(3)

DECLARATION OF COVENANTS AND RESTRICTIONS OF THE BENTLEY FARMS OWNERSHIP

MARTHA A. WOMACKS
182929 JUL -2 99
AUDITOR'S OFFICE ACCEPTANCE FOR TRANSFER

THIS DECLARATION made this 1st day of JULY, 1999, by Community Development, III, Inc. (DECLARANT) is the title owners of real estate (hereinafter called DECLARANT).

(33)

WITNESSETH:

WHEREAS, the following facts are true:

A. DECLARANT at the time of execution hereof is the sole owner in fee simple of real estate located in Marion County, Indiana, more particularly described in the attached Exhibit "A", which is incorporated herein by reference (hereinafter referred to as "TRACT" or "BENTLEY FARMS" or "BENTLEY FARMS SUBDIVISION").

B. DECLARANT, by execution of this Declaration, assures that all properties which are conveyed which are a part of the "TRACT" shall be conveyed subject to the terms and conditions of this Declaration, which shall run with the "TRACT" and be binding upon all parties having right, title or interest in the "TRACT", or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner.

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

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

(a) "APPLICABLE DATE" means the date determined pursuant to Paragraph 8 of this Declaration.

(b) "Articles" or "Articles of Incorporation" means the Articles of Incorporation of the Corporation, as hereinafter defined. The Articles of Incorporation are incorporated herein by reference.

(c) "Board of Directors" means the governing body of the Corporation elected by the Members in accordance with the By-Laws of the Corporation.

(d) "By-Laws" shall mean the By-Laws of the Corporation and shall provide for the election of directors and officers and other governing officials of the Corporation. A copy of the By-Laws is incorporated herein by reference.

(e) "Common Expense" means expenses for the administration of the Corporation, and expenses for the upkeep, maintenance, repair and replacement of the Common Areas or the Common Expense Area, and all sums lawfully assessed against the members of the Corporation.

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Inst # 1999-0126978

(f) Common Area and/or Common Expense Area.

The following appear as designated upon the Final Plat of the BENTLEY FARMS SUBDIVISION.

Two Lakes Designated Lake Common Area 89,000 plus sq. ft. and
Lake Common Area 34,000 plus sq. ft. and Surrounding Areas.

These two "Lakes" are part of the overall drainage system of BENTLEY FARMS, with the largest of the Lakes to have a fountain (pump) and an on shore gazebo before the Applicable Date, with the maintenance on both Lakes and improvements to be one of the "Common Expense Areas" and is further designated as General Common Area. The "Lakes" are designed to be wet and be available to the other Lot owners of BENTLEY FARMS as restricted recreation and amenity areas. Lake Common Area 34,000 plus sq. ft. will also extend beyond the perimeter of the BENTLEY FARMS Subdivision in a South, Southwestern and Westerly direction by virtue of an easement of record, which easement imposes a maintenance obligation first on the Declarant and then on the Corporation, which obligation become a common expense item hereunder. The "Corporation" later defined and known as BENTLEY FARMS Homeowners Association Inc. (hereinafter referred to as "HOA") shall be responsible to maintain the Lakes and the immediately surrounding area thereto and will provide ingress and egress, if necessary, to these Lakes to representatives of Marion County who have drainage jurisdiction for inspection and/or maintenance as regards these Lakes as designated on the final plat of BENTLEY FARMS. [DECLARANT DISCLAIMS ANY REPRESENTATION OR OBLIGATION TO MAINTAIN A CERTAIN WATER LEVEL WITHIN THE LAKES.]

Fencing and Perimeter Landscaping.

The Declarant proposed privacy fencing around the perimeter of Largest Lake along the frontage on Shelbyville Road, the frontage of that portion Mathews Road and the common boundary with the Lots of Bentley Estates. The HOA shall maintain the fencing and any complimentary landscaping as a common expense.

Entrance Wall and Aesthetic Landscaping. (Within Entrance Island)

The Declarant proposes a subdivision identification signs tempered by some grass and/or landscaping within an island at the entrance to the BENTLEY FARMS Subdivision on Bentley Farms Drive subject to the permission of Department of Capital Management (DCAM) since the

location thereof is an encroachment in a dedicated public right-of-way the maintenance obligation for the island, grass and/or landscaping being in the Homeowners Association.

MAINTENANCE RE: LOTS AND/OR DWELLING.

THE HOA OBLIGATION OF MAINTENANCE TO LOTS AND/OR DWELLINGS AS DETAILED IN ITEM #13 SHALL BE INCLUSIONARY IN THE WORDS "COMMON EXPENSE AREA" AND BE PART OF THE COMMON EXPENSE COMPONENTS COVERED IN THE ASSESSMENTS UNDER ITEM 15.

(g) "Corporation" also known as HOA means the BENTLEY FARMS Homeowners Association, Inc., its successors and assigns, a not-for-profit corporation, whose members shall be the Owners of Lots, or appointees as provided in Paragraph 8 of this Declaration; such Corporation being more particularly described in Paragraph 8 of this Declaration.

(h) "DECLARANT" shall mean and refer to Community Development III, Inc. and any successors and assigns of it whom it designates 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 "TRACT" pursuant to the exercise of rights under, or foreclosure of, a mortgage executed by DECLARANT.

