

File# 2015-006005

**AMENDED AND RESTATED
DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP
FOR
RESERVE AT ROYAL OAKS CONDOMINIUMS
AND
RESERVE AT ROYAL OAKS HOA CORP.**

APPROVED: DECEMBER 17, 2014

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This Amended and Restated Declaration of Horizontal Property Ownership was made as of the date set forth below after the same was approved by the owners on December 17, 2014.

WITNESS THAT the following facts are true:

The Reserve at Royal Oaks located in Johnson County, Indiana (hereafter referred to as the "Horizontal Property Regime") was originally created and formed pursuant to the Indiana Horizontal Property Act presently codified at Indiana Code §32-25-1-1 *et seq.*, as amended, and pursuant to a certain "Declaration of Reserve at Royal Oaks Condominiums" recorded in the Office of the Recorder of Johnson County, Indiana, on or about July 11, 2003, as Instrument No. 2003-028166 ("Original Declaration"); and

The Original Declaration established the first phase of the Horizontal Property Regime, consisting of the initial Buildings and Condominium Units therein, and the Common Areas and Limited Areas applicable thereto; and

Said Original Declaration was supplemented by certain amendments recorded in the Johnson County Recorder's Office whereby additional phases were annexed and added to the Horizontal Property Regime, consisting of additional Buildings and Condominium Units, and the Common Areas and Limited Areas applicable thereto; and

At the time of filing with the Johnson County Recorder, the Original Declaration had a Code of Bylaws attached thereto, thus being part of the same Instrument No. 2003-028166; and

A special meeting of the Reserve at Royal Oaks HOA Corp. ("Association") was held on December 17, 2014; and

At said meeting, the Owners of Condominium Units within the Horizontal Property Regime approved certain amendments to the Original Declaration, which said amendments are included below; and

For historical purposes, various exhibits to the Original Declaration may be referred to from time to time, and therefore, for cross-reference purposes, one should refer to those original documents as they were filed with the Johnson County Recorder. Those exhibits, however, are not exhibits to this Amended and Restated Declaration. Except as to any exhibits to the original documents that may remain relevant, including the Bylaws, all other provisions of the Original Declaration, are hereby modified in their entirety, and superceded by this Amended and Restated Declaration.

NOW, THEREFORE, the Original Declaration is amended and restated as follows:

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

(A) "Act" means the Indiana Condominium Law, formerly known as the Horizontal Property Law of the State of Indiana, now codified at Indiana Code 32-25-1-1 *et seq.* as amended. The Act is incorporated herein by reference.

(B) "Reserve at Royal Oaks Condominiums" or "Reserve at Royal Oaks" means the name by which the entire Real Estate and all of the Buildings and other improvements, appurtenances and hereditaments thereon shall be known, including all rights and obligations under the horizontal property regime created by the Original Declaration and amended and restated hereby.

(C) "Property" means the entire Real Estate and appurtenant easements, the Condominium Units, the Buildings, garages, improvements, and property of every kind and nature whatsoever, real, personal or mixed, located upon the Real Estate and used in connection with the operation, use and enjoyment of Reserve at Royal Oaks Condominiums, but does not include the personal property of the Owners.

(D) "Condominium Unit" means each of the living units constituting the Reserve at Royal Oaks Condominiums, each individual living unit being more particularly described and identified on the Plans and in Sections 4 and 5 of this Declaration, and each additional living unit which may be submitted and subjected to the Act and this Declaration by supplemental declarations as herein provided. "Condominium Unit" includes the undivided interest in the Common Areas and Limited Areas appertaining to such unit.

(E) "Association" means Reserve at Royal Oaks HOA Corp., an Indiana nonprofit corporation incorporated with the Indiana Secretary of State on or about January 19, 2010, being the association of all Owners of all Reserve at Royal Oaks Condominiums, more particularly described in Section 13 hereof.

(F) "Board of Directors" or "Board" means the governing body of the Association, elected per the Bylaws.

(G) "Building" means any structure on the Property in which one or more Condominium Units are located. The Buildings are more particularly described and identified on the Plans. "Building" also includes any additional structure containing one or more Condominium Units which were, or may be, submitted and subjected to the Act and this Declaration by supplemental declarations as herein provided, and will be identified in supplemental declarations and on plans that will be filed therewith. "Building" also includes any such structures which may be submitted and subjected to the Act and this Declaration for any future phase of Reserve at Royal Oaks.

(H) "Bylaws" means the Bylaws of the Association providing for the administration and management of the Reserve at Royal Oaks property as required by and in conformity with the provisions of the Act.

(I) "Common Areas" means the common areas and facilities appurtenant to the Property as defined in Section 6 of this Declaration.

(J) "Common Expenses" means expenses of administration of the Association and expenses for the upkeep, maintenance, repair and replacement of the Common Areas and Limited Areas (to the extent provided herein) and all sums lawfully assessed against the Owners by the Association or as declared by the Act, this Declaration or the Bylaws.

(K) "Limited Areas" means the limited common areas and facilities as defined in Section 7 of this Declaration.

(L) "Mortgage" means the holder of a first mortgage lien on a Condominium Unit.

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

(N) "Percentage Interest" means the percentage of undivided interest in the fee simple title to the Common Areas and Limited Areas appertaining to each Condominium Unit as specifically expressed in Sections 4 and 8 of this Declaration.

(O) "Percentage Vote" means that percentage of the total vote accruing to all of the Condominium Units which is appurtenant to each particular Condominium Unit and accrues to the Owner thereof. The Percentage Vote to which each Owner shall be entitled on any matter upon which the Owners are entitled to vote shall be the same percentage as the Percentage Interest appurtenant to such Owner's Condominium Unit(s). Each Owner shall be entitled to cast one vote for each Condominium Unit owned by such Owner.

(P) "Plans" means the floor plans attached to the Original Declaration as Exhibit E, as may have been amended, all of which are incorporated herein by reference.

(Q) "Original Declarant" shall mean and refer to Heritage Development of Indiana, LLC, a defunct Indiana limited liability company, all of the rights of which have been assigned to Successor Declarant by vote of the Members after the Turnover Date (as defined in the Original Declaration).

(R) "Successor Declarant" shall mean and refer to Reserve at Royal Oaks HOA Corp., and any successors and assigns of it whom it designated or designates in one or more written recorded instruments to have the rights of Successor Declarant under the terms of the Original Declaration and the Bylaws, including, but not limited to, any mortgagee acquiring title to any portion of the Property pursuant to the exercise of rights under, or foreclosure of, a mortgage

executed by Successor Declarant. Successor Declarant may, from time to time, be referred to as Declarant.

2. DECLARATION. The Reserve at Royal Oaks Condominiums shall be Horizontal Property Regimes per the Act.

3. DESCRIPTION OF FACILITIES. The facilities at Reserve at Royal Oaks Condominiums will be as described in Sections 6 and 7 hereof.

4. LEGAL DESCRIPTION AND PERCENTAGE INTEREST. Each Condominium Unit is identified on the plans by a unit number. The legal description for each Condominium Unit shall consist of the identifying number for such Condominium Unit as shown on the Plans, and shall be stated as "Condominium Unit (with identifying number) in Reserve at Royal Oaks Condominiums Horizontal Property Regime" or "Condominium Unit (with identifying number) in Reserve at Royal Oaks Condominiums East Horizontal Property Regime". The Percentage Interest of each Owner in the Common Areas and Limited Areas as hereinafter defined shall be that percentage interest attributed to each Condominium Unit as set forth in Section 8 hereof.

