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BOOK

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DECLARATIONS OF COVENANTS, CONDITIONS
AND RESTRICTIONS OF THE
WHITE LICK COMMUNITY

6988

Barbara J. W. ...
OF HENDRICKS COUNTY RECORDER

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This Declaration is made this 15th day of November, 1989, by
White Lick Development Corporation (hereinafter, collectively,
"Declarant"),

W I T N E S S E T H :

WHEREAS, Declarant is the owner of certain real estate in
Hendricks County, State of Indiana, more particularly described
in Exhibit "A" attached hereto and by this reference made a part
hereof ("Real Estate").

WHEREAS, Declarant desires and intends to create on the Real
Estate a residential community with facilities, open spaces,
walls, fences and other common facilities and amenities for the
benefit of such residential community, to be known as the White
Lick Community; and

WHEREAS, Declarant desires to provide for the preservation
and enhancement of the values and amenities in such community and
the common facilities therein contained, and, to this end,
Declarant desires to subject the Real Estate to certain rights,
privileges, covenants, conditions, restrictions, easements,
assessments, charges and liens, each and all to the extent herein
provided, for the benefit of the Real Estate and each owner of
all or part thereof; and

WHEREAS, Declarant deems it desirable, for the efficient
preservation of the values and amenities in said community, to

create an agency to which shall be delegated and assigned the powers of owning, maintaining and administering any common facilities located on the Real Estate, administering and enforcing the covenants and restrictions contained in this Declaration, collecting and disbursing the assessments and charges imposed and created hereby and hereunder, and promoting the health, safety and welfare of the owners of the Real Estate, and all parts thereof; and

WHEREAS, Declarant has caused to be incorporated under the laws of the State of Indiana a not-for-profit corporation under the name of White Lick Owners Association, Inc., or a similar name, as such agency for the purpose of exercising such functions;

NOW, THEREFORE, Declarant hereby declares that the Real Estate is and shall be held, transferred, sold, conveyed, hypothecated, encumbered, leased, rented, used, improved and occupied subject to the provisions, agreements, conditions, covenants, restrictions, easements, assessments, charges and liens hereinafter set forth, all of which are declared to be in furtherance of a plan for preservation and enhancement of the Real Estate, and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of the Real Estate as a whole and of each of the Lots situated therein.

ARTICLE I

Definitions

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Section 1. The following words and terms, when used herein or in any supplement or amendment hereto, unless the context clearly requires otherwise, shall have the following meanings:

- (a) "Act" shall mean and refer to the Indiana Not-For-Profit Corporation Act currently in force;
- (b) "Applicable Date" shall mean and refer to the date determined pursuant to Article IV, Section 2(b) of this Declaration;
- (c) "Architectural Review Board" shall mean and refer to that committee or entity established pursuant to Article VIII, Section 1 of this Declaration for the purposes herein stated;
- (d) "Articles" shall mean and refer to the Articles of Incorporation of the Corporation, as the same may be amended from time to time;
- (e) "Board" or "Board of Directors" shall mean and refer to the governing body of the Corporation elected, selected or appointed as provided for in the Articles, By-Laws and the Declaration;
- (f) "Building" shall mean and refer to the structure consisting of the "Dwelling Units";
- (g) "By-laws" shall mean and refer to the Code of By-Laws of the Corporation, as the same may be amended from time to time;
- (h) "Common Expenses" shall mean and refer to expenses of administration of the Corporation, and expenses for the upkeep, maintenance, repair and replacement of the Common Properties, all sums lawfully assessed against the Owners by the Corporation, and all sums, costs and expenses declared by this Declaration to be Common Expenses;
- (i) "Common Properties" shall mean and refer to (i) all portions of the Real Estate shown on any recorded subdivision plat of the Real Estate which are not Lots, if any, (ii) to the extent herein established, such

portions of the Real Estate as are herein declared to be Common Properties even though located on or constituting part of one or more Lots, including but not limited to recreational easements, (iii) to the extent herein established, such improvements located, installed or established in, to, on, under, across, or through the Real Estate as are herein declared to be Common Properties whether located, installed or established entirely or partially on Lots or portions of the Real Estate which are not Lots, or both; and (iv) items deemed Common Properties for purposes of maintenance;

- (j) "Corporation" shall mean and refer to White Lick Owners Association, Inc., an Indiana not-for-profit corporation which Declarant has caused to incorporate under such name or a similiar name, its successors and assigns;
- (k) "Declarant" shall mean and refer to White Lick Development Corporation and any successors or assigns whom they designate in one or more written recorded instruments to have the rights of Declarant hereunder, including, but not limited to, any mortgagee acquiring title to any portion of the Real Estate pursuant to the exercise of rights under, or foreclosure of, mortgage executed by Declarant;
- (l) "Dwelling Unit" shall mean and refer to any building, structure or portion thereof situated on the Real Estate designed and intended for use and occupancy as a residence by one (1) single family, whether such dwelling is detached or attached to another Dwelling Unit;
- (m) "Lot" shall mean and refer to any and each portion of the Real Estate (excluding any part of the Common Properties) designed and intended for use as a building site for, or developed and improved for use as a single Dwelling Unit, as designed by Declarant by its deed of the same to another person.
- (n) "Mortgagee" shall mean and refer to the holder of a recorded first mortgage lien on a Lot or Dwelling Unit;
- (o) "Owner" shall mean and refer to the record owner, whether one or more persons of the fee simple title to any Lot, but in any event shall not include or mean to refer to a mortgagee or tenant unless and until such mortgagee or tenant has acquired title to any Lot but upon so acquiring title to any Lot a mortgagee or t e n a n t s h a l l b e O w n e r ;
- (p) "Person" shall mean and refer to an individual, firm, corporation, partnership, association, trust, or other legal entity, or combination thereof;

(q) "plat" shall mean and refer to the subdivision plat or plats of the Real Estate (and any additional real estate annexed to the Real Estate) recorded in the Office of the Recorder of Hendricks County, Indiana, as the same may be hereafter amended or supplemented;

(r) "Real Estate" shall mean and refer to the parcel of real estate in Hendricks County, Indiana, described in the first recital clause of this Declaration, and defined therein as the Real Estate or to any parcel of real estate which may become subject to this Declaration by annexation;

(s) "Restrictions" shall mean and refer to the agreements, covenants, conditions, restrictions, easements, assessments, charges, liens and all other provision set forth in this Declaration, as the same may be amended from time to time;

(t) "Townhome" shall mean and refer to Dwelling Units which are a part of the Building.

Section 2. Other terms and words defined elsewhere in this Declaration shall have the meanings herein attributed to them.

ARTICLE II

Declaration: Common Properties and Rights Therein. Easements

Section 1. Declaration. Declarant hereby expressly declares that the Real Estate shall be held, transferred, and occupied subject to the Restrictions. Subsequent owners or contract purchasers of any Lot (i) by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Declarant or a subsequent Owner of such Lot, or (ii) by the act of occupancy of any Lot, shall accept such deed or execute such contract subject to each Restriction and agreement herein contained. By acceptance of

such deed or execution of such contract, each Owner or contract purchaser acknowledges the rights and powers of Declarant and of the Corporation with respect to these Restrictions, and also for itself, its heirs, personal representatives, successors and assigns, covenants, agrees and consents to and with Declarant, the Corporation, and the Owners and subsequent Owner of each of the Lots affected by these Restrictions to keep, observe, comply with and perform such Restrictions and agreement.

Section 2. Easement to Owner. Declarant hereby grants a non-exclusive easement in favor of each Owner for the use, enjoyment and benefit of the Common Properties, subject to all of the Restrictions of this Declaration, and such easement shall be an easement running with and appurtenant to each Lot.

Section 3. Easement to Corporation. Declarant hereby grants a non-exclusive easement in favor of the Corporation for the maintenance of the Common Properties (including items deemed Common Properties for maintenance, including but not limited to Townhome lawns). Such easement shall permit the Corporation or its agents to enter onto any Lot to make emergency repairs or to do other work reasonably necessary for the property maintenance or operation of the development and to enter onto any Lot for the purpose of reconstruction and restoration in the event of casualty. Maintenance shall include but not be limited to maintenance of utilities which serve more than one Dwelling Unit and utilities owned and utilized by the Corporation, if any.

Section 4. Encroachment Easements. If any portion of the

Common Properties encroaches on any Dwelling Unit or any Dwelling Unit encroaches upon the Common Properties or another Dwelling Unit or Lot as a result of construction, reconstruction, repair, shifting, settlement or movement of any portion of the improvements, a valid easement shall be deemed to exist and run to the Corporation or to the Owner of the encroaching Lot or improvement for the encroachment and for the maintenance thereof so long as such encroachment exists.

ARTICLE III

Obligations of Declarant
as to Common Properties; Dedication

Section 1. Agreement To Construct and Convey Other Common Properties. Declarant has constructed or provided for, or will construct or provide for Common Properties consisting of the following items:

- (a) installation of utility equipment, facilities and systems to serve the Townhomes and the Common Properties,
- (b) perimeter treatment of the Real Estate, including landscaping,

Upon final construction or provision of the Common Properties described in this Section 1, and prior to the closing of the first sale of a Lot subject to this Declaration, Declarant covenants to convey all of its right, title and interest in and to such Common Properties to the Corporation and all such right, title and interest in and to such items (whether owned in fee, by leasehold or in the nature of an easement or

or license) shall then be the property of the Corporation, whether or not the same may be located entirely or partially on any one or more of the Lots. As to any of such items of and constituting the Common Properties located entirely or partially on any one or more of the Lots, the Owners of such Lots shall have only non-exclusive easement rights therein, as described in Article II, Section 2 of this Declaration.

ARTICLE IV

Corporation: Membership; Voting; Functions

Section 1. Membership in Corporation. Declarant and each Owner of a Lot shall, automatically upon becoming an Owner, be and become a member of the Corporation and shall remain a member until such time as his ownership of a Lot ceases, but membership shall terminate when such Owner ceases to be an Owner, and will be transferred to the new Owner of his Lot; provided, however, that any person who holds the interest of an Owner in a Lot merely as security for the performance of an obligation shall not be a member until and unless he realizes upon his security, at which time he shall automatically be and become an Owner and member of the Corporation.

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

- (a) Class A. Class A members shall be all Owners except Class B members. Each Class A member shall be entitled to one (1) vote for each Lot of which such member is the Owner with respect to each matter submitted to a vote of members upon which the Class A members are entitled to vote. When more than one (1) person constitutes the Owner of a particular Lot, all such

persons shall have only one (1) vote for such lot, which vote shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such lot.

(b) Class B. Class B members shall be Declarant and all successors and assigns of Declarant designated by Declarant as Class B members in a written notice mailed or delivered to the resident agent of the Corporation. Each Class B member shall be entitled to three (3) votes for each lot of which it is the Owner on all matters requiring a vote of the members of the Corporation. The Class B membership shall cease and terminate upon the first to occur of (1) the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership or (ii) ("Applicable Date").