(i) "Dwelling Unit" shall refer to one-half of a double separated by a party wall from the other half of a double with each dwelling unit located on its own platted Lot; one-half located _____ (A) Lot and the other half on a _____ (B) Lot. (The blank is a number as shown on the PLAT).

(j) "Lot," means any plot of ground designated as such upon the recorded Final Plat of BENTLEY FARMS, and upon which one (1) Dwelling Unit is constructed or is to be constructed. When Lot is used it shall be deemed to include the Dwelling Unit, if any, located thereon.

(k) "Member" means a member of the Corporation.

(l) "Mortgagee" means the holder of a first mortgage lien on a Lot.

(m) "BENTLEY FARMS" or "BENTLEY FARMS Subdivision" means the name by which the TRACT, as described in Paragraph A above, which is the subject of this Declaration, shall be known.

(n) "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or any

combination thereof, who owns the fee simple title to a Lot.

2. Declaration. DECLARANT hereby expressly declares that the "TRACT" shall be held, conveyed and transferred in accordance with the provisions of this Declaration.

3. Description of "BENTLEY FARMS". "BENTLEY FARMS" consists of 27A and 27B Lots, as designated on the Final Plat. The legal description for each lot in BENTLEY FARMS shall be as follows:

> Lot ____ (either A or B - Select One) in BENTLEY FARMS, a subdivision in Marion County, Indiana, as per plat thereof recorded _____, 19__, as Instrument No. _____, in the Office of the Recorder of Marion County, Indiana.

4. Ownership of Common Area. The Common Areas shown on the recorded plat of BENTLEY FARMS are subject to this Declaration and shall be conveyed to the "HOA" and thereafter owned by the Corporation, and shall be held for the use and enjoyment of all the Members. While ownership of the Common Areas is in the HOA the maintenance of the Common Areas shall be the responsibility of the HOA. The Common Area rights shall pass with title to every Lot, subject to the provisions of this Declaration, including, but not limited to, the following:

(a) The right of the Corporation to control construction of improvements thereon.

(b) The right of the Corporation to suspend any Member from the right to use the Common Area for any period during which any assessment against such Member's Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of the Board's published rules and regulations.

(c) The right of the Corporation, upon approval by a written instrument signed by two-thirds (2/3rds) of all Class A Members, two-thirds (2/3rds) and of all Class B Members, and by two-thirds (2/3rds) of all first mortgagees of record with the Corporation per Item 16(a) hereof, to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such Common Areas purposes and subject to such conditions as may be agreed by the Corporation.

(d) The right of the Corporation to adopt such rules and regulations regarding the Common Areas and use thereof as it deems necessary as provided in Paragraph 19.

(e) The Common Area made subject to this Declaration shall be conveyed by the DECLARANT and thereafter owned by the Corporation no later than when 80% of the Lots in BENTLEY FARMS have been transferred to a name other than the DECLARANT.

5. Delegation of Use of the Common Area. Any Member may delegate, in accordance with provisions of

this Declaration and the rules or regulations promulgated by the Corporation, his right of enjoyment, and use of the Common Area to members of his family, his tenants or contract purchasers who reside on any Lot.

6. Encroachments and Easements in Common Area. If by reason of inexactness of construction, settling after construction or for any other reasons, any Common Area encroaches upon any Lot, an easement shall be deemed to exist and run to the Corporation for the maintenance, use and enjoyment of such Common Area.

Each Owner shall have an easement in common with each other Owner to use all pipes, wires, ducts, cables, conduits, utility lines and other common facilities, if any, in the Common Area and serving his Dwelling Unit.

7. Easement for Utilities and Public and Quasi-Public Vehicles. An easement is granted to all utilities and their agents for ingress, egress, installation, replacement, repairing and maintaining of such utilities, including, but not limited to, water, sewers, gas, telephone and electricity on the "TRACT"; provided, however, nothing herein shall permit the installation of sewers, electric lines, water line or other utilities, except as initially designed and approved by DECLARANT on the Plat or as thereafter may be approved by DECLARANT or by the Board of Directors. By virtue of this easement the electrical and telephone utilities are expressly permitted to erect and maintain the necessary equipment on the "TRACT" and to affix and maintain electrical and telephone wires, circuits and conduits underground and across the "TRACT" within the easements shown on the Plat of BENTLEY FARMS. In the event any utility furnishing service should request a specific easement by a separate recordable document, DECLARANT shall have the right to grant such easement on such "TRACT", without conflicting with the terms of this Paragraph. The easements granted herein shall in no way affect any other recorded easement on the "TRACT".

8. Corporation: Membership; Voting; Functions.

(a) Membership in Corporation. DECLARANT and each Owner of a Lot which is subject to assessment 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 a Member of the Corporation.

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

rights:

(i) 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 voted 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 be Members of the Corporation, but all of 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.

(ii) 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 four (4) votes for each Lot of which it is the Owner in all matters requiring a vote of the Members of the Corporation (Lots for this purpose include Lots reflected in a recorded plat. The Class B membership shall cease and terminate upon the APPLICABLE DATE, which shall be the first to occur of:

1. the date upon which the written resignation of the Class B Members is delivered to the resident agent of the Corporation;

2. thirty (30) days after the date when the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership, or;

3. five (5) years after date of recordation of this Declaration.