5. DESCRIPTION OF CONDOMINIUM UNITS.

(A) APPURTENANCES. Each Condominium Unit shall consist of all space within the boundaries thereof, as hereinafter defined, and all portions of the Building situated within such boundaries, including but not limited to all fixtures, facilities, utilities, equipment, appliances, and structural components designed and intended solely and exclusively for the enjoyment, use and benefit of the Condominium Unit wherein the same are located, or to which they are attached, but excluding therefrom that designed or intended for the use, benefit, support, safety or enjoyment of any other Condominium Unit or which may be necessary for the safety, support, maintenance, use and operation of any of the Buildings or which are normally designed for common use. However, all fixtures, equipment and appliances designed or intended for the exclusive enjoyment, use and benefit of a Condominium Unit shall constitute a part of such Condominium Unit, whether or not the same are located within or partly within the boundaries of such Condominium Unit. The space within the basement, if any, under any Condominium Unit is considered a part of and for the exclusive use of such Condominium Unit. The space within the garage connected to each of the Condominium Units is considered a part of and for the exclusive use of the Condominium Unit to which it is connected. Also, the interior sides and surfaces of all doors and windows in the perimeter walls of the Condominium Unit, whether or not located within or partly within the boundaries of a Condominium Unit, and all interior walls and all of the floors and ceilings within the boundaries of a Condominium Unit, are considered part of the Condominium Unit.

(B) BOUNDARIES. The boundaries of each Condominium Unit shall be as shown on the Plans without regard to the existing construction, measured between the unfinished surfaces of the interior perimeter walls, ceilings and floors of each Condominium Unit. In the event any horizontal or vertical or other boundary line as shown on the Plans does not coincide with the actual location of the respective wall, floor or roof surface of the Condominium Unit because of inexactness of construction, settling after construction, or for any other reasons, the

boundary lines of each Condominium Unit shall be deemed to be and treated for purposes of ownership, occupancy, possession, maintenance, decoration, use and enjoyment, as in accordance with the actual existing construction. In such case, permanent appurtenant easements for exclusive use shall exist in favor of the Owner of each Condominium Unit in and to such space lying outside the actual boundary lines of the Condominium Unit, but within the appropriate wall, floor or roof surfaces of the Condominium.

Important Note! Although the provisions above and below describe the legal boundaries and extent of the Condominium Units, the Common Area and the Limited Areas in terms of ownership, they do NOT always coincide with who is responsible to insure such items or who is to maintain, repair and replace such items. Thus, other provisions of this Declaration and the Bylaws must be reviewed.

6. COMMON AREAS AND FACILITIES. "Common Areas" means (1) the Property, excluding the Condominium Units, (2) the foundations, columns, girders, beams, supports and exterior surfaces and roofs of the Buildings, (3) and yards, gardens, sidewalks and parking areas, except to the extent the same are otherwise classified and defined herein as part of the Condominium Unit or Limited Areas, (4) central electricity, gas, water, air conditioning and sanitary sewer mains serving the Buildings, if any, (5) exterior lighting fixtures and electrical service lighting the exterior of the buildings unless separately metered to a particular Condominium Unit, (6) pipes, ducts, electrical wiring and conduits and public utilities lines which serve more than one Condominium Unit, (7) all streets that are not dedicated, (8) floors, roofs and exterior perimeter walls of the Buildings, except to the extent the same are otherwise classified and defined herein as part of the Condominium Unit or Limited Areas, (9) all attics located above the Condominium Units; and (10) all facilities and appurtenances located outside of the boundary lines of the Condominium Units, except those areas and facilities expressly classified and defined herein as Limited Areas or as part of the Condominium Unit. It is expressly acknowledged that: (a) certain unimproved lots shown on the plat of the Real Estate recorded as Instrument No. _____ in the Office of the Johnson County Recorder ("Plat") were originally designated to be developed into Condominium Units, but construction was never completed ("Unimproved Lots"); (b) the Unimproved Lots shall be deemed part of the Common Areas for all purposes hereunder, except as otherwise determined by a judge of competent jurisdiction.

7. LIMITED AREAS AND FACILITIES. Limited Areas and those Condominium Units to which use thereof is limited are as follows:

(A) Patios, porches, driveways and sidewalks serving a particular Condominium Unit or Units to which they are attached or appertain; provided, however, that any Owner of a Condominium Unit desiring to improve or enlarge the porch/patio area so designated on the Plans shall first obtain the written approval as to the location, size, style, material, design, color and architecture of said improvement from the Board of Directors and provided further that the Owner to whose Condominium Unit said improvement is or is to be attached shall construct and maintain the improvement and maintain the area all at his own expense.

(B) The exterior sides and surfaces of doors, windows and frames surrounding the same in the perimeter walls in each Condominium Unit shall be limited to the exclusive use of the Condominium Unit to which they appertain.

(C) Any other areas designated and shown on the Plans as Limited Areas, if any, shall be limited to the Condominium Unit or Condominium Units to which they appertain as shown on the Plans.

8. OWNERSHIP OF COMMON AREAS AND PERCENTAGE INTEREST. Each Owner shall have an undivided interest in the Common Areas and Limited Areas, as tenant in common with all other Owners, equal to his Condominium Unit's Percentage Interest. The Percentage Interest of each Condominium Unit shall be equal for all purposes and shall be a percentage equal to the number one (1) divided by the total number of Condominium Units which, from time to time, have been submitted and subjected to the Act and this Declaration as herein provided and which constitute a part of the Reserve at Royal Oaks Condominiums. Except as otherwise provided or permitted herein, the Percentage Interest appertaining to each separate Condominium Unit in the Common Areas and Limited Areas shall be of a permanent nature and shall not be altered without the unanimous consent of all the Owners and then only if in compliance with all requirements of the Act.

There shall be one (1) vote per Condominium Unit in all matters with respect to the Reserve at Royal Oaks Condominiums and the Association upon which the Owners are entitled to vote, subject to the terms and conditions set forth in the Bylaws.

9. ENCROACHMENTS AND EASEMENTS FOR COMMON AREAS.

(A) If, by reason of the location, construction, settling or shifting of a Building, any Common Area or Limited Area now encroaches or shall hereafter encroach upon any Condominium Unit, then in such event, an easement shall be deemed to exist and run to the Owners and the Association for the maintenance, use and enjoyment of such Common Area or Limited Area.

(B) Each Owner shall have an easement in common with each other Owner to use all pipes, wires, ducts, cables, conduits, utility lines and other common facilities located in any of the other Condominium Units and serving his Condominium Unit.

10. ASSESSMENTS.

(A) ANNUAL ACCOUNTING. Annually, after the close of each fiscal year of the Association and prior to the date of the annual meeting of the Association next following the end of such fiscal year, the Board shall cause to be prepared and furnish the Owners with a financial statement of operations by the Association, which statement shall show all receipts and expenses received, incurred and paid during the preceding fiscal year.