Section 3. Functions. The Corporation has been formed for the purpose of providing for the maintenance, repair, replacement, administration, operation and ownership of the Common Properties, to pay taxes assessed against and payable with respect to the Common Properties, to pay any other necessary expenses and costs in connection with the Common Properties, and to perform such other functions as may be designated for it to perform under this Declaration.

ARTICLE V

Board of Directors

Section 1. Management. The business and affairs of the Corporation shall be governed and managed by the Board of Directors. No person shall be eligible to serve as a member of the Board of Directors unless he is, or is deemed in accordance with the Declaration to be, an Owner, including a person appointed by Declarant as provided in Section 2 of this Article V.

Section 2. Initial Board of Directors. The initial Board of Directors shall be composed of the persons designed in the Articles, ("Initial Board"), all of whom have been or shall be appointed by Declarant. Notwithstanding anything to the contrary contained in, or any other provisions of, this Declaration, the Articles, the By-Laws or the Act (a) the Initial Board shall hold office until the Applicable Date, and (b) in the event of any vacancy or vacancies occurring in the Initial Board for any reason or cause whatsoever, prior to the Applicable Date determined as provided above, every such vacancy shall be filled by a person appointed by Declarant, who shall thereafter be deemed a member of the Initial Board. Each person serving on the Initial Board, whether as an original member thereof or as a member thereof appointed by Declarant to fill a vacancy, shall be deemed a member of the Corporation and an Owner solely for the purpose of qualifying to act as member of the Board of Directors and for no other purpose. No such person serving on the Initial Board shall be deemed or considered a member of the Corporation nor an Owner of a Lot for any other purpose (unless he is actually the Owner of a Lot and thereby a member of the Corporation).

Section 3. Additional Qualifications. Where an Owner consists of more than one Person or is a partnership, corporation, trust or other legal entity, then one of the Persons constituting the multiple Owner, or a partner or an officer or trustee shall be eligible to serve on the Board of

Directors, except that no single lot may be represented on the Board of Directors by more than one Person at a time.

Section 4. Term of Office and Vacancy. Subject to Section 2 of this Article V, the Board of Directors shall be elected at each annual meeting of the Corporation. The Initial Board shall be deemed to be elected and re-elected as the Board of Directors at each annual meeting until the Applicable Date provided herein. The Board of Directors shall be elected for a term of three (3) years. Each Director shall hold office throughout the term of his election and until his successor is elected and qualified. Subject to the provisions of Section 2 of this Article V as to the Initial Board, any vacancy or vacancies occurring in the Board shall be filled by a vote of a majority of the remaining members of the Board or by vote of the Owners if a Director is removed in accordance with Section 5 of this Article V. The Director so filling a vacancy shall serve until the next annual meeting of the members and until his successor is elected and qualified. At the first annual meeting following any such vacancy, a Director shall be elected for the balance of the term of the Director so removed or in respect to whom there has otherwise been a vacancy.

Section 5. Removal of Directors. A Director or Directors, except the members of the Initial Board, may be removed with or without cause by vote of a majority of the votes entitled to be cast at a special meeting of the Owners duly called and constituted for such purpose. In such case, his successor shall

be elected at the same meeting from eligible Owners nominated at the meeting. If no eligible Owner is available, the Directors may choose to operate as a Board despite the vacancy, until a new Owner becomes eligible. A Director so elected shall serve until the next annual meeting of the Owners and until his successor is duly elected and qualified.

Section 6. Duties of the Board of Directors. The Board of Directors shall be the governing body of the Corporation representing all of the Owners and being responsible for the functions and duties of the Corporation, including but not limited to, providing for the administration of the Real Estate, the management, maintenance, repair, upkeep and replacement of the Common Properties (unless the same are otherwise the responsibility or duty of Owners), and the collection and disbursement of the Common Expenses. After the Applicable Date, the Board may, on behalf of the Corporation, employ a reputable property management 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:

- (a) maintenance, repair, replacement and upkeep of the Common Properties (or items deemed Common Properties for purposes of maintenance).
- (b) protection, surveillance and replacement of the Common Properties, unless the same are otherwise the responsibility or duty of Owners of lots or Dwelling Units; provided, however, that this duty shall not include or be deemed or interpreted as a requirement

that the Corporation, the Board of any Managing Agent must provide any on-site or roving guards, security service or security system for protection or surveillance, and the same may, but need not be, furnished;

- (c) maintenance of utilities used in connection with the Lots and Dwelling Units in the Townhome Area;
- (d) removal of trash and waste from the Real Estate as the same may be needed;
- (e) snow removal from the Common Properties and from streets dedicated to the public;
- (f) assessment and collection from the Owners of the Owner's respective share of the Common Expenses;
- (g) preparation of the proposed annual budget, a copy of which will be mailed or delivered to each Owner at the same time as the notice of annual meeting is mailed or delivered;
- (h) preparing and delivering annually to the Owners a full accounting of all receipts and expenses incurred in the prior year; such accounting shall be delivered to each Owner simultaneously with delivery of the proposed annual budget for the current year;
- (i) keeping a current, accurate and detailed record of receipts and expenditures affecting the Common Properties and the business and affairs of the Corporation, 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;
- (j) procuring and maintaining for the benefit of the Corporation and the Board the insurance coverages required under this Declaration and such other insurance coverages as the Board, in its sole discretion, may deem necessary or advisable; and
- (k) paying taxes assessed against and payable with respect to the Common Properties and paying any other necessary expenses and costs in connection with the Common Properties;
- (l) making available to Owners and Mortgagees, and to holders, insurers or guarantors of any first mortgage, current copies of this Declaration, the By-Laws or other rules concerning the Subdivision and the books, records and financial statements of the Corporation. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances;

- (m) making available to any Mortgagee or any holder, insurer or guarantor of a first mortgage, upon request, a copy of the Corporation's financial statement for the immediately preceding fiscal year free of charge to the party making such request.

Section 7. Powers of the Board of Directors. The Board of

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

- (a) to employ a Managing Agent to assist the Board in performing its duties; provided that no employment agreement with the Declarant (or any entity affiliated with the Declarant) as Managing Agent or for any other service shall be for more than three (3) years after the Applicable Date and further provided that after the Applicable Date any such agreement shall be subject to termination by either party without cause and without payment of termination fee upon ninety (90) days written notice to the other party;
- (b) to purchase, lease or otherwise obtain for the Corporation, to enable it to perform its functions and duties, such equipment, materials, labor and services as may be necessary in the judgement of the Board of Directors;
- (c) to employ legal counsel, architects, contractors, accountants and others as in the judgment of the Board of Directors may be necessary or desirable in connection with the business and affairs of the Corporation;
- (d) to employ, designate, discharge and remove such personnel as in the judgment of the Board of Directors may be necessary for the maintenance, upkeep, repair and replacement of the Common Properties;
- (e) to include the costs of all of the above and foregoing as Common Expenses and to pay all of such costs therefrom;
- (f) to open and maintain a bank account or accounts in the name of the Corporation;

(g) to promulgate, adopt, revise, amend and alter from time to time such additional rules and regulations with respect to use, occupancy, operation and enjoyment of the Real Estate and the Common Properties (in addition to those set forth in this Declaration) as the Board, in its discretion, deems necessary or advisable; provided, however, that copies of any such additional rules and regulations so adopted by the Board shall be promptly delivered to all Owners.

Section 8. Limitation on Board Action. The Board's powers are subject to the following limitations. (a) After the Applicable date, the authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than \$2,500.00 without obtaining the prior approval of a majority of the Owners, except that in the following cases such approval shall not be necessary.

(i) contracts for replacing or restoring portions of the Common Properties damaged or destroyed by fire or other casualty where the cost thereof is payable out of insurance proceeds actually received;

(ii) proposed contracts and proposed expenditures expressly set forth in the proposed annual budget as approved by the Owners at the annual meeting; and

(iii) expenditures necessary to deal with emergency conditions in which the Board of Directors reasonably believes there is insufficient time to call a meeting of the Owners.

(b) The Board shall not, without the prior written approval of at least sixty-seven percent (67%) of the Owners (other than Declarant) and Mortgagees (whose mortgage interests have been made known to the Board of Directors) holding mortgages on Dwelling Units which have at least Sixty-Seven percent (67%) of the votes of Dwelling Units subject to mortgages:

(i) by act or omission abandon, partition, subdivider, encumber, sell or transfer the Common Properties owned by the Corporation (provided, the granting of easement for public utilities or for other public purposes shall not be deemed a transfer within the meaning of this clause);

(ii) by act or omission change, waive or abandon any scheme or regulations, or enforcement thereof, pertaining to the architectural design of the exterior appearance of Dwellings, the exterior maintenance of Dwellings, the maintenance of side walks in the Common Properties or common fences, or the upkeep of lawns;

(iii) fail to maintain fire and extended coverage insurance on Common Properties on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value based on current replacement costs; and

(iv) use hazard insurance proceeds for losses to any of the Common Properties for other than the repair, replacement or reconstruction of Common Properties.

Section 9. Compensation. No director shall receive any compensation for his services as such except to such extent as may be expressly authorized by a majority vote of the Owners. The Managing Agent, if one is employed, shall be entitled to reasonable compensation for its services, the cost of which shall be a Common Expense.

Section 10. Non-Liability of Directors. The Directors shall not be liable to the Owners or any other Persons for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith or gross negligence. The Corporation shall indemnify and hold harmless and defend each of the Directors against any and all liability to any

person, firm or corporation arising out of contracts made by the Board on behalf of the Corporation, unless any such contract shall have been made in bad faith. Directors shall not have personal liability with respect to any contract made by them on behalf of the Corporation.

Section 11. Additional Indemnity of Directors. The Corporation shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives, made a part to any action, suit or proceeding by reason of the fact that such person is or was a Director of the Corporation, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal thereof, except as otherwise specifically provided herein. The Corporation shall also reimburse to any such Director the reasonable costs of settlement of or judgment rendered in any action, suit or proceeding, if it shall be found by a majority vote of the Owners that such Director was not guilty of gross negligence or misconduct. In making such findings and notwithstanding the adjudication in any action, suit or proceeding against a Director, no Director shall be considered guilty of or liable for negligence or misconduct in the performance of his duties where, acting in good faith, such Director relied on the books and records of the Corporation or statements or advice made by or prepared by the Managing Agent

(if any) or any officer or employee thereof, or any accountant, attorney or other person, firm or corporation employed by the Corporation to render advice or service unless such Director had actual knowledge of the falsity or incorrectness thereof; nor shall a Director be deemed guilty of or liable for negligence or misconduct by virtue of the fact that he failed or neglected to attend a meeting or meetings of the Board of Directors.

Section 12. Bond. The Board of Directors shall provide surety bonds and shall require the Managing Agent (if any), the treasurer of the Corporation, and such other officers as the Board deems necessary, to provide surety bonds, indemnifying the Corporation against larceny, theft, embezzlement, forgery, misappropriation, wrongful abstraction, willful misapplication, and other acts of fraud or dishonesty, in such sums and with such sureties as may be approved by the Board of Directors and any such bond shall specifically include protections for any insurance proceeds received for any reason by the Board. The expense of any such bonds shall be a Common Expense. The amount of the bonds shall be based upon the judgment of the Board of Directors and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Corporation or its management agent at any given time during the term of the bond. In no event shall the aggregate amount of such bonds be less than a sum equal to three (3) months aggregate assessments on all units plus reserve funds.