(c) Functions. The Corporation has been formed for the purpose of providing for the maintenance, repair, upkeep, replacement, and administration of the Common Area and Common Expense Areas (Item 1(f)) and to pay any other necessary expenses and costs in connection with these areas, and to perform such other functions as may be designated by it to perform under this Declaration.

9. Board of Directors.

(a) 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 this Declaration to be, an Owner, including a person appointed by DECLARANT as provided in subparagraph (b) of this Paragraph 9.

(b) Initial Board of Directors. The Initial Board of Directors shall be composed of the persons designated in the Articles, to-wit: Mauri Young, David Bertolet and Richard Wyand (hereinafter referred to as the "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 or the By-Laws (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 Owner, by acceptance of a deed to a Lot, or by acquisition of any interest in a Dwelling Unit by any type or juridical acts inter vivos or causa mortis, or otherwise, shall be deemed to have appointed DECLARANT as such Owner's agent, attorney-in-fact and proxy, which shall be deemed coupled with an interest and irrevocable until the APPLICABLE DATE determined as provided above, to exercise all of said Owner's right to vote, and to vote as DECLARANT determines, on all matters as to which Members of the Corporation are entitled to vote under the Declaration, the Articles, the By-Laws or otherwise; provided, however, this right to vote granted to DECLARANT shall not extend to votes of Members (if a vote is required) on matters of Special Assessments, mortgaging the Common Areas titled in the HOA or merger/consolidation of the Corporation with another corporation. This appointment of DECLARANT as such Owner's agent, attorney-in-fact and proxy shall not be affected by incompetence of the Owner granting the same. 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 a 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).

(c) 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 or Dwelling Unit may be represented on the Board of Directors by more than one person at a time.

(d) Terms of Office and Vacancy. The Initial Board, per subparagraph (b) of this Paragraph, 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 Successor Board to the Initial Board shall be a minimum of three (3) in number. All Directors other than the Initial Board of Directors shall be Members of the

Corporation at the time of their election to office and during their term of office as Directors. The Directors, other than the Initial Board of Directors shall be elected after the Applicable Date at the annual meeting of the Corporation by the Members. The first Board elected after the applicable date shall have one Director with a term of two (2) years with the other Directors' terms being one (1) year. The term of successor Directors thereafter (other than vacancies) shall be two (2) years thus provided a staggering of terms and continuity of experience.

Any vacancy of Director(s) prior to the annual meeting shall be filled by the remaining Directors. Any Director elected at an annual meeting to fill a vacancy shall serve for the unexpired term of the Director whose vacancy is thus filled.

(e) 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. A Director so elected shall serve until the next annual meeting of the Owners and until his successor is duly elected and qualified.

(f) 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, the management, maintenance, repair, upkeep and replacement as required and detailed under this Declaration within the Common Area and Common Expense Areas (Item 1(f)), and the collection and disbursement of the Common Expenses. The Board may, on behalf of the Corporation, employ a reputable and recognized professional property management agent (herein called the "Managing Agent") upon such terms as the Board shall find, in its discretion, reasonable and customary, provided any such management agreement shall be for a term of three (3) years or less and shall provide that any such agreement may be terminated by either party upon ninety (90) days written notice to the other party. Other than the Initial Management under Paragraph 9 any decision thereafter to employ a professional property management agent shall require the prior consent of the Owners of at least fifty-one percent (51%) of the vote and fifty-one percent (51%) of the vote of Mortgagees who are registered as hereinafter detailed. The Managing Agent, if one is employed, shall assist the Board in

carrying out its duties, which include, but are not limited to:

(i) protection, surveillance of the Common Area and Common Expense Areas (Item 1(f)), unless the same are otherwise the responsibility or duty of Owners of Lots; provided, however, that this duty shall not include or be deemed or interpreted as a requirement that the Corporation, the Board or any Managing Agent must provide any on-site or roving guards, security service or security system for protection or surveillance, and the same need not be furnished;

(ii) the duties delineated under Item 1(f) hereof;

(iii) assessment and collection from the Owners of each Owner's respective share of the Common Expenses;

(iv) 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;

(v) 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;

(vi) keeping a current, accurate and detailed record of receipts and expenditures affecting the Common Area and the Common Expense Areas (Item 1(f)) and the business and affairs of the Corporation specifying and itemizing the Common Expenses; all records and vouchers (including current copies of the Declaration, Articles of Incorporation, By-Laws and Rules) shall be available for examination by an Owner, Mortgagee, insurer or guarantor of a first mortgage, at any time during normal business hours;

(vii) procuring and maintaining for the benefit of the Corporation and the Board the insurance coverages required under the Declaration and such other insurance coverages as the Board, in its sole discretion, may deem necessary or advisable;

(viii) paying any other necessary expenses and costs in connection with the duties in subsection (ii) hereof; and

(ix) to furnish, upon request of any Mortgagee, insurer or guarantor of a first mortgage, an audited financial statement for the immediately preceding fiscal year.