(B) PROPOSED ANNUAL BUDGET. Annually, on or before the date of the annual or special meeting of the Association at which the budget is to be acted upon, the Board of

Directors shall cause to be prepared a proposed annual budget for the next ensuing fiscal year estimating the total amount of the Common Expenses for such next ensuing fiscal year and shall furnish a copy of such proposed budget to each Owner at or prior to the time the notice of such annual or special meeting is mailed or delivered to such Owners. The annual budget shall be submitted to the Owners at the annual or special meeting of the Association for adoption and, if so adopted, shall be the basis for the Regular Assessments (hereinafter defined) for the next ensuing fiscal year. At such annual or special meeting of the Owners, the budget may be approved in whole or in part or may be amended in whole or in part by a vote of more than fifty percent (50%) of the Percentage Vote represented at such meeting; provided, however, that in no event shall such annual or special meeting of the Owners be adjourned until an annual budget is approved and adopted at such meeting, either the proposed annual budget or the proposed annual budget as amended. The annual budget and the Regular Assessments shall, in addition, be established to include the establishment and maintenance of a replacement reserve fund for capital expenditures and replacement and repair of the Common Areas, which replacement reserve fund shall be used for those purposes and not for usual and ordinary repair expenses of the Common Areas. Such replacement reserve fund for capital expenditures and replacement repair of the Common Areas shall be maintained by the Association in a separate interest bearing account or accounts with one or more banks or savings and loan associations authorized to conduct business in Johnson County, Indiana, selected from time to time by the Board. The failure or delay of the Board of Directors to prepare a proposed annual budget and to furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner of the obligations of the Owners to pay the Common Expenses as herein provided, whenever determined. Whenever, whether before or after the annual or special meeting of the Association at which the budget is to be acted upon, there is no annual budget approved by the Owners as herein provided for the current fiscal year, the Owners shall continue to pay Regular Assessments based upon the last approved budget or, at the option of the Board, based upon one hundred and one hundred ten percent (110%) of such last approved budget, as a temporary budget.

(C) REGULAR ASSESSMENTS.

(1) The annual budget as adopted by the Owners shall, based on the estimated cash requirement for the Common Expenses in the fiscal year covered thereby as set forth in said budget, contain a proposed assessment against each Condominium Unit, which shall be the same amount for each such Condominium Unit, provided, immediately following the adoption of the annual budget, each Owner shall be given notice of the assessment against his respective Condominium Unit(s) (herein called the "Regular Assessment"). In the event the Regular Assessment for a particular fiscal year is initially based upon a temporary budget, each Regular Assessment shall be revised, within fifteen (15) days following adoption of the final annual budget by the Owners, to reflect the assessment against each Condominium Unit based upon such annual budget as finally adopted by the Owners. The aggregate amount of the Regular Assessments shall be equal to the total amount of expenses provided and included in the final annual budget, including reserve funds as hereinabove provided. The Regular Assessment against each Condominium Unit shall be paid in monthly installments, in advance, on the first day of each month of each fiscal year. Payment of the Regular Assessment shall be made to the Board of Directors or the Managing Agent, as directed by the Board of Directors.

(2) In the event the Regular Assessment for a particular fiscal year of the Association was initially based upon a temporary budget:

(a) if the Regular Assessment based upon the final annual budget adopted by the Owners exceeds the amount of the Regular Assessment based upon the temporary budget, that portion of such excess applicable to the period from the first day of the current fiscal year to the date of the next payment of the Regular Assessment which is due shall be paid with such next payment and such next payment, and all payments thereafter during such fiscal year shall be increased so that the Regular Assessment as finally determined shall be paid in full by the remaining payments due in such fiscal year, or

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

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

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

(E) FAILURE OF OWNER TO PAY ASSESSMENTS.

(1) No Owner may exempt himself from paying Regular Assessments and Special Assessments, or from contributing toward the Common Expenses or any other expense lawfully agreed upon, by waiver of the use or enjoyment of the Common Areas or by abandonment of the Condominium Unit belonging to him. Each Owner shall be personally liable for the payment of all Regular and Special Assessments against his Condominium Unit. Where the Owner constitutes or consists of more than one Person, the liability of such Persons shall be joint and several. Regular and special assessments shall constitute a lien against the Condominium Units thereon. If any Owner shall fail, refuse or neglect to make any payment of any Regular Assessments or Special Assessments against his Condominium Unit when due, the lien for such Assessment on the Owner's Condominium Unit may be filed and foreclosed by the Board for and on behalf of the Association as a mechanic's lien on real property and enforced in like manner as mechanic liens.

(2) Upon the failure of an Owner to make timely payments of any such Regular Assessments or Special Assessments, when due, the Board may, in its discretion, accelerate the entire balance of the unpaid Assessments and declare the same immediately due and payable, notwithstanding any other provisions hereof to the contrary. The Board may, at its option, bring a suit to recover a money judgment for any unpaid Regular Assessment or Special Assessment without foreclosing (and without thereby waiving) the lien securing the same. In any action to recover a Regular Assessment or Special Assessment, or any other charges due the Association, whether by foreclosure or otherwise, the Board, for and on behalf of the Association, shall be entitled to recover from the Owner of the respective Condominium Unit all of the costs and expenses of such action incurred (including but not limited to reasonable attorneys' fees and expenses).

(3) Upon the failure of an Owner to pay any installment of Regular Assessment or Special Assessment within ten (10) days after the same is due, the Board may impose a late fee equal to ten percent (10%) of the amount remaining past due. Upon the failure of an Owner to pay any installment of Regular Assessment or Special Assessment within thirty (30) days after the same is due, interest from the date such Regular Assessments or Special Assessments or charges were due, until paid, at a rate equal to the maximum rate allowable under applicable law.

(4) Notwithstanding anything contained in this Section or elsewhere in this Declaration, the Articles or the Bylaws, any sale or transfer of a Condominium Unit to a Mortgagee pursuant to a foreclosure on its mortgage or conveyance in lieu thereof, or a conveyance to any person at a public sale in the manner provided by law with respect to mortgage foreclosures, shall extinguish the lien of any unpaid installment of any Regular Assessment or Special Assessment or other charges as to such installments which became due prior to such sale, transfer or conveyance; provided, however, that the extinguishment of such lien shall not relieve the prior Owner from personal liability therefor. No such sale, transfer or conveyance shall relieve the Condominium Unit or the purchaser at such foreclosure sale, or grantee in the event of conveyance in lieu thereof, from liability for any installments of Regular Assessments or Special Assessments or other charges thereafter becoming due or from the lien

therefor. Such unpaid share of any Regular Assessments or Special Assessments or other charges, the lien for which has been divested as aforesaid, shall, if not collected from the party personally liable therefor, be deemed to be a Common Expense, collectible from all Owners (including the party acquiring the subject Condominium Unit and Dwelling Unit from which it arose).

(5) In addition to the remedies above stated for failure to pay assessments, the Association may disqualify a delinquent Owner from his right to vote and to hold office or committee membership in the Association while Assessment are delinquent in addition to charging the aforementioned late fee and interest and also deny such Member the use of the Common Areas for a period not exceeding sixty (60) days for each separate non-payment.

11. REAL ESTATE TAXES. Real estate taxes are to be separately assessed and taxed to each Condominium Unit as provided in the Act. If for any year real estate taxes are not separately assessed and taxed to each Condominium Unit, but are assessed and taxed on the Property (or the Property and any other portions of the Real Estate) as a whole, then each Owner shall pay his proportionate share of such taxes to the extent attributable to the Property in accordance with his respective Percentage Interest.

12. UTILITIES. Each Owner shall pay for his own utilities, which are separately metered. Utilities, which are not separately metered, shall be treated as and paid as part of the Common Expenses, unless otherwise determined by the Board.

