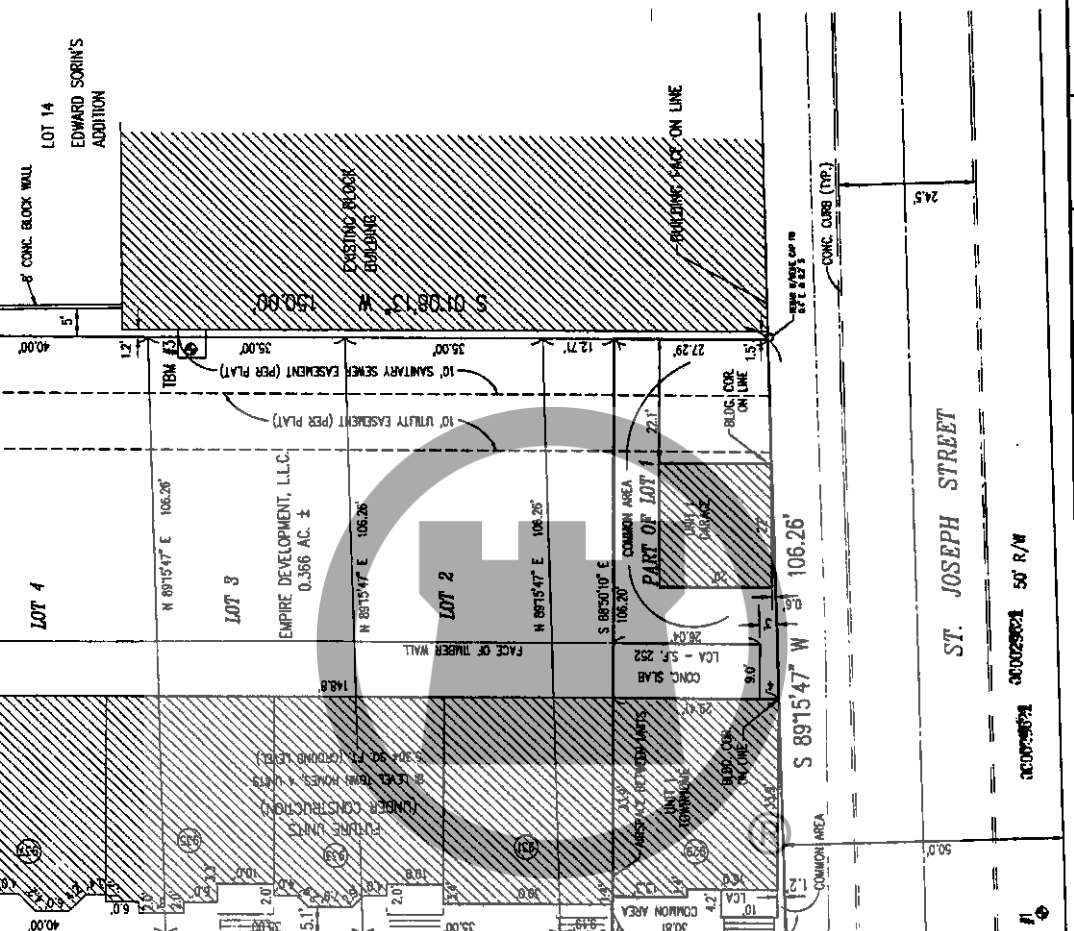
GRAPHIC SCALE
1" = 20' HORIZ.
1" = 40' VERT.

NOTE:
THIS TOTAL MAP AREA IS THE UNDIVIDED MAP AREA. THE TOTAL MAP AREA IS THE UNDIVIDED MAP AREA. THE TOTAL MAP AREA IS THE UNDIVIDED MAP AREA. THE TOTAL MAP AREA IS THE UNDIVIDED MAP AREA.

THE SCHNEIDER CORPORATION
1800 N. LaSalle Street, Chicago, Illinois 60610
Tel: (312) 467-2000
Fax: (312) 467-2001

Project: Lombardi Row
Location: Lombardi Row, DeKalb County, Illinois
Phase: Horizontal Property Regime
Drawn: 02-16-2023
Revised: 2/16/2023
Scale: 1" = 20' HORIZ., 1" = 40' VERT.

CHICAGO TITLE



LOMBARDI ROW TOWNHOMES - PHASE II HORIZONTAL PROPERTY REGIME

Lot Description:

Consists of Lot 14 of Block 2, Phase II of the Lombardi Row Townhomes, Horizontal Property Regime, as shown on the attached plan and as described in the Declaration of Horizontal Property Regime, which is hereby incorporated by reference into this plan and shall govern the ownership, use, and enjoyment of the subject property and the rights and obligations of the owners thereof.

UNIT 14



Roberto Miller
Professional Engineer
No. 00001
State of Illinois

OWNER'S DECLARATION

The undersigned, Roberto Miller, Professional Engineer, State of Illinois, is the owner of the subject property and hereby certifies that the plan and declaration were prepared by him or under his direct supervision and control, and that the same comply with the provisions of the Illinois Landmark Code, Chapter 26, Article 1, Sections 2-1 and 2-2, and that the same are in full compliance with the provisions of the Illinois Landmark Code, Chapter 26, Article 1, Sections 2-1 and 2-2, and that the same are in full compliance with the provisions of the Illinois Landmark Code, Chapter 26, Article 1, Sections 2-1 and 2-2.