(g) 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:

(i) to employ a Managing Agent to assist the Board in performing its duties;

(ii) 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 judgment of the Board of Directors;

(iii) to employ legal counsel, architects, contractors, accountants and other as in the judgment of the Board of Directors may be necessary or desirable in connection with the business and affairs of the Corporation;

(iv) to employ, designate, discharge and remove such personnel as in the judgment of the Board of Directors may be necessary for the Board of Directors to perform its duties;

(v) to include the costs of all of the above and foregoing as Common Expenses and to pay all of such costs therefrom; and

(vi) to open and maintain a bank account or accounts in the name of the Corporation.

(h) Limitation on Board Action. 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 (adjusted annually for increases or decreases in the Consumer Price Index) but in no event 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 Area or Common Expense Areas (Item 1(f)) 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.

(i) 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 any is employed, shall be entitled to reasonable compensation for its services, the cost of which shall be a Common Expense.

(j) 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. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Corporation.

(k) Additional Indemnity of Directors. The Corporation shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives, made a party to any action, suit or proceeding by reason of the fact that he 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 therein, except as otherwise specifically provided herein in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Director is liable for gross negligence or misconduct in the performance of his duties. 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 finding and notwithstanding the adjudication in any action, suit or proceeding against a Director, no Director shall be considered or deemed to be 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 statement 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 meeting of the Board of Directors.

(l) Bond. The Board of Directors may provide blanket fidelity bonds for the Managing Agent (if any), the treasurer of the Corporation, and such other officers or directors of the Corporation that handle or are responsible for funds 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 (provided, however, in no event shall the aggregate amount of the bond be less than a sum equal to one (1) year aggregate assessments on all Dwelling Units) and any such bond shall specifically include protection for any insurance proceeds received for any reason by the Board. Fidelity bonds shall name the Corporation as an obligee and shall contain waivers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. Such bonds shall provide that they may not be cancelled or substantially modified for any reason without at least ten (10) days prior written notice to the Corporation. The expense of any such bonds shall be a Common

Expense.

10. Initial Management. The Board of Directors shall be deemed by the recordation of this Declaration to have entered into a management agreement with DECLARANT or with a corporation or other entity affiliated with DECLARANT or designated by DECLARANT for a term not to exceed three (3) years with either party having the right to terminate upon ninety (90) days' notice under which DECLARANT (or such other corporation or entity as appropriated) will provide supervision, management and maintenance of the Common Area of BENTLEY FARMS, and in general perform all of the duties and obligations of the Corporation. Such management agreement may be renewed by the parties for additional terms of three (3) or less years or a new management agreement with different parties may be executed under similar terms and conditions. Any management agreement is or will be subject to termination by DECLARANT (or such other corporation or entity as appropriate) at any time prior to expiration of its term, in which event the Corporation shall thereupon and thereafter resume performance of all of its duties and obligations. Notwithstanding anything to the contrary contained herein, so long as a management agreement between the Corporation and DECLARANT (or such other corporation or entity as appropriate) is in effect, DECLARANT (or such other corporation or entity as appropriate) shall have and DECLARANT hereby reserves to itself (or such other corporation or entity as appropriate), the exclusive right to manage the Common Area of BENTLEY FARMS and perform all the functions of the Corporation.

11. Real Estate Taxes. Real estate taxes are to be separately assessed and taxed to each Lot and the Common Area. In the event that for any year the real estate taxes are not separately assessed and taxed to each Lot but are assessed and taxed on the "TRACT" without a breakdown for each Lot and the Common Area, then each Owner shall pay his proportionate share of the real estate taxes assessed to the land comprising the "TRACT" which shall be the ratio that the square footage in his Lot bears to the total square footage of all the land comprising the "TRACT" and shall pay his proportionate share of the real estate taxes assessed on the improvements on the "TRACT" based upon the ratio that the square footage of all improved Lots.

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

13. Maintenance of Common Area/Lots/Dwelling Units.

(a) Maintenance of Common Area. Maintenance of the Common Area, unless the same is otherwise the responsibility or duty of Owners of Lots shall be provided by the Corporation, however, this duty shall not include or be deemed or interpreted as a requirement that the Corporation, the Board, or any Managing Agent must provide any on-site or roving guards, security service or security system.

(b) Maintenance by Corporation Relative to Lots/Dwelling Units.

Re: Lot. The Corporation shall maintain the lawns on the Lot including fertilizing (a minimum of 2 times per year) and mowing of the grass when necessary, but only in an area designated to be grass at the time of transfer of title to a Lot from the Declarant (but not replanting or reseeding of the grass), and the care, fertilizing, trimming, removal and replacement of trees and shrubs planted by the Declarant without any duty to water any such planting and trimming will be determined by the Board and not exceed one trimming per year. It shall not include the care and maintenance of shrubs, trees which are not planted by Declarant, flowers or other plants within the Lot.

The Association may provide snow removal (but no ice removal) if funding exists, for the removal of snow from driveways and sidewalks or the Dwelling Units within the Lot if in the Board's sole determination the accumulation of snow justifies such removal.

Re: Dwellings. The Board, in its sole discretion, shall determine the need for the exterior painting of the Dwelling Unit and shall control the color, quality and selection of the paint used but the owner is to provide such paint and painting to the Dwelling Units exterior. The Board shall also clean the gutters at least once a year.