13. ASSOCIATION OF OWNERS.

(A) The maintenance, repair, upkeep, replacement, administration, management and operation of the Reserve at Royal Oaks Condominiums shall be by the Association. Each Owner of a Condominium Unit shall, automatically upon becoming an Owner of a Condominium Unit, be and become a member of the Association and shall remain a member until such time as his ownership ceases, but membership shall terminate when such person ceases to be an Owner, and will be transferred to the new Owner.

(B) The Association shall elect a Board of Directors annually per the Bylaws.

(C) The Board of Directors shall be the governing body of the Association, representing all of the Owners within all phases of the Reserve at Royal Oaks Condominiums in providing for the management, administration, operation, maintenance, repair, replacement and upkeep of the Reserve at Royal Oaks property exclusive of the Condominium Units.

14. MANAGING AGENT.

(A) The Board may employ a managing agent ("Managing Agent") upon such terms as the Board shall find, in its discretion, reasonable and customary. The Managing Agent, if one is employed, shall assist the Board in carrying out its duties, which include, but are not limited to:

(1) procuring of utilities used in connection with the Condominium Units and Common Areas (to the extent the same are not provided and billed directly to Owners by utility companies);

(2) assessment and collection from the Owners of the Owners' respective shares of the Common Expenses;

(3) preparation of the proposed annual budget, a copy of which will be mailed or delivered to each Owner at the same time as the notice of the annual or special meeting at which the same is to be acted upon is mailed or delivered;

(4) preparing and delivering annually to the Owners a full accounting of all receipts and expenses incurred in the prior year; if possible, such accounting shall be delivered to each Owner simultaneously with delivery of the proposed annual budget for the current year;

(5) keeping a current, accurate and detailed record of receipts and expenditures affecting the Common Areas and the business and affairs of the Association, specifying and itemizing the Common Expenses; all records and vouchers shall be available for examination by an Owner at any time during normal business hours by reasonable pre-arrangement;

(6) procuring and maintaining for the benefit of the Association, the Owners, any Managing Agent and the Board the insurance coverages required under this Declaration and such other insurance coverages as the Board, in its sole discretion, may deem necessary or advisable;

(7) paying any other necessary expenses and costs in connection with the Common Areas; and

(8) all duties and obligations imposed upon the Association or the Board under this Declaration, the Articles, the Bylaws, or the Act.

(B) INDEMNIFICATION OF MANAGING AGENT. The Managing Agent shall be indemnified for all non-negligent acts and omissions performed at the direction and authorization of and on behalf of the Association.

15. USE OF COMMON AREAS; MAINTENANCE, REPAIRS AND REPLACEMENTS.

(A) The Board of Directors shall adopt rules and regulations concerning maintenance, repairs, use and enjoyment of the Condominium Units, the Common Areas and the Limited Areas as it deems appropriate, and may amend and modify the same from time to time as it deems advisable, necessary or appropriate.

(B) Each Owner shall, at his expense, be responsible for the maintenance, repairs, decoration and replacement within his own Condominium Unit, as is provided herein or in the Bylaws. Each Owner shall repair any defect occurring in his Condominium Unit, which, if not

repaired, might adversely affect any Condominium Unit, Common Area or Limited Area. Maintenance, repairs, replacements and upkeep of the Common Areas and Limited Areas shall be furnished by the Association as part of the Common Expenses, except as otherwise provided herein or in the Bylaws.

(C) The Board of Directors and the Association's managing agent shall have the right at reasonable times and upon reasonable prior notice (except in cases of emergency in which case no notice shall be required), to enter into each individual Condominium Unit for the purpose of inspection of the Common Areas and Limited Areas appurtenant thereto and replacement, repair and maintenance of such Common Areas and Limited Areas.

16. ALTERATIONS, ADDITIONS AND IMPROVEMENTS.

(A) No Owner shall make any alterations or additions to or which would affect the Common Areas or Limited Areas without the prior written approval of the Board of Directors. With respect to the foregoing, each Owner, by acceptance of a deed to a Condominium Unit, or by acquisition of any interest in a Condominium Unit by any type of juridic acts, inter vivos or causa mortis, or otherwise, shall be deemed to have appointed the Board of Directors as such Owner's agent, attorney-in-fact and proxy, which shall be deemed coupled with an interest and irrevocable, to exercise all of said Owner's right to vote or purported right to vote, and to vote as the Board of Directors determines on all matters concerning alterations or additions which affect the Common Areas or Limited Areas as to which members may be entitled to vote under the Act, this Declaration, the Bylaws or otherwise. This appointment of the Board of Directors as such Owner's agent, attorney-in-fact and proxy shall not be affected by incompetence of the Owner granting the same.

(B) No Owner shall make any alteration in or to his respective Condominium Unit and within the boundaries thereof which would affect the safety or structural integrity of the Building in which the Condominium Unit is located.

17. INSURANCE.

(A) The Owners, through the Association, shall purchase a master casualty insurance policy according fire and extended coverage insurance insuring the Property in an amount consonant with the full replacement value of the improvements which, in whole or in part, comprise the Common Areas. If the Board of Directors can obtain such coverage for reasonable amounts they shall also obtain "all risk" coverage, or its equivalent "special form". The Board of Directors shall be responsible for reviewing at least annually the amount and type of such insurance and shall purchase such additional insurance as is necessary to provide the insurance required above. If deemed advisable by the Board of Directors, the Board of Directors may cause such full replacement value to be determined by a qualified appraiser. The cost of any such appraisal shall be a Common Expense. Such insurance coverage shall be for the benefit of each Owner, and, if applicable, the Mortgagee of each Owner upon the following terms and conditions:

(B) All proceeds payable as a result of casualty losses sustained which are covered by insurance purchased by the Association as set forth above shall be paid to it or to the Board of Directors, who shall act as the insurance trustees and hold such proceeds for the benefit of the insured parties. The sole duty of the Board of Directors acting as such insurance trustees shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Owners and their respective Mortgagees. The proceeds shall be used or disbursed by the Association or Board of Directors, as appropriate, only in accordance with the provisions of this Declaration.

(C) The interest of each damaged Owner in the trust fund of insurance proceeds shall be the ratio of the direct damage of each damaged Owner to the damages of all Owners directly damaged by any event insured under the said master casualty insurance policy.

(D) Such master casualty insurance policy, and "all risk" or "special form" coverage if obtained, shall (to the extent the same are obtainable) contain provisions that the insurer (a) waives its right to subrogation as to any claim against the Association, the Board of Directors, its agents and employees, Owners, their respective agents and guests, and (b) waives any defense based on the invalidity arising from the acts of the insured, and providing further, if the Board of Directors is able to obtain such insurance upon reasonable terms, (i) that the insurer shall not be entitled to contribution against casualty insurance which may be purchased by individual Owners as hereinafter permitted, and (ii) that notwithstanding any provision thereof giving the insurer an election to restore damage in lieu of a cash settlement, such option shall not be exercisable in the event the Owners do not elect to restore pursuant to Section 18 of this Declaration.

(E) The Owners, through the Association, shall also purchase a master comprehensive general (public) liability insurance policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time. Such comprehensive public liability insurance policy shall cover the Association, the Board of Directors, any committee or organ of the Association or Board of Directors, any managing agent appointed or employed by the Association, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Reserve at Royal Oaks Condominiums, all Owners of Condominium Units and all other persons entitled to occupy any Condominium Unit or other portions of the Reserve at Royal Oaks Condominiums.