Section 13. Initial Management. The Initial Board has or will enter into a management agreement with Declarant (or with an entity affiliated with Declarant) for a term which will expire not later than the Applicable Date under which Declarant (or an affiliate of Declarant, as appropriate) will provide supervision, fiscal and general management and maintenance of the Common Properties and, in general, perform all of the duties and obligations of the Corporation. ("Management Agent") Notwithstanding anything to the contrary contained in this Declaration, so long as such Management Agreement remains in effect, Declarant (or its affiliate) shall have, and Declarant hereby reserves to itself or its affiliates, the exclusive right to manage the Real Estate and Common Properties and to perform all the functions of the Corporation.

ARTICLE VI

Real Estate Taxes; Utilities

Section 1. Real Estate Taxes. Real estate taxes on each Lot and Dwelling Unit shall be paid by the Owner thereof. Any real estate taxes or other assessments against the Common Properties shall be paid by the Corporation and treated as a Common Expense.

Section 2. Utilities. Each Owner shall pay for his own utilities which, to the extent possible, shall be separately metered to each Lot and Dwelling Unit. Utilities which are not separately metered to an Owner's Lot or Dwelling Unit shall be treated as and paid as part of the Common Expense, unless otherwise determined by the Corporation.

Maintenance, Repairs and Replacements.

Section 1. By Owners. Except as provided in Section 2(b) of this Article, each Owner shall, at his expense, be responsible for, and shall promptly perform as the need therefor arises, all maintenance, repairs, decoration and replacement of his own Dwelling Unit, both interior and exterior. In addition, each Owner shall furnish and be responsible for the maintenance of all portions of his Lot, except (1) for such portions thereof as may, in accordance with the terms of this Declaration, be designated as a part of the Common Properties for purposes for maintenance only and (2) lawn maintenance as provided in Section 2 below. All fixtures and equipment installed within or as part of a Dwelling Unit, commencing at the points where the utility lines, pipes, wires, conduits or systems enter the Lot upon which such Dwelling Unit is located, shall be maintained and kept in repair by the Owner thereof. Each Owner shall promptly perform all maintenance and repair of his Lot and Dwelling Unit which, if neglected, might adversely affect any other Lot or Dwelling Unit or any part of the Common Properties. Such maintenance and repairs include but are not limited to internal water lines; plumbing, electric lines, gas lines, appliances, and all other fixtures, equipment and accessories belonging to the Owner and a part of or appurtenant to his Dwelling Unit or Lot.

Section 2. Common Properties and Exteriors of Dwelling Units and Lawns.

(a) Maintenance, repairs, replacements and upkeep of the Common Properties shall be furnished by the Corporation, as a part of its duties, and the cost thereof shall constitute a part of the Common Expenses.

(b) In addition to maintenance of Common Properties, the Corporation, as part of its duties, and as part of the Common Expenses, shall provide for:

(i) maintenance, repairs, replacement and upkeep of the exteriors of each Dwelling Unit, including, but not limited to, roofs, gutters, doors, windows (excluding glass which shall be considered a part of interior maintenance) and exterior walls shall be considered part of the Common Properties for purposes of maintenance only;

(ii) maintenance of the lawns, which shall be considered part of the Common Properties for purposes of maintenance only. Maintenance of lawns shall include but shall not be limited to the watering, fertilizing, mowing and replanting when necessary of the grass; and the care, fertilizing, trimming, removal and replacement of trees planted by the Declarant. It shall not include the care and maintenance of shrubs, trees which were not plants by Declarant, flowers or other plants on any lot;

The Board of Directors may adopt such other rules and regulations concerning maintenance, repair, use and enjoyment of the Common Properties (or items, deemed Common Properties for purposes of maintenance only) as it deems necessary.

(c) Notwithstanding any obligation or duty of the Corporation to repair or maintain any of the Common Properties

(or items deemed Common Properties for purposes of maintenance), if, due to the willful, intentional or negligent acts or omissions of invitee or other occupant or visitor of such Owner, damage shall be caused to the Common Properties (or items deemed as such for purposes of maintenance), or if maintenance, repairs or replacements shall be required thereby which would otherwise be at the Common Expense, than such Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Corporation, unless such loss is covered by the Corporation's insurance and such policy has a waiver of subrogation clause. If not paid by such Owner upon demand by the Corporation, the cost of repairing such damage shall be added to and become a part of the assessment to which such Owner's Lot is subject.

(d) The authorized representatives of the Corporation, the Board and the Managing Agent for the Corporation (if any) shall be entitled to reasonable access to any Lot as may be required in connection with maintenance, repairs or replacements of or to the Common Properties and items deemed as Common Properties for purposes of maintenance, including, but not limited to, access to any easements reserved by any subdivision plat of any portion of the Real Estate for such purposes.

ARTICLE VIII

Architectural Control

Section 1. The Architectural Review Board. As a standing committee of the Corporation, there shall be, and hereby is

established an Architectural Review Board consisting of three (3) or more persons as may, from time to time, be provided in the By-Laws or by resolution of the Board of Directors. Until the Applicable Date, Declarant shall appoint the members of the Architectural Review Board. After the Applicable Date, the Architectural Review Board shall be appointed by the Board of Directors.

Section 2. Purposes. The Architectural Review Board shall regulate the external design, appearance, use, location and maintenance of the Real Estate and of improvements thereon consistent with the architecture of the neighborhood and in such manner as to preserve and enhance values and to maintain a harmonious relationship among structures, improvements and the natural vegetation and topography.

Section 3. Conditions. No improvements, alterations, repairs, change of colors, excavations, changes in grade or other work which in any way alters the exterior of any lot or the improvements located thereon from its natural or improved state existing on the date such lot was first conveyed in fee by the Declarant to an Owner shall be made or done without the prior approval of the Architectural Review Board, except as otherwise expressly provided in this Declaration. No building, fence, wall, Dwelling Unit, or interior structural change shall be commenced, erected, maintained, improved, altered, made or done on any lot without the prior written approval of the Architectural Review Board; provided this restriction shall not be applicable to the original construction of a Dwelling Unit or a lot.

Section 4. Procedures. In the event the Architectural Review Board fails to approve, modify or disapprove in writing an application within thirty (30) days after such application (together with all plans, drawings, specifications and other items required to be submitted to it in accordance with such rules as it may adopt) has been given to it, approval will be deemed granted by the Architectural Review Board. A decision of the Architectural Review Board may be appealed to the Board of Directors which may reverse or modify such decision by a two-thirds (2/3) vote of the Directors then serving.

ARTICLE IX

Party Walls

Section 1. General Rules of Law to Apply. Any wall which is built as a part of the original construction of any Dwelling Unit upon the Real Estate and which connects two Dwelling Units shall constitute a party wall and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligent or intentional or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall, proportionately.

Section 3. Destruction by Fire or Other Casualty. If any party wall is destroyed or damaged by fire or other casualty, then, to the extent that such damage is not covered by insurance and repaired out of the proceeds of same, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in equal proportions, without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent, intentional or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, to the extent that such damage is not covered and paid by the insurance provided for herein, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of the furnishing the necessary protection against those elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator from among disinterested Owners, and such arbitrators shall choose an additional arbitrator, who need not be an Owner, and the

decision shall be by a majority of all the arbitrators. (Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor from another party, the Board of Directors of the Corporation shall select an arbitrator for the refusing party.)

ARTICLE X

Assessments

Section 1. Annual Accounting. Annually, after the close of each fiscal year of the Corporation and prior to the date of the annual meeting of the Corporation next following the end of such fiscal year, the Board shall cause to be prepared and furnished to each Owner a financial statement prepared by a certified public accountant or firm of certified public accountants then serving the Corporation, which statement shall show all receipts and expenses received, incurred and paid during the preceeding fiscal year.

Section 2. Proposed Annual Budget. Annually, on or before the date of the annual meeting of the Corporation, the Board of Directors shall cause to be prepared a proposed annual budget for the current fiscal year estimating the total amount of the Common Expenses for the current fiscal year and shall furnish a copy of such proposed budget to each Owner at or prior to the time the notice of such annual meeting is mailed or delivered to such Owners. The proposed Budget shall be presented at the annual meeting of the Corporation for adoption and, if so adopted, shall be the basis for the Regular Assessments (herein defined) for the current fiscal year. At the annual 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 majority vote of the Owners; provided that any increase of more than ten percent (10%) must be approved by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy; provided further, however, that in no event shall the annual meeting of the Owners be adjourned until an annual budget is approved and adopted at such meeting, either the proposed annual budget or the proposed annual budget as amended. The annual budget, the Regular Assessments and all other sums assessed by the Corporation shall be established by using generally accepted accounting principles applied on a consistent basis. The annual budget and the Regular Assessments shall be drawn to include the establishment and maintenance of a replacement reserve fund for capital expenditures and replacement and repair of the Common Properties and capital expenditures and replacement and repair of those items deemed Common Properties for purposes of maintenance only as defined in Article VI, Section 2(b)), which replacement reserve fund shall be used for those purposes and not for usual and ordinary repair expenses of the Common Properties. Such replacement reserve fund for capital expenditures and replacement and repair of the Common Properties shall be maintained by the Corporation in a separate interest-bearing account with one or more banks, savings and

loan associations, or other financial institution or brokerage house authorized to conduct business in Hendricks County, Indiana, as may be 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 provided, whenever determined. Whenever, whether before or after the annual meeting of the Corporation, there is no annual budget approved by the Owners as herein provided for such current fiscal year, the Owners shall continue to pay Regular Assessments based upon the last approved budget or, at the option of the Board, based upon one hundred and ten percent (110%) of such last approved budget, as a temporary budget.

Section 3. Regular Assessments. The annual budget adopted by the Owners shall contain a proposed assessment against each Lot, which shall be computed as follows: all estimated Common Expenses except (i) the estimated cost of the master casualty insurance policy provided for in Article XI Section 1 and (ii) the estimated cost of maintenance to be performed by the Corporation pursuant to Article VII, Section 2(b), shall be divided by the total number of Lots to determine quotient A. The estimated cost of the master casualty insurance policy and the estimated cost of maintenance pursuant to Article VII, Section 2(b) shall each be divided on a pro-rata basis for each Dwelling Unit, to determine quotients B and C; quotients A, B and C shall be added together and the sum shall be the Regular

Assessment for each Lot. The portions of the Regular Assessment attributable to the replacement reserve funds shall be computed as a part of the estimated Common Expenses. Nothing contained herein shall make Declarant, as to Lots without Dwelling Units, responsible for the expenses described in (i) and (ii) above.