(c) Maintenance of Individual Lots. Except as otherwise noted above each owner shall be responsible for maintaining and keeping his Lot and all improvements thereon not provided by the Association in a good, clean and sanitary condition with an appearance which is complementary to the Subdivision. If any Owner shall fail to maintain and keep his property or any part thereof in a good, clean and sanitary condition, with an exterior appearance up to the general standards of the BENTLEY FARMS SUBDIVISION, the Corporation may perform any work necessary and charge the Owner thereof for such cost, which shall be immediately due, and shall be secured by the Corporation's lien on the Owner's property.

Each Owner, by his acceptance of a deed to any Lot, irrevocably grants to the Corporation, its agents and employees, the right to enter upon, across and over the Lot owned by such Owner under such conditions as are reasonably necessary to effect the maintenance, cleaning, repair or other work permitted herein.

(d) Damage to or Abuse of Common Area or Areas to be Maintained by the Association under (b). If, due to the willful, intentional or negligent acts or omissions of an Owner, or of a member of the Owner's family, or of a guest, tenant, invitee or other occupant or visitor of the Owner, damage is caused to Common Areas or repairs and maintenance are accelerated relative to the Association's obligations under (b), some maintenance or repairs is required, the Owner shall be required to pay for such damage. Upon demand by the Board, the cost of such repairs shall be immediately due and payable, and if not paid, a lien may attach to the Owner's property, and costs of collection and reasonable attorney fees shall be added to any judgment entered on behalf of the Corporation.

14. Architectural Control.

(a) The Architectural Review Board ("Review Board"). As a standing committee of the Corporation there shall be, and hereby is, established an Architectural Review Board consisting of the Board of Directors of the HOA. Until the last Lot in BENTLEY FARMS is transferred from Declarant to another party, the Architectural Review Board shall be the Initial Board of Directors unless the Initial Board of Directors relinquishes this responsibility in writing to the HOA at an earlier date. The Successor Architectural Review Board to the Initial Board shall be appointed by the Initial Board of Directors at such time as all platted lots in the TRACT hereof have been transferred by the Declarant to a title holder other than Declarant.

(b) Purpose. The Architectural Review Board shall regulate the external design, appearance, use and location of improvements on the Real Estate in such manner as to preserve and enhance values and to maintain a harmonious relationship among structures, improvements and the natural vegetation and topography.

(c) Conditions. No improvements, alterations, repairs, excavation, 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 change in the Common Area or Common Expense Areas (Item 1(f)), or other structure shall be commenced, erected, maintained, improved, altered, made or done on any Lot without the prior written approval of the Architectural Review Board.

(d) 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 (and all plans, drawings, specifications and other items required to be submitted to it in accordance with such rules as it may adopt) have 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 (2/3rds) vote of the Directors then serving. The Architectural Review Board may establish committees consisting of two (2) or more of its members, which committees shall exercise such powers of the Board as may be delegated to them.

(e) Maintenance of Architectural Control. The Association may not waive or abandon the procedure for regulating and enforcing the architectural design of the Dwelling Units nor for maintaining the Common Area or Common Expense Areas (Item 1(f)) without the prior written approval of 2/3rds of all Owners and 2/3rds of all Mortgagees whose mortgage interests have been made known to the Board of Directors in accordance with the provisions of this Declaration.

15. Assessments.

(a) 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 the accountant retained by the Board, which statement shall show all receipts and expenses received, incurred and paid during the preceding fiscal year.

(b) Proposed Annual Budget. Annually, 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 annual budget shall be submitted to the Owners at the annual meeting of the Corporation for adoption, and, if so adopted, shall be the basis for the Regular Assessments (hereinafter 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, 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 sums assessed by the Corporation shall be established by following generally accepted accounting principles applied on consistent basis.

The annual budget may include the establishment and maintenance of a replacement reserve fund for capital expenditures and replacement of the Common Area and Common Expense Areas (Item 1(f)), which replacement reserve fund (if established) shall be used for those purposes and not for usual and ordinary repair expenses. Such replacement reserve fund for capital expenditures and replacement for the Common Area (Item 1(f)), shall be maintained by the Corporation in a separate interest bearing account or accounts with one or more banks or savings and loan associations authorized to conduct business in Marion County, Indiana selected from time to time by the Board.

The failure or delay of the Board of Directors to prepare a proposed annual budget and to furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner of the obligations of the Owners to pay the Common Expenses as herein provided, whenever determined. Whenever, whether before or after the annual 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 ten percent (110%) of such last approved budget, as a temporary budget.

(c) Regular Assessment. The annual budget as adopted by the Owners shall, based on the estimated cash requirement for the Common Expenses on the current fiscal year as set forth in said budget, contain a

proposed assessment against each Lot, which shall be the same amount for each Lot. Immediately following the adoption of the annual budget, each Owner shall be given written notice of such 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 such annual budget as finally adopted by the Owners. The aggregate amount of the Regular Assessments shall be equal to the total amount of expenses provided and included in the final annual budget, including reserve funds as hereinabove provided. The Regular Assessment against each Lot shall be paid as detailed in Item 16(e) hereof. Payment of the Regular Assessment shall be made to the Board of Directors or the Managing Agent, as directed by the Board of Directors. In the event the Regular Assessment for a particular fiscal year of the Corporation was initially based upon a temporary budget, then:

(i) If the Regular Assessment based upon the final annual budget adopted by the Owners exceeds the amount of the Regular Assessment based upon the temporary budget, that portion of such excess applicable to the period from the first day of the current fiscal year to the date of the next payment of the Regular Assessment which is due shall be paid within thirty (30) days of written notice to said effect.