(F) The Owners, through the Association, shall also obtain any other insurance required by law to be maintained, including but not limited to workers compensation insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate, including but not limited to, liability insurance on vehicles owned by the Association and directors and officers liability policies, if any. Such insurance coverage shall also provide for and cover cross liability claims of one insured party against another insured party, if obtainable. Such insurance shall inure to the benefit of each Owner, the Association, the Board of Directors and any managing agent acting on behalf of the Association. Each Owner shall be deemed to have delegated to the Board of Directors his right to adjust with the insurance companies all losses under policies purchased by the Board of Directors.

(G) The premiums for all such insurance described above shall be paid by the Association as part of the Common Expenses and shall be assessed to each Unit Owner pro-rata based on the full replacement value of the respective units. When any such policy of insurance described above has been obtained by or on behalf of the Association, written notice of the obtainment thereof and of any subsequent changes therein or termination thereof shall be promptly furnished to each Owner or Mortgagee whose interest may be affected thereby.

(H) In no event shall any distribution of proceeds be made by the Board of Directors directly to an Owner where there is a mortgagee endorsement on the certificate of insurance. In such event any remittance shall be to the Owner and his Mortgagee jointly.

(I) Each Owner must carry insurance for his or her own benefit insuring his or her personal liability (including all acts or omissions by which one Owner damages the property or well-being of another Owner), and his or her drywall and plaster, carpeting, floor coverings, wall covering, furniture, furnishings, decorating, and other personal property, and fixtures and betterments and improvements or other property supplied or installed by him or a previous Owner or tenant. Each Owner's policy (often referred to as an HO-6 policy) must also include coverage for, but not be limited to, appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security, and housekeeping, even if any of said appliances are "built in". All coverage should be on a replacement cost basis and provide full insurable replacement cost coverage. The Association must be listed on each Owner's policy as an Additional Insured, as their interests may appear. All owners' individual policies must contain waivers of subordination (such that the Association's policy is primary) and subrogation and further provided that the liability of the carriers issuing insurance obtained by the Association shall not be affected or diminished by reason of any such additional insurance carried by any Owner. If an Owner does not purchase or produce evidence of insurance as required by the Board, the Association may purchase the insurance coverage and charge the premium costs back to such Owner and the Condominium Unit as a special assessment. In no event shall the Association, its Board of Directors, officers, or agents be liable to any person either with regard to the decision not to purchase the insurance, or with regard to the timing of its purchase of the insurance or the amounts or types of coverages obtained. The Board of Directors shall have the power to adopt rules and regulations to further clarify this Section.

18. CASUALTY AND RESTORATION.

(A) Except as hereinafter provided, damage to or destruction of any Building due to fire or any other casualty or disaster shall be promptly repaired and reconstructed by the Association and the proceeds of insurance, if any, shall be applied for that purpose; provided, however, that repair and reconstruction shall not be compulsory in the event of "complete destruction of all of the Buildings" (hereinafter defined) and shall only be done in accordance with the provisions hereinafter set forth. As used herein, the term "complete destruction of all of the Buildings" means a determination, made by a vote of the Board at a special meeting of the Board called for the purpose of *making such determination*, that total destruction of all of the Buildings has occurred. A special meeting of the Board shall be called and held within ninety (90) days after any fire or any other casualty or disaster damaging or destroying any of the Buildings for the purpose of making the determination of whether or not there has been a

complete destruction of all of the Buildings. If such a special meeting is not called and held within such ninety (90) day period, then it shall be conclusively presumed that the Board determined that there was not a complete destruction of all of the Buildings, and the Association shall proceed with repair and reconstruction as herein provided.

(B) If the insurance proceeds, if any, received by the Association as a result of any such fire or any other casualty or disaster are not adequate to cover the cost of repair and reconstruction, or in the event there are no insurance proceeds, and if the Property is not to be removed from the Horizontal Property Regime, the cost of restoring the damage and repairing and reconstructing the Building or Buildings so damaged or destroyed (or the costs thereof in excess of insurance proceeds received, if any) shall be paid by all of the Owners of Condominium Units in proportion to the ratio that the full replacement value of each Condominium Unit bears to the total full replacement value of all Condominium Units. Any such amounts payable by the Owners shall be assessed as part of the Common Expenses and shall constitute a lien from the time of assessment as provided herein and in the Act.

(C) For purposes of subsections (A) and (B) above, repair, reconstruction and restoration shall mean construction or rebuilding of the Condominium Units to as near as possible the same condition as they existed prior to the damage or destruction and with the same type of architecture.

(D) If, under subsection (A) above, it is determined by the Board at a special meeting referred to therein that there has been a complete destruction of all of the Buildings, the Board shall call a special meeting of the Members within thirty (30) days to vote to determine whether or not such complete destruction of the Buildings shall be repaired and reconstructed. The Buildings shall only be reconstructed or repaired if it is the determination of the Owners holding at least two-thirds (2/3) of Percentage Vote that the Buildings are to be rebuilt, reconstructed and repaired, in which event the insurance proceeds, if any, received by the Association shall be applied and any excess of construction costs over insurance proceeds, if any, received by the Association shall be contributed and paid as hereinabove provided in subsections (A) and (B).

(E) In any case of the complete destruction of all of the Buildings, as determined by the Board as provided herein, if the Owners holding at least two-thirds (2/3) of the Percentage Vote fail to vote in favor of the rebuilding, reconstruction and repair of the Buildings, the Buildings shall not be rebuilt, reconstructed or repaired and, in such event, the Property shall be deemed and considered as to be removed from the provisions of the Act, and, in accordance with the Act:

(1) the Property shall be deemed to be owned in common by the Condominium Unit Owners;

(2) the undivided interest in the Property owned in common which shall appertain to each Condominium Unit Owner shall be the percentage of undivided interest previously owned by such owner of the Common Areas;

(3) any liens affecting any of the Condominium Units shall be deemed to be transferred in accordance with the existing priorities to the percentage of the undivided interest of the Condominium Unit Owner in the Property;

(4) the insurance proceeds on the buildings containing Condominium Units shall be divided among the Owners according to the fair market value of all Condominium Units immediately before the casualty as compared with all other Condominium Units; and

(5) the Property shall be subject to an action for partition at the suit of any Condominium Unit Owner, in which event the net proceeds of sale, together with the remaining net proceeds of the insurance on the Property, if any, shall be considered as one (1) fund and shall be divided among all the Condominium Unit Owners in a percentage equal to the percentage of undivided interest owned by each Owner in the Property, after first paying out of the respective shares of the Condominium Unit Owners, to the extent sufficient for the purpose, all liens on the undivided interest in the Property owned by each Condominium Unit Owner.

(F) Immediately after a fire or other casualty or disaster causing damage to any property for which the Board of Directors or Association has the responsibility of maintenance and repair, the Board of Directors shall obtain reliable and detailed estimates of the cost to place the damaged property in condition as good as that before the casualty. Such costs may include professional fees and premiums for such bonds as the Board of Directors desires.