Immediately following the adoption of the annual budget, each Owner shall be given written notice of the assessment against his respective Lot (herein called the "Regular Assessment"). In the event the Regular Assessment for a particular fiscal year is initially based upon a temporary budget, such Regular Assessment shall be revised, within fifteen (15) days following adoption of the final annual budget by the Owners, to reflect the assessment against each Lot based upon the annual budget finally adopted. The Regular Assessment against each Lot shall be paid in advance in equal monthly installments commencing on the first day of the first month of each fiscal year and monthly thereafter through and including the first day of the last month of such fiscal year. Payment of the Regular Assessment shall be made to the Board of Directors; provided, however, Owners may elect to pay their assessments semi-annually or annually, in advance. In the event the Regular Assessment for a particular fiscal year of the Corporation 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, 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 credited; provided, however, that if an Owner paid his Regular Assessment either semi-annually or annually in advance, then the adjustments set forth under (a) or (b) above shall be made by a cash payment by, or refund to, the Owner on the first day of the second month following the determination of the Regular Assessment based upon the annual budget finally adopted by the Owners.

The Regular Assessment for the current fiscal year of the Corporation shall become a lien on each separate Lot as of the first day of each fiscal year of the Corporation, even though the final determination of the amount of such Regular Assessment may not have been made by that date. The fact that an Owner has paid his Regular Assessment for the current fiscal year in whole or in part based upon a temporary budget and thereafter, before the annual budget and Regular Assessment are finally determined, approved and adjusted as herein provided, sells, conveys or transfers his Lot or any interest therein, shall not relieve or release such Owner or his successor as owner of such Lot from payment of the Regular Assessment for such Lot as finally determined, and such Owner and his successor as owner of such Lot shall be jointly and severally liable for the Regular Assessment as finally determined. Any statement of unpaid assessments furnished by the Corporation pursuant to Section 2 of Article XI hereof prior to the final determination and adoption of the annual budget and Regular Assessment for the year in which such statement is made shall state that the

matters set forth therein are subject to adjustment upon determination and adoption of the final budget and Regular Assessment for such year, and all parties to whom any such statement may be delivered or who may rely thereon shall be bound by such final determinations. Monthly installments of Regular Assessments shall be due and payable automatically on their respective due dates without any notice from the Board or the Corporation, and neither the Board nor the Corporation shall be responsible for providing any notice or statements to Owners for the same.

Each Owner of a Dwelling Unit shall prepay to the Corporation at the time his lot is conveyed to such Owner an amount equal to thirteen (13) monthly installments of the amount required to pay for the Lot Owner's pro-rata portion of the master casualty insurance policy based upon the budget for the current fiscal year and the Owner shall maintain such prepayment account at all times. The Corporation shall hold such pre-paid funds in a separate escrow account for the purchase of insurance as provided in Article XII, Section 1.

Section 4. Special Assessments. From time to time Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time, unless otherwise provided in this Declaration, the Articles, the By-Laws 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 Lot, pro-rated in equal shares ("Special Assessment"); provided, that any such

assessment shall have the assent of sixty-seven percent (67%) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose. Without limiting the generality of the foregoing 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.

Section 5. Failure of Owner to Pay Assessment. (a) No Owner may exempt himself from paying Regular Assessments or Special Assessments, or from contributing toward the expenses of administration and of maintenance and repair of the Common Properties for purposes of maintenance, and toward any other expense lawfully agreed upon, by waiver of the use or enjoyment of the Common Properties or by abandonment of the Lot belonging to him. Each Owner shall be personally liable for the payment of all Regular Assessments and Special Assessments. Where the Owner constitutes more than one Person, the liability of such Persons shall be joint and several. If any Owner shall fail, refuse or neglect to make any payment of any Regular or Special Assessments when due, the lien for such Assessment on the Owner's Lot and Dwelling Unit may be filed and foreclosed by the Board for an on behalf of the Corporation as a mortgage on real property or as otherwise provided by law. Upon the failure of an Owner to make timely payments of any 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. In any action to foreclose the lien for any Assessments, the Owner and any occupant of the Lot and Dwelling Unit shall be jointly and severally liable for the payment to the Corporation of reasonable rental for such Lot and Dwelling Unit, and the Board shall be entitled to the appointment of a receiver for the purpose of preserving the Lot and Dwelling Unit and to collect the rents and any other profits therefrom for the benefit of the Corporation to be applied to the unpaid Regular or Special Assessments. The Board may, at its option, bring a suit to recover a money judgment for any unpaid Regular Assessment or Special Assessment without foreclosing or waiving the lien securing the same. In any action to recover a Regular or Special Assessment, whether by foreclosure or otherwise, the Board, for and on behalf of the Corporation, shall be entitled to recover from the Owner of the respective Lot and Dwelling Unit costs and expenses of such action incurred (including but not limited to reasonable attorneys' fees) and interest from the date such Assessments were due until paid, at a rate not to exceed the maximum rate allowable under State law.

(b) The lien provided for herein shall be subordinate to the lien of any first mortgage. Notwithstanding anything contained in this Section or elsewhere in this Declaration, the Articles or the By-Laws, any sale or transfer of a Lot and Dwelling 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 or Special Assessment 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 Lot and Dwelling Unit or the purchaser at such foreclosure sale, or grantee in the event of conveyance in lieu thereof, from liability for any installments of Regular or Special Assessments thereafter becoming due or from the lien therefor. Such unpaid share, the lien for which has been divested as provided above, shall be deemed to be a Common Expenses, collectible from all Owners (including the party acquiring the subject Lot and Dwelling Unit from which it arose).

Section 6. Initial Budgets and Assessments. Notwithstanding anything to the contrary contained herein, in the Articles, in the By-Laws, in the Act or otherwise, until the Applicable Date the annual budget and all Regular and Special Assessments shall be established by the Initial Board without

meeting of or concurrence of the Owners. The agency, power of attorney and proxy granted to the Declarant by each Owner pursuant to Section 2 of Article V hereof shall be deemed to cover and include each Owner's right to vote on and approve the annual budget and any Regular Assessments and Special Assessments until the Applicable Date.

Further, until the Applicable Date, the Regular Assessments are and shall be established as follows:

From the date of the first conveyance of a lot by Declarant to any unrelated third party until the Applicable Date:

- (i) the Regular Assessment shall be pro-rated on a daily basis for any period of time less than a month (the amount required to fund the insurance escrow shall be in addition to the Regular Assessment), and
- (ii) the Regular Assessment shall be one-half (50%) of the amount of the Regular Assessment set forth in Subparagraph (i) for each Dwelling Unit owned by Declarant and not rented. Should Declarant own and rent a Unit for a period exceeding one year, such assessment shall be the regular assessment.

ARTICLE XI Mortgages

Section 1. Notice to Corporation. Any Owner who places a first mortgage lien upon his lot, or the Mortgagee, shall notify the Secretary of the Corporation thereof and provide the name and address of the Mortgagee. A record of such Mortgagee's name and address shall be maintained by the Secretary and any notice required to be given to the Mortgagee pursuant to the terms of this Declaration, the By-Laws or otherwise, shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record. Unless notification of any such mortgage and the name and address of Mortgagee are furnished to the

Secretary, either by the Owner or the Mortgagee, no notice to which such Mortgagee as may be otherwise required by this Declaration, the By-Laws or otherwise shall be required and no Mortgagee shall be entitled by virtue of this Declaration, the By-Laws, a proxy granted to such Mortgagee in connection with the mortgage, or effectively given to the Mortgagee pursuant to the terms of this Declaration, the By-Laws or otherwise shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record in the time provided. Unless notification of any such mortgage and the name and address of Mortgagee are furnished to the Secretary, either by the Owner or the Mortgagee, no notice to which such Mortgagee may otherwise be entitled shall be required.

Section 2. Notice of Certain Actions or Conditions. The Corporation shall, upon request of a Mortgagee (or insurer or guarantor) who has furnished the Corporation with its name and address as hereinabove provided, furnish such Mortgagee (or insurer or guarantor) with written notice of:

- (i) any condemnation loss or any casualty loss which affects a material portion of the subdivision or any Dwelling Unit on which there is a first mortgage;
- (ii) any default in the performance by its borrower of any obligations of such borrower under this Declaration or the By-Laws which is not cured within sixty (60) days;
- (iii) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Corporation; and
- (iv) any proposed action which would require the consent or approval of Mortgagees under the terms of this Declaration or the regulations of either FNMA or FNMLC.

Section 3. Notice of Unpaid Assessments. The Corporation shall, upon request of a Mortgagee, a proposed mortgagee, or a proposed purchaser who has a contractual right to purchase a Lot, furnish to such Mortgagee or purchaser a statement setting forth the amount of the unpaid Regular Assessments or Special Assessments or other charges against the Lot, which statement shall be binding upon the Corporation and the Owners, and any Mortgagee or grantee of the Lot shall not be liable for nor shall the Lot conveyed be subject to a lien for any unpaid assessments or charges in excess of the amounts set forth in such Statement or as such assessments may be adjusted upon adoption of the final annual budget, as referred to in Section 3 of Article X hereof.

Section 4. Unpaid Taxes and Insurance. Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which have or may become a lien against any Common Properties (excluding items deemed Common Properties for maintenance) and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for any Common Properties (excluding items deemed Common Properties for purposes of maintenance).

ARTICLE XII

Insurance

Section 1. Casualty Insurance. (a) The Corporation shall purchase a master casualty insurance policy with an "agreed amount and inflation guard endorsement" and a "blanket building endorsement" affording fire and extended coverage insurance

insuring each Dwelling Unit in an amount consonant with the full replacement value of the improvements which, in whole or in part, comprise the Dwelling Units, excluding all floor, ceiling and wall coverings and fixtures, betterments and improvements installed by any Owner and excluding any personal property owned by any Owner whether located on any Lot or elsewhere. If the Board of Directors can obtain such coverage for reasonable amounts it shall also obtain "all risks" coverage. The Board of Directors shall be responsible for reviewing at least annually the amount and type of such insurance and shall purchase such additional insurance as is necessary to provide the insurance required above. If deemed necessary or advisable by the Board, the Board may cause such full replacement value to be determined by a qualified appraiser. The cost of any such appraisal shall be a Common Expense of the Owners in the Townhome Area. Such insurance coverage shall be for the benefit of each Owner, and, if applicable, the Mortgagee of each such Owner.

(b) The Corporation shall purchase a casualty insurance policy with an "agreed amount and inflation guard endorsement" affording fire and extended coverage insurance insuring all Common Properties owned by the Corporation including, but not limited to utilities and recreational equipment in an amount consonant with the full replacement value of the improvements. If the Board of Directors can obtain such coverage for reasonable amounts it shall also obtain "all risk" coverage for such improvements. 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, the Board may cause such full replacement value to be determined by a qualified appraiser. The cost of any such appraisal shall be a Common Expense of all Owners. Such insurance coverage shall be for the benefit of each Owner, and, if applicable, the Mortgagee of each Owner.

(c) All proceeds payable as a result of casualty losses sustained which are covered by insurance purchased by the Corporation as herein set forth shall be paid to it or to the Board of Directors. In the event that members of the Board of Directors have not posted surety bonds for the faithful performance of their duties or if such bonds do not equal or exceed the funds which will come into their hands, and there is damage to a part or all of the Common Properties resulting in a loss, the Board of Directors shall obtain and post a bond for the faithful performance of its duties in an amount to be determined by the Board, but not less than 150% of the loss, before the Board shall be entitled to receive the proceeds of the insurance payable as a result of such loss. The sole duty of the Board in connection with any such insurance proceeds shall be to receive such proceeds as are paid and to hold the same for the purposes elsewhere stated herein, and for the benefit of the Owners of the Corporation. The proceeds shall be used or disbursed by the Corporation or the Board, as appropriate, only in accordance with the provisions of this Declaration.