(ii) 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 of the Regular Assessment coming due, until the entire amount of such excess has been so credited.

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 Paragraph 16 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. The Regular Assessments shall be due and payable automatically on its due date 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.

(d) Special Assessments. From time to time Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time and provided that any such assessment shall have the assent of two-thirds (2/3rd) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, and further provided that the DECLARANT shall not be any Owner's agent, attorney-in-fact or proxy in this vote pursuant to the third sentence of Paragraph 7 of this Declaration, 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, prorated in equal shares (herein called "Special Assessment"). Without limiting the generality of the foregoing provisions, Special Assessments may be made by the Board of Directors from time to time to pay for capital expenditures and to pay for the cost of any repair or reconstruction of damage caused by fire or other casualty or disaster to the extent insurance proceeds are insufficient therefor under the circumstances described in this Declaration.

(e) Regular Assessments Prior to the APPLICABLE DATE. During the period that Dwelling Units are being constructed within the "TRACT", it is difficult to accurately allocate the Common Expenses to the individual Lots. The purpose of this section is to provide the method for the payment of the Common Expenses during the period prior to the APPLICABLE DATE to enable the Corporation to perform its duties and functions. Accordingly, and notwithstanding any other provision contained in the Declaration, the Articles or the By-Laws or otherwise, prior to the APPLICABLE DATE, the annual budget and all Regular Assessments and Special Assessments shall be established by the Initial Board without any meeting or concurrence of the Owners; provided, however, the Regular Assessments shall

be determined in accordance with the provisions contained in this subparagraph.

The Corporation may enter into a management agreement with DECLARANT (or a corporation or other entity designated by DECLARANT) (hereinafter referred to as "Management Agent" or "Managing Agent") in accordance with the provisions of Paragraph 9 of this Declaration. So long as such management agreement (or similar agreement) remains in effect, the Common Expenses and Regular Assessment shall be paid by Owners to Management Agent. The Regular Assessment per owner will be Forty Dollars ($40.00) per month. The funds obtained by Regular Assessment are not intended to include, and do not include, major physical alterations or other unusual expenditures not ordinarily anticipated in normal maintenance operations. Such expenditures would be covered through Special Assessments, or if sufficient the replacement reserve fund, if any such fund exists.

That portion of the Regular Assessment collected by DECLARANT prior to the APPLICABLE DATE applicable to any replacement reserve if any such reserve is created, funds shall be held by the initial Board and if required, applied to the replacement required in the Common Area and Common Expense Areas (Item 1(f)). To the extent that any such replacement reserve is not so applied, the balance thereof shall be retained by the Corporation at the APPLICABLE DATE. Payment of Regular Assessment prior to the APPLICABLE DATE with respect to each Dwelling Unit (that is not owned by DECLARANT) shall commence on the date of conveyance by DECLARANT to such new owner. The first payment shall commence and be payable on the 1st day of the month following the date of conveyance and thereafter, payment of the Regular Assessment shall be paid the first day of each month. DECLARANT SHALL NOT BE RESPONSIBLE FOR REGULAR ASSESSMENTS FOR LOTS OWNED BY DECLARANT PRIOR TO THE APPLICABLE DATE, but DECLARANT shall be responsible for any shortfall to cover common expenses prior to the Applicable Date.

Each Owner hereby authorizes the Corporation and the Board of Directors and its officers to enter into the aforesaid management agreement described in Paragraph 9 of this Declaration and to adhere to and abide by the same.

(f) Failure of Owner to Pay Assessments. No Owner may exempt himself from paying regular Assessments and Special Assessments or from contributing toward the Common Expense or toward any other

expense lawfully agreed upon by waiver of the use or enjoyment of the Common Area and/or Common Expense Areas (Item 1(f)) or by abandonment of the Lot belonging to him. Each Owner shall be personally liable for the payment of all Regular and Special Assessments. Where the Owner constitutes more than one person the liability of such person shall be joint and several. If any Owner shall fail, refuse or neglect to make any payment of any Regular Assessment or Special Assessment when due, the lien for such assessment on the Owner's Lot and Dwelling Unit may be filed and foreclosed by the Board of Directors for and on behalf of the Corporation as a mortgage on real property or as otherwise provided by law. Upon the failure of the Owner to make timely payments of any Regular Assessment or Special Assessment when due the Board may in its discretion accelerate the entire balance of unpaid assessments. The Owner and any occupant of the Lot and/or Dwelling Unit shall be jointly and severally liable for the payment to the Corporation and the Board shall be entitled to the appointment of a receiver for the purpose of preserving the Lot and/or Dwelling Unit and to collect the rentals and other profits therefrom for the benefit of the Corporation to be applied to the unpaid Regular Assessments or Special Assessments. The Board may at its option bring 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 Assessment 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/or Dwelling Unit costs and expenses of such action incurred (including, but not limited to, reasonable attorney's fees) and interest from the date such assessment were due until paid at the rate equal to the prime interest rate then being charged by Bank One in Indianapolis to its largest and best corporate customer (or if said bank is no longer in existence then such rate charged by another National Bank in Marion County, Indiana selected by the Board of Directors). The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage.