(G) The proceeds of insurance collected on account of any such casualty, and the sums received by the Board of Directors from collections of assessments against Owners on account of such casualty, shall constitute a construction fund which shall be disbursed, if the Building or Buildings are to be reconstructed and repaired, in the following manner:

(1) If the amount of the estimated cost of reconstruction and repair is less than Two Hundred Thousand Dollars (\$200,000.00), then the construction fund shall be disbursed in payment of such costs upon order of the Board of Directors; provided, however, that upon request of a Mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereinafter provided in the following subsection (2).

(2) If the estimated cost of reconstruction and repair of the Building or other improvement is more than Two Hundred Thousand Dollars (\$200,000.00), then the construction fund shall be disbursed in payment of such costs upon approval of an architect or structural engineer licensed and qualified to practice in Indiana and employed by the Board of Directors to supervise such work, payment to be made from time to time as the work progresses. The architect or engineer shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the architect, or other persons who have rendered services or furnished materials in connection with the work, (1) that the sums requested by them in payment are justly due and owing and that said sums do not exceed the value of the services and materials furnished; (2) that there is no other outstanding indebtedness known to the said architect for the services and materials described; and (3) that the costs as estimated by said architect or engineer for the work remaining to be done

subsequent to the date of such certificate, does not exceed the amount of the construction fund remaining after payment of the sum so requested.

(3) Encroachments upon or in favor of Condominium Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis of a proceeding or action by the Owner upon whose property such encroachment exists, provided that such reconstruction or repair shall not constitute a claim or basis of a proceeding or action by the Owner upon whose property such encroachment exists, provided that such reconstruction was either substantially in accordance with the plans and specifications or as the Buildings were originally constructed. Such encroachments shall be allowed to continue in existence for so long as the Buildings stand.

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

19. USE; COVENANTS AND RESTRICTIONS; VIOLATION.

(A) The use of the Condominium Units shall be limited to residential use in conformity with all laws, including without limitation, land use and zoning restrictions and commitments, building codes, fire codes and criminal codes. No business, trade, occupation or profession of any kind shall be conducted, maintained or permitted on any part of the Reserve at Royal Oaks Condominiums; provided, however, that no Owner or resident of a Condominium Unit shall be precluded with respect to his Condominium Unit from maintaining an office or home business if: (i) such office or business generates no significant number of visits or violates the parking restrictions set forth herein or otherwise in the rules and regulations; (ii) no equipment or other item related to the business is stored, parked or otherwise kept outside the Condominium Unit; (iii) there are no employees or independent contractors within the Condominium Unit other than residents of the Condominium Unit; and (iv) the Owner or resident complies with all local, State and Federal laws, rules and regulations with respect to such business, including without limitation obtaining any necessary government or other permits or approvals are obtained prior to commencing business, and with all covenants, restrictions, rules and regulations set forth herein, in the Act, the Articles or the Bylaws.

(B) It is expressly understood and agreed that any attic located above a Condominium Unit shall be Common Area and may not be used by the Owner or resident of a Condominium Unit for any purpose whatsoever.

(C) Each garage that is part of a Condominium Unit shall be used only for parking of motor vehicles and for no other purpose, other than miscellaneous storage. No person shall be permitted to live or sleep in any garage, no business shall be conducted therein, no finished

living area shall be created therein. Garage doors are to remain closed when not in use, and, to the extent possible, motor vehicles of the Owner or resident of the Condominium Unit shall be stored therein when not in use.

(D) No driveway may be used for the outside storage of any property including without limitation recreational vehicles, boats, water-recreational property, building materials, household goods and appliances; provided, however, that the Owner or resident of a Condominium Unit may park his regular transportation vehicle on his driveway if it does not exceed 4,000 pounds gross vehicle weight (unloaded). Guests shall be permitted to use the driveway for parking of an automobile, truck or van having a gross vehicle weight of no more than 4,000 pounds, but for no more than seven (7) consecutive days. A waiver of this provision may be requested from the Board upon at least five (5) days prior written notice, and the Board shall have the sole and exclusive authority to approve or deny the request, in its sole and absolute discretion, for any or no reason whatsoever. The Board shall have the authority to remove any property stored on a driveway following twenty-four (24) hours' notice to the Owner, and such Owner or the occupant of the Condominium Unit shall be deemed to have waived any and all personal or property damage that may occur due to the breach of this restriction and the removal of their property by the Association. The Association shall also be entitled to any and all costs and expenses associated with such removal or enforcement of this provision, including without limitation attorneys' fees and expenses, court costs and costs of collection.

(E) No "For Sale", "For Rent" or any other sign or any kind or nature, whether for solicitation, advertising, window display or otherwise, shall be maintained or permitted on the Reserve at Royal Oaks Condominiums without the prior written approval of the Board, which may be withheld or delayed in the Board's sole and absolute discretion for any or no reason whatsoever.

(F) PETS.

(1) "Domestic Pets" shall include dogs, cats, caged domesticated birds, hamsters, gerbils, and guinea pigs, aquarium fish, small snapping turtles and tortoises, domesticated rats, and mice, and creatures normally maintained in a terrarium or aquarium, but shall **not** include those animals not generally maintained as pets, including without limitation any reptiles, arthropods, felines other than domesticated cats, canines other than domesticated dogs, rodents, mammals, birds, and any other creatures other than those listed above or not maintained in a terrarium or aquarium. A maximum of two (2) Domestic Pets are permitted per Condominium Unit, subject to the guidelines in this Section 19(F) and any other rule or regulation promulgated by the Board from time to time. No pets other than Domestic Pets are permitted. Any Owner or occupant of a Condominium Unit is referred to in this Section as a "Pet Owner".

(2) Any Pet Owner that has any Pet residing in the Condominium Unit prior to December 17, 2014, shall be exempt from the provision of Section 19(F)(1) above solely concerning the number of Pets allowed within the Condominium Unit, as well as the provisions of Section 19(F)(8) below concerning breed and weight; *provided, however*, that every other guideline, rule and regulation set forth herein shall apply to any such Pets and Pet Owners. The

exemption provided in this Section 19(F)(2) shall apply to an Owner as long as such Owner uses the Condominium Unit as such Owner's primary residence, and shall apply to any tenant of an Owner only for so long as their current lease term is in effect, and shall not apply to any renewal, extension or holding over of any lease term.

(3) Pet Owners are responsible for the immediate removal and proper disposal of animal waste on all portions of the property. All animal waste, including cat litter, is to be securely tied in a plastic bag before being deposited in a waste receptacle.

(4) Pets shall not be permitted in the Common Areas unless they are leashed. Pets must be kept under control of the Pet Owners at all times. No leash may exceed six (6) feet in length. No pet may be leashed to any stationary object on the Common Areas.

(5) Pet Owners are solely responsible for any property damage, injury or disturbances their pet may cause or inflict.

(6) Commercial breeding of pets within any Condominium Unit is prohibited.

(7) All pets must have and display, as appropriate, evidence of all required inoculations and have proper identification and tags. All dogs and cats must be registered with the Managing Agent, including providing all requested veterinary records proving inoculations, weight and breed.

(8) No dog of any breed deemed to be vicious or dangerous by the Board nor any Pet weighing more than thirty (30) pounds at any time shall be allowed in any Condominium Unit.

(9) Every female dog, while in heat, shall be kept confined in the Condominium Unit by the Pet Owner in such a manner that she will not be in contact with another dog nor create a nuisance by attracting other animals.

(10) Dogs and cats shall not be left unattended outside the Condominium Unit, including Limited Areas, balconies and patios.