Such casualty insurance policy, and "all risk" coverages if obtained, shall (to the extent the same are obtainable) contain provisions that the insurer (a) waives its right to subrogation as to any claim against the Corporation, the Board of Directors, its agents and employees, Owners, their respective agents and guests, and (b) waives any defense based on 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, 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 Corporation does not elect to restore.

Section 2. Public Liability Insurance. The Corporation shall also purchase a master comprehensive public liability insurance policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time; provided, such coverage shall be at least One Hundred Thousand Dollars (\$100,000.00) for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Such comprehensive public liability insurance policy shall cover all of the Common Properties and shall insure the Corporation, the Board of Directors, any committee or organ of the Corporation or Board, and Managing Agent appointed or employed

by the Corporation, all persons acting or who may act as agents or employees of any of the foregoing with respect to the Real Estate, all Owners of Lots and all other persons entitled to occupy any Lot or Dwelling Unit. Such public liability insurance policy shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Corporation or other Owners.

Section 3. Other Insurance. The Corporation shall also obtain any other insurance required by law to be maintained, including but not limited to workmen's compensation and occupational disease insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate, including but not limited to liability insurance on vehicles owned or leased by the Corporation and officers' and directors' liability policies. Such insurance coverage shall also provide for an cover cross liability claims of one insured party against another insured party. Such insurance shall inure to the benefit of each Owner, the Corporation, the Board of Directors and any Managing Agent acting on behalf of the Corporation. Each Owner shall be deemed to have delegated to the Board of Directors his right to adjust with the insurance companies all losses under the policies purchased by the Board of Directors the proceeds of which are payable to the Board or the Corporation.

Section 4. General Provisions. The premiums for all insurance hereinabove described shall be paid by the Corporation as part of the Common Expenses. When any such policy of insurance hereinabove described has been obtained by or on behalf of the Corporation, written notice of the obtainment thereof and of any subsequent changes therein or termination thereof shall promptly be furnished to each Owner or Mortgagee whose interest may be affected thereby, which notice shall be furnished by the officer of the Corporation who is required to send notices of meetings of the Corporation. All policies shall also contain an endorsement to the effect that such policy shall not be terminated for non-payment of premiums without at least thirty (30) days prior written notice to the Mortgagee of each Lot.

In no event shall any distribution of insurance proceeds be made by the Board of Directors directly to an Owner where there is a mortgagee endorsement on the certificate of insurance or insurance policy or the Board has notice of a Mortgagee as it applies to such Owner's share of such proceeds. In such event any remittances shall be to the Owner and his Mortgagee jointly. The same restriction on distribution shall apply to the distribution of any condemnation awards in connection with any taking of any of the Common Properties. Notwithstanding the foregoing, under no circumstances shall any distribution of insurance proceeds in excess of amounts needed to repair damage or pay off any first mortgage or any condemnation awards to be

made by the Corporation to any Owners or Mortgagees if to do so would be in violation of the Act or if the same would constitute a distribution of earnings, profits or pecuniary gain to the members of the Corporation; in any event, any such insurance proceeds or condemnation awards shall be retained by the Corporation for use in the payment of its expenses of operation.

Section 5. Insurance by Owners. Each Owner shall be solely responsible for any and may obtain such additional insurance as he deems necessary or desirable, at his own expense, affording coverage upon his personal property, his lot, his Dwelling Unit, the contents of his Dwelling Unit, his personal property stored anywhere on the Real Estate, and for his personal liability, but all such insurance shall contain the same provisions for waiver of subrogation as referred to in the foregoing provisions for the master casualty insurance policy to be obtained by the Corporation.

ARTICLE XIII

Casualty and Restoration; Condemnation; Termination

Section 1. Casualty and Restoration. In the event of damage to or destruction of the structure or exterior of any Building or Dwelling Unit or in the event of damage to or destruction of any of the Common Properties due to fire or any other casualty or disaster, the Corporation shall promptly cause the same to be repaired and reconstructed. The proceeds of insurance carried by the Corporation, if any, shall be applied to the cost of such repair and reconstruction.

If the insurance proceeds, if any, received by the Corporation as a result of any such fire or any other casualty or disaster are not adequate to cover the cost of repair and reconstruction, or in the event there are no insurance proceeds, (i) the cost for restoring the damage and repairing and reconstructing a Building or Dwelling Unit so damaged or destroyed (or the costs thereof in excess of insurance proceeds received, if any) shall be assessed by the Corporation against all of the Owners in equal shares and (ii) the cost for restoring the damage and repairing and reconstructing any Common Properties (excluding items deemed Common Properties for maintenance only) so damaged or destroyed (or the cost thereof in excess of insurance proceed received, if any) shall be assessed by the Corporation against all of the Owners in equal shares. Any such amounts assessed against the Owners shall be assessed as part of the Common Expenses and shall constitute a lien from the time of assessment as provided herein.

For purposes of this Article, repair, reconstruction and restoration shall mean construction or rebuilding the Building so damaged or destroyed to as near as possible the same conditions as it existed immediately prior to the damage or destruction and with the same type of architecture.

Immediately after a fire or other casualty or disaster causing damage to any property for which the Board of Directors or Corporation has the responsibility of maintenance and repair hereunder, the Board shall obtain reliable and detailed estimates of the cost to place the damaged property in a

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 or deems necessary.

Encroachments upon any Lot which may be created as a result of such reconstruction or repair of any Building shall not constitute a claim or basis of a proceeding or action for the Owner upon whose Lot such encroachment exists, provided that such reconstruction was either substantially in accordance with the original plans and specifications or as the Building was originally constructed.

Section 2. Total or Partial Condemnation. (a) In the event of the condemnation of all or any part of the Common Properties or all or any part of any Building, Dwelling Unit or Lot, the Board is hereby authorized to negotiate with the condemning authority and/or to contest an award made for the appropriation of such Common Properties, Building or Dwelling Units. For the purpose of such negotiation and/or of contest of such award to the Board as to Building and Dwelling Units and Lots, the Board is hereby declared to be the agent and attorney-in-fact of any Owner affected by the condemnation. This appointment of the Board shall be deemed coupled with an interest and shall be irrevocable. Nothing contained herein, however, shall preclude any Owner from asserting any rights or claims to compensation which cannot be legally asserted by the Board.

(b) Awards for the taking of all or part of a Building, Dwelling Unit or Lot shall be collected by the Board and distributed to the affected Owners. To the extent possible, negotiated awards or awards resulting from a contest shall specify the allocation of the award among Owners affected. In the event that an Owner does not agree with the distribution of an award, such Owner shall be entitled to have the dispute settled by arbitration. The protesting Owner shall appoint one arbitrator, the Board acting as agent for all other affected Owners shall appoint one arbitrator and the two appointed arbitrators shall appoint a third arbitrator. A majority decision of the arbitrators shall be binding on all Owners and shall be enforceable.

Section 3. Termination. In the event of condemnation of three-fourths (3/4) or more of the Dwelling Units, the remaining Owners may terminate this Declaration and dissolve the Corporation, provided, however, that the restrictions set forth in the Plat and in Article XIV shall remain in full force and effect in accordance with the terms of the Plat and Article XVIII of this Declaration.

ARTICLE XIV

Restrictions, Covenants and Regulations

Section 1. Restrictions on Use. The following covenants and restrictions on use and enjoyment of the Lots, Dwelling Units and Common Properties shall be in addition to any other covenants or restrictions contained herein or in any plat of any part of the Real Estate heretofore or hereafter recorded, and

all such covenants and restrictions are for the mutual benefit and protection of the present and future Owners and shall run with the land and inure to the benefit of and be enforceable by any Owner, or by the Corporation. Present or future Owners or the Corporation shall be entitled to injunctive relief against any violations thereof, but there shall be no right of reversion or forfeiture resulting from such violation. These covenants and restrictions are as follows:

- (a) All Lots and Dwelling Units shall be used exclusively for residential purposes.
- (b) Nothing shall be done or kept in any Dwelling Unit, or on any Lot, or on the Common Properties which will cause an increase in the rate of insurance on any Dwelling Unit or the contents thereof or on any Common Properties. No Owner shall permit anything to be done or kept in his Dwelling Unit or on his Lot or on any of the Common Properties which will result in a cancellation of insurance on any Dwelling Unit or any part of the Common Properties, or which would be in violation of any law or ordinance or the requirements of any insurance underwriting or rating bureau.
- (c) No nuisance shall be permitted and no waste shall be committed in any Dwelling Unit or on any Lot.
- (d) No Owner shall cause or permit anything to be hung or displayed on the outside of the windows of his Dwelling Unit or placed on the outside walls of any building, and no sign, awning, canopy, shutter or radio or television antenna or other attachment or thing shall be affixed to or placed upon the exterior walls or roofs or any other parts of the Dwelling Unit without the prior consent of the Architectural Review Board.
- (e) No animals, livestock or poultry of any kind shall be raised, bred or kept in any Dwelling Unit or on any Lot or any of the Common Properties, except that pet dogs, cats or customary household pets may be kept in a Dwelling Unit, provided that such pet is not kept, bred or maintained for any commercial purpose, and does not create a nuisance. Pets shall be taken outdoors only under leash or other restraint and while attended by its owner and an Owner shall be fully liable for any

injury or damage to persons or property, including the Common Properties, caused by his pet. The tethering of pets in any area outside an Owner's Lot does not constitute "attended". The Board may adopt such other rules and regulations regarding pets as it may deem necessary from time to time including, but not limited to, a requirement that an Owner desiring to bring or maintain a pet on the Real Estate shall deposit with the Board a security deposit in an amount to be determined by the Board to cover any damage that may be caused by such pet to the Common Properties. Any such security deposit shall be returned to the Owner when the pet is permanently removed from the Real Estate, except to the extent said deposit has been used or is needed to repair damage caused by such pet. Any requirement for the depositing of such security deposit shall not be deemed to relieve or in any way limit an Owner's responsibility and liability for injury and damage caused by his pets. Any pet which, in the judgment of the Board, is causing or creating a nuisance or unreasonable disturbance or noise, shall be permanently removed from the Real Estate within ten (10) days after written notice from the Board to the respective Owner to do so.

- (f) Nothing shall be done or permitted in any Dwelling Unit or on any Lot which will impair the structural integrity of any of the Common Properties or which would structurally change any of the Common Properties. No Dwelling Unit or Lot shall be used in any unlawful manner or in any manner which might cause injury to the reputation of the Townhomes developed on the Real Estate, or which might be a nuisance, annoyance, inconvenience or damage to other Owners and occupants of Dwelling Units or neighboring property, including without limiting the generality of the foregoing, noise by the use of any musical instruments, radio, television, loud speakers, electrical equipment, amplifiers or other equipment or machines or loud persons.
- (g) No clothes, sheets, blankets, rugs, laundry or other things shall be hung out or exposed on, or so as to be visible from, any part of the Common Properties or any public street. The Common Properties shall be kept free and clear of rubbish, debris and other unsightly materials.
- (h) No industry, trade, or other commercial or religious activity, educational or otherwise, designed for profit, altruism or otherwise, shall be conducted, practiced or permitted on the Real Estate.