(g) Subordination of Assessment Lien to Mortgage. Notwithstanding anything contained in this Declaration, the Articles or the By-Laws, any sale or transfer of a Lot 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 a manner provided by law with respect to mortgage foreclosures shall extinguish the lien of any

unpaid installment of any Regular Assessment or Special Assessment as to such installment which became due prior to such sale, transfer or conveyance; provided, however, that the extinguishment of such lien cannot relieve the prior owner from personal liability therefor. No such sale, transfer or conveyance shall relieve the Lot and/or 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 Assessments or Special Assessment thereafter becoming due or from the lien therefor. Such unpaid share of any Regular Assessments or Special Assessments, the lien for which has been divested as aforesaid shall be deemed to be a Common Expense collectible from all Owners (including the party acquiring the subject Lot from which it arose).

16. Mortgages.

(a) Notice to Corporation. Any Owner who places a first mortgage lien upon his Lot, or the Mortgagee, may notify the Secretary of the Corporation thereof and provide the name address of the Mortgagee. A record of such Mortgage and 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 at 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 any Mortgagee as may be otherwise required by this Declaration, the By-Laws and no Mortgagee shall be entitled to vote on any matter to which he otherwise may be entitled by virtue of this Declaration, the By-Laws or a proxy granted to such Mortgagee in connection with the mortgage, or otherwise.

The Corporation shall, upon request of a Mortgagee who has furnished the Corporation with its name and address as hereinabove provided, furnish such Mortgagee with written notice of 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.

(b) 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 Paragraph 16 hereof.

(c) Right of Mortgagee to Pay Real Estate Taxes or Insurance Premiums. Mortgagees shall have the right, but not the obligation (1) to pay any charges against the Common Area and Common Expense Areas (Item 1(f)) which are in default and (2) to pay any overdue premiums on hazard insurance for the above areas or to secure new hazard insurance for the above areas on the lapse of a policy. Any Mortgagee making such payment shall be owed immediate reimbursement by the Corporation.

(d) Notice of Condemnation or Casualty Loss. Mortgagee shall be timely notified of any condemnation loss which affects a material portion of the "TRACT". Mortgagees shall also be timely notified of any lapse, cancellation or material modification of any insurance policy or fidelity bond held by the Corporation.

(e) Notice to Insurers and Guarantors. Any guarantor of a first mortgage or any insurer shall, upon notification and request to the Corporation, receive the same notices as are required to be given to Mortgagees.

17. Insurance.

(a) Casualty Insurance. The Corporation shall purchase a master casualty insurance policy affording fire and extended coverage insurance insuring, if possible and practical, the Corporation's improvements within the Common Area (Item 1(f)) in an amount consonant with the full replacement value of these improvements. If the Board of Directors can obtain such coverage for reasonable amounts they shall also obtain "all risk" 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. Such insurance coverage shall be for the benefit of each Owner, and if applicable, the Mortgagee of each Owner upon the terms and conditions hereinafter set forth.

All proceeds payable as a result of casualty losses sustained which are covered by insurance

purchased by the Corporation as hereinabove set forth shall be paid to it or to the Board of Directors, who shall act as the insurance trustees and hold such proceeds for the benefit of the individual Owners and Mortgagees. The proceeds shall be used or disbursed by the Corporation or Board of Directors, as appropriate, and only in accordance with the provisions of this Declaration and any surety bond or bonds obtained by the Board of Directors concerning the officers of the Corporation as provided in the By-Laws shall specifically include protection for any insurance proceeds so received.

Such master casualty insurance policy, and "all risk" coverage, if obtained, shall (to the extent the same are obtainable) contain provisions that the insurer (a) waives its right to subrogation as to any claim against the Corporation, the Board of Directors, its agents and employees, Owners, their respective agents and guests, and (b) contains an endorsement that such policy shall not be terminated for nonpayment of premiums or for any other reason or shall not be substantially modified without at least ten (10) days prior written notice to Mortgagees and at least ten (10) days prior written notice to the Corporation.

Each Owner shall otherwise be solely responsible for loss or damage to his Dwelling Unit, the contents of his dwelling Unit and Lot however caused and his personal property stored elsewhere on the "TRACT" and the Corporation shall have no liability to the Owner for loss or damage to the Dwelling Unit, the contents of any Dwelling Unit or any personal property stored elsewhere on the "TRACT". Each Owner shall be solely responsible for obtaining his own insurance to cover any such loss and risk.

(b) 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, but not less than $1,000,000 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Such comprehensive public liability insurance policy shall cover the Corporation, the Board of Directors, any committee of the Corporation or Board, any Managing Agent appointed or employed by the Corporation, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the "TRACT". 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. Such

public liability insurance policy shall contain a provision that such policy shall not be cancelled or substantially modified without at least ten (10) days written notice to the Corporation.

(c) 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 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.