Unit 14 Declaration, LLC, an Illinois Limited Liability Company

Roberto Miller
Professional Engineer
No. 00001
State of Illinois

DATE OF RECORD



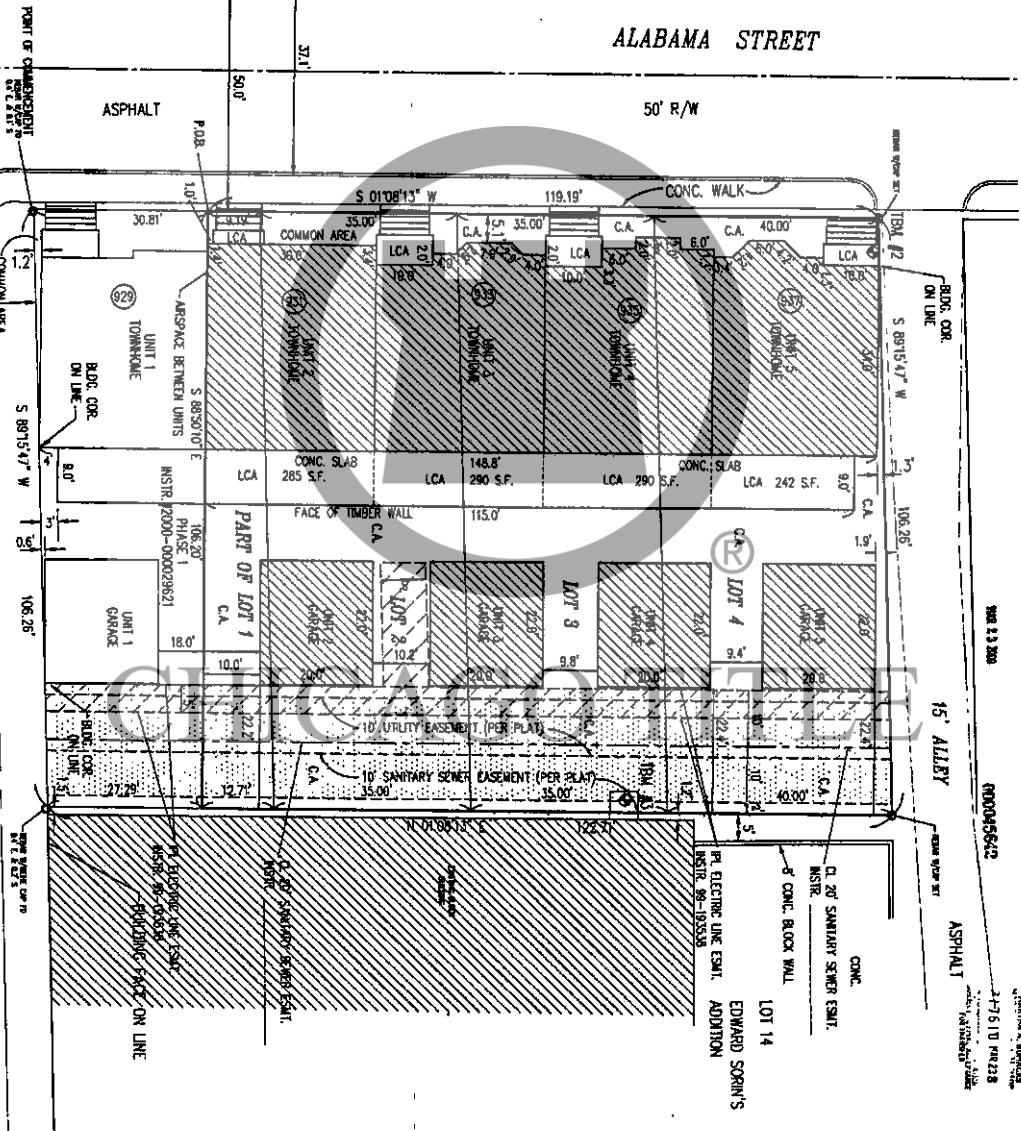
The undersigned, Roberto Miller, Professional Engineer, State of Illinois, is the owner of the subject property and hereby certifies that the plan and declaration were prepared by him or under his direct supervision and control, and that the same comply with the provisions of the Illinois Landmark Code, Chapter 26, Article 1, Sections 2-1 and 2-2, and that the same are in full compliance with the provisions of the Illinois Landmark Code, Chapter 26, Article 1, Sections 2-1 and 2-2.

UNIT 14
CONC. SLAB
CONC. SLAB
CONC. SLAB

CONC. SLAB
CONC. SLAB
CONC. SLAB

ALABAMA STREET

50' R/W



ST. JOSEPH STREET

50' R/W

000045642

15' ALLEY

NO. 23 200

000045642

APRIL 4, 2004
2:13:10 PM
R238
MILWAUKEE, WI



NOTE: ALL LINES SHOWN ON THIS PLAN ARE BASED ON THE ASSUMPTION THAT THE PROPERTY LINES ARE AS SHOWN ON THE PLAT OF THE LOT AND THE DECLARATION OF HORIZONTAL PROPERTY REGIME.

- 1 - COMMON AREA
- 2 - COMMON AREA
- 3 - COMMON AREA

000045642

The Schneider Corporation
100 North Park Street
Chicago, Illinois 60611
312-361-1111
www.schneidercorp.com

Lombardi Row Townhomes - Phase II
Horizontal Property Regime
Project No. 00-17-2000
Project No. 2746-001
Project No. 030
Project No. 030

00-17-2000
2746-001
030
030