- (i) No "for sale", "for rent" or "for lease" signs, or other signs, or other window or advertising display shall be maintained or permitted on any part of the Real Estate, any Lot or any Dwelling Unit without the prior consent of the Board; provided, however, that the right is reserved by the Declarant and the Board to place or allow to be placed "for sale" or "for lease" signs on or about the Real Estate in connection with any unsold or unoccupied Lots and Dwelling Units and nothing contained herein shall be construed or interpreted to affect or restrict the activities of Declarant in the marketing, advertising or sale of Lots or Dwelling Units as a part of the development of this Townhome Community.
- (j) All Owners and members of their families, their guests, or invitees, and all occupants of any same and to use and enjoy the Common Properties or any part thereof, shall observe and be governed by such rules and regulations as may from time to time be promulgated and issued by the Board governing the operation, use and enjoyment of the Common Properties.
- (k) No boats, campers, trailers of any kind, buses, mobile homes, trucks, motorcycles, mini bikes, mopeds, or any other vehicles of any description other than normal passenger automobiles, shall be permitted, parked or stored anywhere within the Real Estate; provided; however, that nothing herein shall prevent the parking or storage of such vehicles completely enclosed within a garage. No repair work shall be done on the Real Estate on any vehicles, including passenger vehicles.
- (l) No Owner shall be allowed to plant trees, landscape or do any gardening in any of the Common Properties (excluding lawns which are deemed Common Properties for maintenance only), except with express permission from the Board.
- (m) No Owner shall remove any tree without the written approval of the Board.
- (n) Each Owner shall keep his Lot in good order, condition and repair and free of debris including, but not limited to, the pruning, trimming and cutting of all trees and shrubbery, all in a manner and with such frequency as is consistent with good property management. In the event an Owner of any Lot shall fail to so maintain his Lot, the Corporation after notice to the Owner and approval by majority vote of all Owners, shall have the right to enter upon said Lot to correct, repair, maintain and restore the Lot. All costs incurred by the Corporation related to such correction, repair, maintenance or restoration shall be and constitute a Special Assessment against such Lot, payable by the Owner upon demand by the Corporation.

(o) All garbage, trash and refuse shall be stored in appropriate containers inside the Dwelling Units (including garages) and shall be kept therein until not earlier than sundown of the evening before scheduled trash collection. Garbage, trash and refuse shall be placed in sealed disposable plastic bags or other containers approved by the Board for scheduled trash collection and shall be placed at such locations for trash collections as are designated by the Board.

(p) Common Properties shall be used and enjoyed only for the purposes for which they are designed and intended, and shall be used subject to the rules and regulations from time to time adopted by the Board.

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

convey such Lot or (13) the rights of mortgagees or insurers or guarantors of first mortgages on Lots; without, in each and any of such circumstances the approval of mortgagees (whose mortgage interests have been known to the Board of Directors) holding mortgages on Lots which have at least sixty-seven percent (67%) of the votes of Lots which are subject to mortgages, provided, a Mortgagee who receives written notice of a proposed amendment and does not deliver or mail a negative response to the Secretary of the Board of Directors within thirty (30) days of said notice shall be deemed to have approved the proposed amendment.

(f) Recording. Each amendment to the declaration shall be executed by the President and Secretary of the Corporation and shall be recorded in the office of the Recorder of Hendricks County, Indiana, and such amendment shall not become effective until so recorded.

Section 2. Amendments by Declarant Only. Notwithstanding the foregoing or anything elsewhere contained herein, the Declarant shall have and hereby reserves the right and power acting alone and without the consent or approval of the Owners, the Corporation, the Board of Directors, any Mortgagees or any other person to amend or supplement this Declaration at any time and from time to time if such amendment or supplement is made (a) to comply with requirements of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (b) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Lots and Dwelling Units, (c) to bring this Declaration into compliance with any statutory requirements, (d) or to correct clerical or typographical errors.

ARTICLE XV

BOOK 119 PAGE 828

Amendment of Declaration

Section 1. Generally. 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 any proposed amendment shall be included in the notice of the meeting at which the proposed amendment is to be considered.
- (b) Resolution. A resolution to adopt a proposed amendment may be proposed by the Board of Directors or Owners having in the aggregate at least a majority of the votes of all Owners.
- (c) Adoption. Any proposed amendment to this Declaration must be approved by seventy-five percent (75%) of all Owners. The instrument of amendment must be signed by such Owners and recorded. In the event any Lot or Dwelling Unit is subject to a first mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the same manner as an Owner if the Mortgagee has given prior notice of its mortgage interest to the Board of Directors in accordance with provisions hereof.
- (e) Special Amendments. Sixty-Seven percent of Mortgagees required. No amendment to this Declaration shall be adopted which changes the provisions hereof which establish, provide for, govern or regulate (1) the applicable share of an Owner's liability for the Common Expenses, or the method of determining the same, (2) Article XII of this Declaration with respect to casualty insurance to be maintained by the Corporation, (3) Article XIII of this Declaration with respect to reconstruction or repair of the Common Properties or Dwelling Units in the event of fire or any other casualty or disaster, (4) establishment of the Architectural Review Board and its functions, (5) voting rights, (6) assessments, assessment liens or subordination of such liens, (7) reserves for maintenance, repair and replacement of the Common Properties, (8) insurance and fidelity bonds, (9) rights to use of the Common Properties and the Dwelling Units, (10) boundaries of any Lot or of the Common Properties, (11) the leasing of Dwelling Units, (12) imposition of any right of first refusal or similar restriction on the right of a Lot Owner to sell, transfer or otherwise

ARTICLE XVI

Acceptance and Ratification

BOOK 119 PAGE

829

All present and future Owners, Mortgagees, tenants and occupants of the Lots and Dwelling Units, and other Persons claiming by, through or under them, shall be subject to and shall comply with the provisions of this Declaration, the Articles, the By-Laws and the rules and regulations 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 Lot or Dwelling Unit shall constitute an agreement that the provisions of this Declaration, the Articles, the By-Laws 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 Lot or Dwelling Unit or the Real Estate, all as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. All Persons who may own, occupy, use, enjoy or control a Lot or Dwelling Unit or any part of the Real Estate in any manner shall be subject to this Declaration, the Articles, the By-Laws, and the rules and regulations applicable thereto as each may be amended or supplemented from time to time

ARTICLE XVII

Negligence

BOOK 119 PAGE 830

Each Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any members of his family or their guests, employees, agents, invitees or lessees, to the extent that such expense is not covered by the proceeds of insurance carried by the Corporation. An Owner shall pay the amount of any increase in insurance premiums occasioned by his use, misuse, occupancy or abandonment of his Lot or Dwelling Unit or its appurtenances or of the Common Properties.

ARTICLE XVIII

Benefit and Enforcement

The Declaration and the Restrictions shall run with and bind the Real Estate for a term commencing on the date this Declaration is recorded in the office of the Recorder of Hendricks County, Indiana, and expiring December 31, 2020, after which time they shall be automatically extended for successive periods of ten (10) years each unless by vote of a majority of the then Owners of the Lots it is agreed to change this Declaration or the Restrictions in whole or in part, or to terminate the same.

In the event of a violation, or threatened violation, of any of the covenants, conditions or restrictions set forth in this Declaration, Declarant (so long as Declarant remains an owner of any part of the Real Estate), the Board, or any Owner shall have

the right to enforce the covenants, conditions and restrictions contained herein and to pursue any and all remedies, at law or in equity, available under applicable Indiana law, with or without proving any actual damages, including the right to secure injunctive relief or secure removal by due process of any structure not in compliance with the covenants, conditions and restrictions contained herein, and shall be entitled to recover reasonable attorneys' fees and the costs and expenses incurred as a result thereof. The failure or delay at any time of Declarant, the Corporation, the Owners, or any other Person entitled to enforce this Declaration and the Restrictions, to enforce any of the same shall in no event be deemed a waiver of the right to enforce the same at any time or from time to time thereafter, or an estoppel against the enforcement thereof.

ARTICLE XIX

FHA and VA Approval

AS long as there is a Class B membership in the Corporation, amendments of these Declaration pursuant to Article XI, and conveyance of Common Properties pursuant to Article III must receive prior written approval of FHA and VA.

ARTICLE XXI

Miscellaneous

Section 1. Costs and Attorneys' Fees. In any proceeding arising because of failure of an Owner to make any payments required by this Declaration, the Articles or the By-Laws, or to

comply with any provision of this Declaration, the Articles, the By-Laws, or the rules and regulations adopted pursuant thereto, as each may be amended from time to time, the Corporation shall be entitled to recover its costs and reasonable attorneys' fees incurred in connection with such default or failure.

Section 2. Severability Clause. The invalidity of any covenant, restriction, condition, limitation or other provisions of this Declaration, the Articles or the By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration, the Articles or the By-Laws and each shall be enforceable to the greatest extent permitted by law.

Section 3. 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 all genders. Words in the singular shall refer to and include all genders. Words in the singular shall include and refer to the plural, and vice versa, as appropriate.

Section 4. Interpretation. The captions and titles of the various articles, sections, sub-sections, paragraphs and subparagraphs of this Declaration are inserted herein for ease and convenience of reference only and shall not be used as an aid in interpreting or construing this Declaration or any provision hereof.

IN WITNESS WHEREOF, White Lick Development Corporation, Declarant, have executed this Declaration on the day and year first hereinabove set forth.

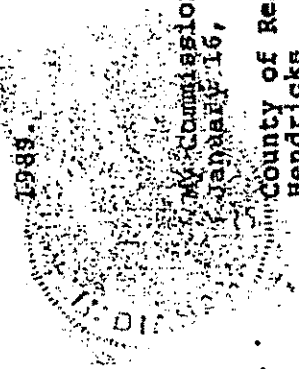
[Handwritten Signature]
By: Raymond E. Andrews, Jr.
Printed: Raymond E. Andrews, Jr., President

ATTEST:
Signature: Kevin R. Andrews, Sec.
Printed: Kevin R. Andrews, Secretary

STATE OF INDIANA)
COUNTY OF HENDRICKS)

Before me, a Notary Public, in and for said County and State, personally appeared White Lick Development Corporation by Raymond E. Andrews, Jr., President, and Kevin R. Andrews, Secretary, who acknowledged execution of the foregoing Declaration of Covenants, Conditions and Restrictions of White Lick Community, and who, having been duly sworn, stated that the representations therein contained are true.

Witness my hand and Notarial Seal this 15th day of November,



Signature: Thomas J. O'Brien
Printed: Thomas J. O'Brien
NOTARY PUBLIC

This instrument was prepared by
Sheila Suess Kennedy
Attorney at Law
36 South Pennsylvania Street
Suite 290
Indianapolis, IN 46204

EXHIBIT "A"

BOOK 119 PAGE 834

White Lick Community, Section One, an addition to the Town of Plainfield, Hendricks County, Indiana, as per plat thereof recorded July 25, 1989 in Plat Cabinet 1, Slide 31, page 1, in the office of the Recorder of Hendricks County, Indiana.