(11) No Owner, tenant, or guest shall inflict or cause cruelty in connection with any pet. Owners, tenants and guests shall not feed pets other than their own, unless permission has been obtained from the Pet Owner.

(12) Any pet causing or creating a nuisance or unreasonable disturbance, as determined by the Board, in its sole discretion, shall be permanently removed from a Condominium Unit upon three (3) days written notice from the Board to the Owner. A "nuisance or unreasonable disturbance" shall include, without limitation: (a) unattended pets outside a Condominium Unit; (b) the Pet's damaging, soiling, defecating on or defiling of the Common Area or any private property (other than that of such Pet Owner); (c) the Pet's causing unsanitary, dangerous, or offensive conditions; (d) the Pets making or causing noises of sufficient volume to interfere with other residents' rest or peaceful enjoyment; (e) causing or

allowing any pet to molest, attack, or otherwise interfere with the freedom of movement of persons on the Common Areas, to chase vehicles, to attack other pets, or to create a disturbance in any other way; (f) failing to confine any female animal in heat to prevent the attraction of other animals; and (g) using a vehicle as a kennel or cage.

(13) The Board's determination as to any matter under this Section shall be final and absolute.

(G) ANTENNAE. Except as expressly allowed by applicable Federal, state or local law, rule or regulation, no mast, satellite disk, antennae or other structure for transmitting or receiving data, messages or programs by internet, radio or television (collectively "Antennae") shall be erected, permitted or maintained on any part of the Reserve at Royal Oaks Condominiums without the prior written consent of the Board, which may be withheld or delayed at the sole and absolute discretion of the Board for any or no reason whatsoever. In the event law or regulation permit any Antennae to be constructed in opposition to this Section: (a) in no event shall said Antenna be more than one meter in diameter at its widest part; (b) if an acceptable signal may be obtained by placing the Antennae indoors, then such Antennae must be placed indoors; (c) in no event shall the Antennae be placed on any Common Area or any other area that causes a safety concern for any Owner, resident, invitee, licensee or other person; and (d) if installed in a Limited Area, such Antennae shall not be affixed to any part of a Limited Area by drilling holes in any surface thereon and shall be installed in such a way only to cause ordinary wear and tear to the Limited Area, such as minor scratches or marks. Any damage to person or property caused by an Owner or resident in connection with the installation of an Antenna shall be the sole responsibility of the Owner of the Condominium Unit, who shall indemnify and hold the Association harmless in connection with any and all such damages, including without limitation attorneys' fees and expenses associated with the enforcement of this provision.

(H) STRUCTURES. Other than as expressly provided herein, no structure of any kind, nature or character, including without limitation a trailer, recreational vehicle, mobile home, tent, solarium, greenhouse, shack, shed or other outbuilding shall be used, stored or maintained anywhere in or on the Reserve at Royal Oaks Condominiums either temporarily or permanently without the prior written consent of the Board, which may be withheld or delayed at the sole and absolute discretion of the Board for any or no reason whatsoever.

(I) PARKING. Owners and residents of Condominium Units shall use the driveway appurtenant to their Condominium Unit for parking vehicles allowed hereunder. Common parking spaces located within the Reserve at Royal Oaks Condominiums shall be used on a first-come, first-serve basis, and shall have a forty-eight (48) hour limitation for each vehicle parking therein. Parking shall be subject to any and all rules and regulations imposed by the Board from time to time. Any vehicle in violation of any parking restriction hereunder or under any rule or regulation imposed by the Board from time to time shall be subject to towing and storage, at the sole expense of the Owner of the Condominium Unit, after twenty-four (24) hour written notice.

(J) LEASING. Any lease of a Condominium Unit shall be in writing and have a term of at least one (1) year. Only a lease of the entire Condominium Unit shall be allowed, and no

subleasing shall be permitted. In the event an Owner is in default hereunder, including without limitation with respect to payment of Assessments or any other sums due hereunder, such Owner shall not lease his Condominium Unit without the prior written consent of the Board, which may be withheld or delayed at the sole and absolute discretion of the Board for any or no reason whatsoever. All leases executed with respect to a Condominium Unit shall contain express language: (1) subjecting and subordinating the lease in all respects to this Declaration, the Articles, the Bylaws and any rules and regulations promulgated by the Board from time to time (copies of all of which shall be supplied to any tenant by the given Owner), in the same manner as if the tenant were an Owner and Member; and (2) providing for direct action by the Association and/or any Owner against the tenant with or without joinder of the Owner of the leased Condominium Unit; and shall have attached to said lease an addendum concerning the ability of the Board to terminate the lease in the event of certain activities concerning law enforcement and nuisances. No lease shall relieve any Owner of any responsibility, obligation or duty hereunder, under the Bylaws or otherwise with respect to the Condominium Unit. The Association, through the Board, shall be provided with a copy of the lease to be signed by a prospective tenant to ensure compliance with this Section at least fifteen (15) days prior to the effective date of the lease. If the Board does not approve or disapprove the lease within said time, then the lease shall be deemed to be approved, and the Condominium Unit may be rented upon such terms and conditions. If the Board disapproves the lease, then the Owner shall not lease the Condominium Unit until approval is obtained. Any attempt to lease a Condominium Unit in contravention of this Section shall be null, void and of no effect.

(K) The covenants and restrictions set forth herein are for the mutual benefit and protection of the present and future Owners and shall run with the land and inure to the benefit of and be enforceable by any Owner or by the Association. Present or future Owners or the Association shall be entitled to injunctive relief against any violation or attempted violation of these provisions and shall be entitled to damages for any injuries resulting from any violations thereof, but there shall be no right of reversion or forfeiture of title resulting from such violation.

(L) It shall be lawful for the Association or any Owner to prosecute any proceedings at law or in equity against the Person or Persons violating, or attempting to violate any covenant, conditions, provisions or restrictions contained herein either to prevent such person or persons from doing so, or to recover damages or other dues for such violation, or to require the removal of structures erected in violation hereof. All costs of litigation and attorneys' fees resulting from violation of these covenants and restrictions shall be the financial responsibility of the Owner(s) found to be in violation. Invalidity of any one of these covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect. Failure to enforce any specific requirement of the covenant shall not be considered as a waiver of the right to enforce any covenant herein, thereafter. Notwithstanding the foregoing, any violation of these covenants or the Declaration may be waived by the Owners holding more than fifty percent (50%) of the Percentage Vote.

(M) The Association may, with respect to an Owner who violates these restrictions and/or rules and regulations, after written notice to the Owner detailing the nature of the violation with a time period established by the Association to cure or conform, disqualify the voting rights and right to hold office while the violation continues and may further in the Board's

sole discretion, impose a fine, in whole or in part, with each day after the cure period being a separate violation at a chargeable rate of up to one hundred dollars (\$100.00) per violation per day. This fine and any and all other damages, dues, costs, litigation and attorneys' fees, and other money the Association is entitled to recover from an Owner hereunder, if not paid when required, may be collected in the same manner as assessments are collectable under Section 10.

20. AMENDMENT OF DECLARATION. Except as otherwise provided in this Declaration, amendments to this Declaration shall be proposed and adopted in the following manner:

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

(B) RESOLUTION. A resolution to adopt a proposed amendment may be proposed by the Board of Directors, or Owners having in the aggregate more than fifty percent (50%) of the Percentage Vote.