ENTERED FOR RECORD

FEB 26 1992

AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF THE
WHITE LICK COMMUNITY

2/24/92

2/14

HENRICKS COUNTY RECORDS

THIS AMENDMENT TO DECLARATION is made this 26th day of
February, 1992, by White Lick Development Corporation ("Declarant")

and

WITNESETH:

WHEREAS, Declarant was the grantor/owner of certain real estate in
Hendricks County, State of Indiana, more particularly described in Exhibit 'A' to the
Declaration of Covenants, Conditions and Restrictions of the White Lick Community
("Declaration") recorded in the Office of the Hendricks County Recorder on
November 17, 1989, as Instrument No. 6988 ("Original Real Estate"); and

WHEREAS, Declarant is the owner of certain additional real estate in
Hendricks County, State of Indiana, adjacent to the Original Real Estate and more
particularly described as follows:

SEE ATTACHED LEGAL DESCRIPTION.

WHEREAS, Declarant desires to submit such Additional Real Estate to the
provisions of the Declaration;

NOW, THEREFORE, Declarant hereby declares that the Additional Real
Estate is and shall be held, transferred, sold, conveyed, hypothecated, encumbered,
leased, rented, used, improved and occupied subject to the provisions, agreements,
conditions, covenants, restrictions, easements, assessments, charges and liens contained
in the Declaration, all of which are in furtherance of a plan for preservation and
enhancement of the Original Real Estate and the Additional Real Estate and are
established and agreed upon for the purpose of enhancing and protecting the value,
desirability and attractiveness of the Original Real Estate and the Additional Real
Estate as a whole and each of the lots situated therein. This Amendment shall not
operate to alter any of the covenants, conditions or restrictions contained in the

Declaration, but shall operate only to extend such provisions, benefits and burdens to the Additional Real Estate.

IN WITNESS WHEREOF, White Lick Development Corporation has executed this Amendment to Declaration on the day and year first above written.

White Lick Development Corporation

By [Signature]
Raymond E. Andrews, Jr.
President

ATTEST:

Kevin R. Rubin, Sec.
Kevin R. Andrews, Secretary

STATE OF INDIANA }
COUNTY OF } SS:

Before me, a Notary Public in and for said County and State, personally appeared White Lick Development Corporation, by Raymond E. Andrews, Jr., President, and Kevin R. Andrews, Secretary, who acknowledged the execution of the foregoing Amendment To Declaration Of Covenants, Conditions And Restrictions Of The White Lick Community, and who, having been duly sworn, states that any representations therein contained are true.

WITNESS my hand and Notarial Seal, this 26th day of February 1992.

MY COMMISSION EXPIRES:
December 8, 1995.

MY COUNTY OF RESIDENCE:
Hendricks

Donna Jane Charles
NOTARY PUBLIC, Signature

Donna Jane Charles
NOTARY PUBLIC, Printed

THIS INSTRUMENT PREPARED BY: Sheila Suez Kennedy, Esq., RUBIN & LEVIN, P.C., 500 Marrot Center, 342 Massachusetts Avenue, Indianapolis, Indiana, 46204-2161.

White Lick Community, Section Two (2),
an addition to the town of Plainfield,
Hendricks County, Indiana, as per plat
thereof recorded February 12, 1991 in
Plat Cabinet 1, Slide 116, page 1 in the
Office of the Recorder of Hendricks County,
Indiana.



| 7763

RESTRICTIONS OF "WHITE LICK COMMUNITY, SECTION THREE"

White Lick Development Corporation, as Owner and Developer of White Lick Community, Section Three, a subdivision located within the real estate more particularly described on attached Exhibit "A"; do hereby restrict and covenant the lots of said subdivision and other areas within the boundary of said subdivision and themselves, their grantees, assigns, successors, legal representatives, and to any person, persons, corporations, banks, and associations and/or anyone who may acquire title to any of said lots or other areas, as to the following terms, stipulations, conditions, restrictions, and covenants which shall apply in their entirety to all of said subdivision:

1. Definitions.

A. "Committee" shall mean the Architectural and Environmental Control Committee composed of Raymond E. Andrews, Jr. and Kevin R. Andrews, or their duly authorized representatives, all of whom shall serve without compensation for services performed as committee members. In the event of the death or resignation of any member of said committee, the remaining member or members shall have full authority to perform the duties of the committee, or to designate a representative with like authority, who must be an owner as hereinafter defined.

B. "Owner" shall mean the person or collection of persons who has acquired or is acquiring any right, title, or interest, legal or equitable, in and to a lot or other area in this subdivision, but excluding those persons having such interest merely as security for the performance of an obligation.

C. "Developer" shall mean White Lick Development Corporation or their assigns.

D. "Plat" or "Plat" shall mean the subdivision Plat or plats for White Lick Community, Section Three, the first section of which was recorded on the 7th day of April, 1990, as Instrument # 2526, in the Office of the Recorder of Hendricks County, Indiana, as the same may be hereafter amended, revised or supplemented.

ENTERED FOR RECORD ^{2:14}
BOOK

725 MAR 07 1991 PAGE 211 - 233

Jan DeBenedictis
HENDRICKS COUNTY RECORDER

F. "Development" shall mean and refer to the residential development known as White Lick Community, Section Three, which now exists or may hereafter be created within the real estate described on attached Exhibit "A" as and being the same as shall be subdivided by plat or plats.

E. "Development Period" shall mean and refer to the period of time during which Developer owns any one (1) Lot within the Development.

G. "Easements" shall mean and refer to certain "Drainage Easements", "Utility and Drainage Easements", "Maintenance Easements" and "Landscaping Easements", which are referenced on the Plat.

H. "Lot" shall mean any numbered parcel of real estate shown and identified as a lot on the Plat.

2. Land Use. Lots shall be used only for single family residential purposes. No structure of any kind on said real estate shall be used for the purpose of carrying on a business, trade or profession. Where an owner acquires adjoining lots for the purpose of building one dwelling across the common lot line, any side lot line set back restrictions or regulations shall not apply to said common lot line. No structure shall be built across lot lines coinciding with sanitary sewer easements, drainage easements, and utility easements.

3. Dwelling Size. No dwelling shall be erected, altered, placed, or permitted to remain on any lot other than a one single-family residence not to exceed three stories in height. Dwellings on all lots shall have, at a minimum, attached two-car garages; the entrances of any garage shall be approved by the committee. The ground floor area of the main structure of any one-story dwelling, excluding garages and one-story porches, shall be not less than 1700 square feet. The ground floor area of the main structure of any two-story dwelling, excluding garages and one-story porches, deck and patios shall be not less than 1200 square feet, with no less than a total of 2000 square feet of finished floor space in such two-story structure.

4. Building Lines. Front building lines are established as shown on the Plat between which lines and the property lines or the street, no structure shall be erected or maintained. Side building lines are established as shown on the Plat or by the Town of Plainfield as the case may be, between which lines and the property lines or the street, no structure shall be erected or maintained.

5. No trailer, tent, shack, basement, garage, barn above ground storage tank, or other outbuilding or temporary structure shall be used for temporary residential purposes on the property, and no boat, trailer, recreational vehicle, truck larger than 3/4 ton pick-up, or camper of any kind (including, but not in limitation thereof, house trailers or mobile homes, camping trailers and boat trailers) shall be kept or parked upon said lot except within a garage.
6. No structure of any kind on said real estate shall be used for the purpose of carrying on a business, trade or profession.
7. Animals. No animals or poultry shall be kept or maintained in this subdivision except common household pets.
8. Architectural Design. No building, wall, fence, or other structure shall be constructed, erected, placed, or altered in the Development until the location plan, building plans, and specifications have been first submitted to, and approved by, the Committee as to harmony with the exterior design, quality, and aesthetic appearance of structures already existing, and as to conformity with grading plans, first floor elevations, destruction of trees and other with vegetation, and any other such matter as may affect the environment or ecology of the Development. The Committee's approval or disapproval as required in these covenants shall be in writing. In the event the Committee, or its designated representative, fails to approve or disapprove any plans and specifications within fifteen (15) business days after such plans and specifications have been submitted to it, such plans shall be deemed approved and the provisions of this Covenant satisfied.
9. No parcel of land shall be re-divided into a smaller parcel.
10. Construction and Repair Time. A dwelling on each lot shall be commenced, under a properly issued building permit, within one (1) year from the date of the deed from the Developer to the purchaser of any respective lot. Any house, fence, water line, sewer, ditch, or any structure, once approved and under construction, must be completed one (1) year from the date construction starts.
Any structure that is externally damaged by fire, tornado or other disaster shall be repaired or removed within six (6) months of such occurrence.
11. Utility Building and/or Barn. There shall be no storage or utility buildings, barns, or other outbuildings on any lot within the subdivision.
12. Signs. The only signs permitted to be erected or displayed in this subdivision are: those required by law, a single sign placed by a builder or financial institution to advertise a property during the construction and sales period, a single yard sale or garage sale sign placed by the owner no more frequently than one day twice each year, a single sign placed by an owner to advertise the property for sale or rent or to prohibit hunting or trapping.

13. **Storage Tanks.** Any gas or oil storage tanks used in connection with a lot shall be located within a garage or house such that they are completely concealed from public view.
14. **Fences.** All fences, including material and height, require Committee approval before erection. No fence shall extend forward of the furthest back corner of the residence. Swimming pools shall be properly fenced to protect the safety of others.
15. **Sight Distance at Intersections.** No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two feet and six feet above the roadways shall be placed, or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five feet from the intersection of the street line. The same sight line limitations shall apply on any lot within ten feet from the intersection of a street's property line with edge of driveway. No trees shall be permitted to remain within such distance of such intersection unless the foliage line is maintained at such height to prevent obstruction of such sight lines.
16. **Water Supply and Sewage Disposal.** No private or semi-private water supply may be located upon any lot in the Development which is not in compliance with regulations or procedures as provided by the Indiana State Board of Health, or other civil authority having jurisdiction. No septic tank, absorption field, or other similar method of sewage disposal shall be located or constructed on any lot.
17. **Vehicle Parking.** No vehicle of more than 3/4 ton hauling capacity shall be parked on any homestead except while making a delivery or pickup. No car, boat, truck, motorhome or trailer that is not in operational condition and bearing the current year's license plate shall be permitted to remain on any homestead unless kept within a garage. No vehicle of any kind shall park on any road in this subdivision for more than twenty-four (24) hours.
18. **Landscaping.** The lot owner shall landscape the lot within sixty (60) days following completion of a house thereon, weather permitting.
19. **Maintenance of Lots and Improvements.** Each lot owner shall at all times maintain the lot and any improvements thereon to prevent the same from becoming unsightly by removing all debris, rubbish, dead trees, and other materials or conditions that reasonably tend to detract from or diminish the aesthetic appearance of the subdivision, and by keeping the exterior of all improvements in a good state of repair. No lots shall be used or maintained as a dumping ground for rubbish, garbage or other waste, and same shall not be kept, except in sanitary containers out of view from street except on days of collection. There shall be no use of exterior or outside incinerators or burners for the burning of trash. All lots, whether improved or not, shall be mowed by the lot owners or their designated representatives at least twice during each of the months of April through September.