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

(D) ADOPTION. Any proposed amendment to this Declaration must be approved by a vote of more than fifty percent (50%) of the total Percentage Vote. If any Condominium Unit is subject to a first mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the same manner as an Owner if, but only if, the Mortgagee has given prior notice of its mortgage interest to the Board of Directors in accordance with the provisions of the By-Laws.

(E) SPECIAL AMENDMENTS. No amendment to this Declaration shall be adopted that changes (1) the Percentage Interest with respect to any Condominium Unit or the applicable share of an Owner's liability for the Common Expenses, without the approval of one hundred percent (100%) of the Owners, except for changes pursuant to the provisions of Section 18 of this Declaration with respect to reconstruction or repair in the event of fire or any other casualty or disaster, without the unanimous approval of all Mortgagees whose mortgage interests have been made known to the Board of Directors in accordance with the provisions of the Bylaws.

(F) RECORDING. Each amendment to the Declaration shall be executed by the President and Secretary of the Association and shall be recorded in the office of the Recorder of Johnson County, Indiana, and such amendment shall not become effective until so recorded.

21. ACCEPTANCE AND RATIFICATION. All present and future Owners, Mortgagees, tenants and occupants of the Condominium Units shall be subject to and shall comply with the provisions of this Declaration, the Act, the Bylaws, and the rules and regulations as adopted by the Board of Directors as each may be amended or supplemented from time to time. The acceptance of a deed of conveyance or the act of occupancy of any Condominium Unit shall constitute an agreement that the provisions of this Declaration, the Act, the Bylaws and rules and regulations as each may be amended or supplemented from time to time are accepted and ratified

by such Owner, tenant or occupant, and all such provisions shall be covenants running with the land and shall bind any person having at any time any interest or estate in a Condominium Unit or the Property as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. All persons, corporations, partnerships, trusts, associations, or other legal entities who may occupy, use, enjoy or control a Condominium Unit or Condominium Units or any part of the Property in any manner shall be subject to the Declaration, the Act, the Bylaws, and the rules and regulations applicable thereto as each may be amended or supplemented from time to time.

22. NEGLIGENCE. Each Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents, invitees, licensees or lessees, to the extent that such expense is not covered by the proceeds of insurance carried by the Association. An Owner shall pay the amount of any increase in insurance premiums occasioned by his use, misuse, occupancy or abandonment of his Condominium Unit or its appurtenances or of the Common Areas or Limited Areas. Upon demand by the Board, the cost of such repairs shall be immediately due and payable, and if not paid, a lien in like manner to the lien under assessments may attach to the Owner's property, and costs of collection and reasonable attorney fees shall be added to any judgment entered on behalf of the Association.

23. GRANTING OF EASEMENTS.

(A) The Board hereby reserves the right to grant and convey easements to utility and cable companies and providers, but by no means limited to, the City of Greenwood, Indiana, with respect to sanitary sewers, all as may be reasonably required (but excluding transportation companies), upon such terms and conditions and for such consideration as the Board may deem appropriate.

(B) The Owners and Association shall have, and hereby reserve, an easement over, across, upon, along, in, through and under the Common Areas and, to the extent necessary, the Limited Areas, for the purposes of installing, maintaining and repairing, replacing, relocating and otherwise servicing utility equipment, facilities and installations to serve the Real Estate, to provide access to and ingress and egress to and from the Reserve at Royal Oaks Property, to make improvements to and within the Reserve at Royal Oaks Property. The foregoing easement shall be a transferable easement and the Board may at any time and from time to time grant similar easements, rights or privileges to other persons and parties for the same purposes. By way of example, but not in limitation of the generality of the foregoing, the Board, and others to whom the Board may grant such similar easements, rights or privileges, may so use the Common Areas and, to the extent necessary, the Limited Area to supply utility services to the Reserve at Royal Oaks Property and to permit public and quasi-public vehicles, and privately owned delivery vehicles, and their personnel to enter upon and use the streets, the Common Areas and, to the extent necessary, the Limited Area, in the performance of their duties.

24. COSTS AND ATTORNEY'S FEES. In any proceeding arising because of failure of an Owner to make any payments required by this Declaration, the Bylaws or the Act, or to comply with any provision of the Declaration, the Act, the Bylaws, or the rules and regulations adopted

pursuant thereto as each may be amended from time to time, the Association shall be entitled to recover its costs and reasonable attorney's fees, court costs and costs of collection incurred in connection with such default or failure.

25. NOTICES. Any notice provided in this Declaration must be in writing and must be either personally delivered, mailed by first class certified mail (postage prepaid and return receipt requested) or sent by reputable overnight courier service (charges prepaid) to each party hereto at the addresses last on record with the Association, or if none, to the address of the Condominium Unit associated with an Owner or resident. Any notice under this Declaration will be deemed to have been given when so delivered or sent or, if mailed, three (3) days after deposit in the U.S. mail.

26. GOVERNING LAW AND VENUE. This Declaration shall be governed by and construed exclusively in accordance with the laws of the State of Indiana. The parties hereto: (a) irrevocably consent to the exclusive jurisdiction and venue of the courts of the State of Indiana, Johnson County, and the United States District Court for the Southern District of the State of Indiana; and (b) irrevocably waive any and all objections to such consents.

27. NO THIRD-PARTY BENEFIT. Nothing herein expressed or implied is intended to confer on any person other than the parties hereto or their respective successors, assigns, and legal representatives, any rights, remedies, obligations or liabilities under or by reason of this Declaration.

28. WAIVER. No Owner may exempt himself from liability for his contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Areas or Limited Areas or by abandonment of his Condominium Unit.

29. SEVERABILITY CLAUSE. The invalidity of any covenant, restriction, condition, limitation or other provision of this Declaration or the Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration or the Bylaws.

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

31. SUCCESSORS AND ASSIGNS. This Declaration shall inure to the benefit of and bind the parties hereto and their respective successors, assigns, heirs, executors and administrators.

32. INCORPORATION. All recitals herein and exhibits, schedules and related agreements attached hereto are incorporated herein by this reference and expressly made a part of this Agreement.

The undersigned persons hereby represent and certify that all requirements for and conditions precedent for the effectiveness of this Amended and Restated Declaration have been fulfilled and satisfied.

Executed this 19th day of December, 2014.

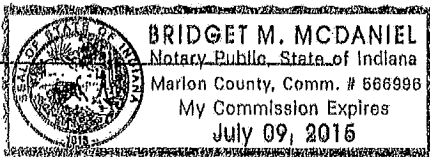
Reserve at Royal Oaks HOA Corp.

By: Talene R Shuck
Printed: Talene R Shuck
Title: President

STATE OF INDIANA)
) SS:
COUNTY OF JOHNSON)

Before me, a Notary Public in and for said County and State, personally appeared Talene R. Shuck, as President of Reserve at Royal Oaks HOA Corp., who acknowledged the execution of the above and foregoing instrument for and on behalf of said corporation.

WITNESS my hand and Notarial Seal this 19th day of December, 2014.
My Commission Expires:



Bridget M. McDaniel
Printed _____, Notary Public
Resident of _____ County, Indiana

"I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security Number in this document, unless required by law." Bridget M. McDaniel #28676-41

This instrument prepared by, and should be returned to: Bridget M. McDaniel, Attorney at Law, WILLIAMS BARRETT & WILKOWSKI, LLP, P.O. Box 405, Greenwood, Indiana 46142-0405.