20. Nuisances. No noxious or offensive activity shall be carried out or allowed to be carried out on any lot, nor shall anything be done or allowed to be done thereon which may become or be an annoyance or nuisance to the residents of the Development.
21. Basements. Basements may be constructed in this subdivision but pump ejector systems for withdrawing wastewater from basement facilities, as well as other pumps for foundation drains, may be required.
22. Driveways. Residential driveways shall be constructed of portland cement concrete. Pavement shall be a minimum of four (4) inches thick excluding subbase material.
23. Swimming Pools. No swimming pools where the water level is either partially or completely above ground level shall be permitted. Any in-ground swimming pool shall be properly fenced so as to protect the safety of others. Prior to erection, such fence shall be approved by the Committee.
24. Crawl Space and Foundation Drains. No crawl spaces, eaves troughs, gutters, downspouts, or foundation drains shall be constructed so as to discharge water onto a street.
25. Exterior Antennas and Satellite Dishes. No television or radio antennas, satellite dishes or similar devices for television, radio and/or telephone reception or transmission may be erected by any Lot Owner on the exterior of a residential dwelling structure in the Development. However, inside attic antennas and cable service are acceptable.
26. Sidewalks. Concrete sidewalks with a minimum of four (4) feet shall be constructed on each side of the street. Lot Owners shall be responsible for the cost of constructing and maintaining the sidewalks on their respective Lots. Sidewalks shall be installed at the time of construction of any residential dwelling, and shall be completed prior to occupancy of such dwelling; provided, however, that in no event shall a sidewalk be completed any later than one (1) year from the date an Owner first purchases a lot from the Developer, even if construction of such residential dwelling has not commenced or is only partially complete as of such date. All sidewalks must be constructed in accordance with the Committee's specifications. Lot Owners shall keep sidewalks on their respective lots free of snow and cleared of debris.
27. Gazebo. Free standing gazebos are permitted if design and location is approved by the Architectural Committee.
28. Mail Boxes. Size, location, lighting, height and composition of every mailbox shall be approved by the Committee prior to installation and shall conform to specifications set forth by the United States Postal Service and/or Postmaster General.

29. Tennis Courts, Racquetball Courts, Paddle Ball Courts, etc. Construction of tennis courts, racquetball courts, paddle ball courts, squash courts, etc. are required to be approved by the Committee prior to commencement of any construction work related thereto. Lighted courts are not permitted. An application to the Committee for the construction of a racquet sport court shall be accompanied by an application for an acceptable fence design.

30. Retaining Walls. Approval of the Committee shall be required prior to installation of any retaining wall. Retaining walls which divert ground water onto adjoining properties or which otherwise substantially change the existing drainage pattern are not permitted.

31. Play Equipment. Children's play equipment, including but not limited to sandboxes, temporary swimming pools having a depth of less than twenty-four (24) inches, swing and slide sets, playhouses and tents shall be permitted without prior approval of the Committee, provided, however, that such equipment shall not be more than eight (8) feet high, shall be in good repair (including paint) and every reasonable effort shall have been made to screen or shield such equipment from view. With respect to equipment higher than eight (8) feet, prior approval by the Committee of the design, location, color, material and use shall be required.

32. Clothes Lines. Collapsible and removable clothes lines will be permitted by the Committee, but permanent clothes lines will not be approved by the Committee.

33. Garbage and Other Refuse. No Owner of a lot in the Development shall burn or permit the burning out of doors of leaves, garbage or other refuse, nor shall any Owner accumulate or permit the accumulation of out of doors of such refuse on his lot except as may be permitted in Paragraph 38, below. All residential dwelling structures built in the Development shall be equipped with a suitable garbage can or container.

34. Trash Receptacles. Every outdoor can or container for ashes, trash, rubbish or garbage shall be so placed and kept as not to be visible from any street within the Development, except at the times when refuse collections are being made. Every such can or container shall be secured so as to prevent entry by insects and animals.

35. Gardens. No garden shall be visible from any street.

36. Ditches and Swales. It shall be the duty of every Owner of every lot in the Development on which any part of an open storm drainage ditch or swale is situated to keep such portion thereof as may be situated upon his lot continuously unobstructed and in good repair, and to provide for the installation of such culverts upon said lot as may be reasonable necessary to accomplish the purposes of this subsection.

37. **Rules Governing Building on Several Contiguous Lots Having One Owner.** Whenever two or more contiguous lots in the Development shall be owned by the same person, and such Owner shall desire to use two or more of the said lots as a site for a single-dwelling residential structure, such Lot Owner shall apply in writing to the Committee for permission to so use said lots. If permission for such a use shall be granted, the lots constituting the site for such single-dwelling house shall be treated as a single lot for the purpose of applying these Restrictions to said lots, so long as the lots remain improved with a one-single dwelling residential structure.
38. **Blanket Easement.** Each lot shall henceforth be encumbered by a blanket temporary easement for the purpose of installation, maintenance and upkeep of the drainageways and sub-surface drains of the drive, with this blanket temporary easement being supplementary to the easements depicted on the plat of White Lick Community, Section Three.
39. **Street Address.** The designation of a street address for any dwelling, including location, style, color and material shall be approved by the Committee. The Committee may require the street address of each dwelling to be carved in stone and located on the exterior of each dwelling.
40. **Enforcement.** Any owner of any lot or lots in this subdivision may initiate any proceeding at law or equity against any person or persons violating or attempting to violate any covenant herein. The successful party to any such action shall recover attorneys fees and costs incurred in such action. A violation of any restriction herein will not result in reversion or forfeiture of title.
- If any owner of a lot in this subdivision shall fail to maintain his lot and/or any improvements situated thereon, or to keep sight distances or to construct and/or maintain sidewalks in accordance with these restrictive covenants, the Committee shall have the right, but not the obligation, by and through its agents and employees or contractors, to enter upon said lot and repair, mow, clean, or perform such other acts as may reasonably be necessary to make said lot, and/or any improvements situated thereon, conform to the requirements of these restrictions. The cost thereof to the Committee shall be collected in any reasonable manner from the owner. Neither the Committee nor any of its agents, employees, or contractors shall be liable for any damage that may result from any maintenance or other work performed hereunder. Any fine so assessed against any lot, together with interest and other charges or costs as hereinafter provided, shall become and remain a lien upon that lot subordinate only to the lien of a first mortgage until paid in full, and shall also be a personal obligation of the owner or owners of that lot. Such charge shall bear interest at the rate of eighteen percent (18%) per annum until paid in full. If, in the opinion of the committee, such charge has remained due and payable for an unreasonably long period of time, the committee may institute such procedures, either at law or in equity, by

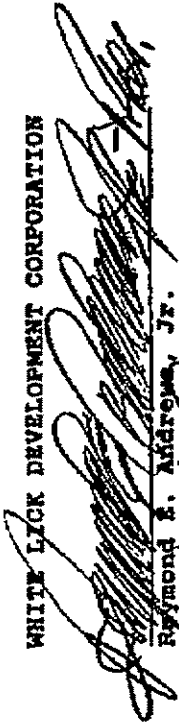
foreclosure or otherwise, to collect the amount owing, in any court of competent jurisdiction. The owner of the lot or lots subject to the charge shall, in addition to the amount of the charge due at the time legal action is instituted, be obligated to pay any expenses or costs, including attorney's fees, incurred by the committee in collecting the same. Every owner of a lot in this subdivision, and any person who may acquire any interest in such lot, whether as an owner or otherwise, is hereby notified, and by acquisition of such interest agrees, that any such liens which may exist upon said lot at the time of the acquisition of such interest are valid liens and shall be paid. Every person who shall become an owner of a lot in this subdivision is hereby notified that by the act of acquiring, making such purchase, or acquiring such title, such person shall be conclusively held to have covenanted to pay all fines that shall be made pursuant to this paragraph.

41. **Term.** These covenants will run with the land and shall be binding on all parties, and all persons claiming under them, for a period of twenty-five (25) years from the date these covenants are recorded, after which twenty-five (25) years they shall be automatically extended for successive ten (10) year periods, unless an instrument signed by a majority of the lots has been recorded agreeing to change said covenants in whole or in part.

42. **Severability.** Invalidation of any one of these covenants by court order shall not affect any of the other provisions, which shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned, as owner and Developer of the above described real estate, have set their hands and seals this 20th day of August, 1990.

WHITE LICK DEVELOPMENT CORPORATION



Raymond E. Andrews, Jr.

Kevin R. Andrews Secretary
Kevin R. Andrews

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STATE OF INDIANA)
) SS:
HENDRICKS COUNTY)

Before me, a Notary Public in and for said County and State, personally appeared Raymond E. Andrews, Jr. and Kevin R. Andrews, for White Lick Development Corporation, who acknowledged the execution of the foregoing Restrictions of White Lick Community, Section Three, and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this 20th day of August 1990.

My Commission Expires:
December 8, 1991

Resident of Hendricks County.

Donna Jane Charles
Notary Public (Donna Jane Charles)

This instrument prepared by:
Lee T. Comer
Attorney-at-Law
P.O. Box 207
Danville, IN 46122
(317) 745-4900.

**WHITE LICK COMMUNITY, SECTION III
LEGAL DESCRIPTION**

A part of the Southwest Quarter of Section 27, and a part of the Northwest Quarter of Section 34, both in Township 15 North of the Second Principal Meridian in Guilford Township, Hendricks County, Indiana, and being more particularly described as follows, to-wit:

Commencing at a stone found marking the southwest corner of said Northwest Quarter Section; thence North 00°00'00" East (assumed bearing) on and along the west line of said Northwest Quarter Section 358.40 feet to the centerline of the westbound lane of U.S. 40, formerly described as the centerline of Cumberland Road; thence North 86°30'00" East with the centerline of said Cumberland Road 585.50 feet; thence North 68°41'00" East 447.20 feet; thence North 10°35'50" West 1735.88 feet to the Beginning Point of this description.

Thence North 10°35'50" West 499.95 feet; thence North 89°05'00" East 360.90 feet; thence North 15°19'00" East 64.90 feet; thence South 76°39'00" East 59.90 feet; thence North 41°56'00" East 93.00 feet; thence North 71°10'00" East 111.20 feet; thence South 65°46'00" East 313.50 feet; thence South 07°40'48" East 303.81 feet to a point that is 23.10 feet South 66°30'00" West of an iron pin found marking the northeast corner of Wincher Heights Parcel "A" as recorded in Plat Book 4, Page 66 in the office of the Recorder of Hendricks County, Indiana; thence South 66°30'00" West 650.38 feet; thence South 41°45'45" West 62.14 feet; thence South 73°24'10" West 171.96 feet to the Beginning Point of this description; containing 9.76 acres, more or less, and subject to all legal highways, rights-of-way and easements of record.

EXHIBIT "A"