(d) Insurance by Owners. Each Owner shall have the right to purchase such additional insurance at his own expense as he may deem necessary.

18. Restoration of Common Areas and/or Common Expense Areas (Item 1(f)) ("Improvements"). In the event of damage to or destruction of any of the "Improvements" herein titled due to fire or any other casualty or disaster, the Corporation shall attempt to promptly cause the same to be repaired and reconstructed to the extent of proceeds of insurance and other funds available but without making the HOA insolvent. The proceeds of insurance carried by the Corporation, if any, shall be applied to the cost of such repair and reconstruction.

In the event 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 of the "Improvements", or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing the "Improvements" 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. 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 "Improvements" to as near as possible the same condition as they existed immediately prior to the damage or destruction and with the same type of architecture.

19. Covenants and Restrictions. The following covenants and restrictions on the use and enjoyment of the Lots, Dwelling Units, Common Areas and Common Expense Areas (Item 1(f)) shall be in addition to any other covenants or restrictions contained herein and in the Final Plat, 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 an Owner, or by the Corporation. Present or future Owners or the Corporation shall be entitled to injunctive relief against any violation or attempted violation of any such covenants and restrictions, and shall, in addition, be entitled to damages for any injuries or losses resulting from 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 and shall be limited as stated in one of the Plat Covenants of BENTLEY FARMS, which is repeated therefrom for ease of reference as follows:

10. No one under the age of Fifty-five (55) years of age shall be a resident of a dwelling on a Lot other than the following exceptions:

A. A live-in caretaker who does not meet the age requirement may be permitted to dwell in BENTLEY FARMS if required due to the resident-owner's poor health or handicap. If the resident dies or no longer needs a caretaker, the caretaker must vacate the residence within thirty (30) days of such occurrence. The Board defined in the Declaration may verify the need of a caretaker in such cases through requirement of an attending physician's statement or other such proof of need.

B. A non-ambulatory and/or developmentally disabled dependent child of a resident Lot owner who meets the age restriction requirement, may live with the parent(s) in BENTLEY FARMS regardless of child's age. The child's condition and need is subject to verification by the Board.

C. A spouse of a resident Lot owner who is under the age of fifty-five may live in BENTLEY FARMS as long as the title owner spouses is at least fifty-five years of age. The underage spouse may jointly own the Lot in BENTLEY FARMS.

Any deviation from this restriction and exceptions will require the unanimous vote of the Lot owners of BENTLEY FARMS and shall not be subject to the Amendment Section Item #20.

(b) No Owner shall permit anything to be done or kept in his Dwelling Unit or on his Lot or on any of the Common Areas and/or Common Expense Areas (Item 1(f)) which will result in a cancellation of insurance or increase in insurance because of any such action, 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 permitted in any Dwelling Unit, the Common

Areas and/or Common Expense Areas (Item 1(f)) or on any Lot. The Board of Directors determination as to what is a nuisance shall be conclusive.

(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 any building 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 Areas and/or Common Expense Areas (Item 1(f)) except that pet dogs, cats or customary household pets may be kept in a Dwelling Unit (unless otherwise stated herein), provided that such pet is not kept, bred or maintained for any commercial purpose, and does not create a nuisance. Customary household pet does not include pot-bellied or midget pigs or hogs, exotic animals and/or other animals that would normally be considered livestock or zoo animals. 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 Areas and/or Common Expense Areas (Item 1(f)) caused by his pet. The Board may adopt such other rules and regulations regarding pets as it may deem necessary from time to time. 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 "TRACT" within ten (10) days after written notice from the Board to the respective Owner to do so.

(f) The Common Areas and Common Expense Areas (Item 1(f)) shall be kept free and clear of rubbish, debris and other unsightly materials.

(g) 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 "TRACT".

(h) No "for sale", "for rent" or "for lease" signs, or other signs (other than customary realtor signs), or other window or advertising display shall be maintained or permitted on any part of the "TRACT", and 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 "TRACT" in connection with any unsold or unoccupied Lots and Dwelling Units.

(i) All Owners and members of their families, their guests, or invitees, and all occupants of any Dwelling Unit or other persons entitled to use the same and to use and enjoy the Common Areas 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 Areas and/or Common Expense Areas (Item 1(f)).

(j) The use of the Common Area shall be according to published Rules and Regulations.

(k) No Owner shall be allowed to plant trees, landscape or do any gardening in any of the Common Area and/or Common Expense Areas (Item 1(f)), except with express permission from the Board.

(l) The Common Areas and Common Expense Areas (Item 1(f)) shall be used and enjoyed only for the purposes for which it is designed and intended, and shall be used subject to the rules and regulations from time to time adopted by the Board.

(m) No Owner may rent or lease his Dwelling Unit for transient or hotel purposes.

(n) Any Owner who leases a Dwelling Unit shall lease the entire Dwelling Unit and shall have a written lease which shall provide that the lease is subject to the provisions of the Declaration and any failure of the lessee to comply with the terms of the Declaration, shall be a default under the lease.

(o) A motor vehicle that is inoperative or unlicensed and not being used for normal transportation is not permitted to remain on any Lot, outside of the attached garage.

(p) References by incorporation, is made to the information contained in the Plat of this Subdivision, which includes, house size, exterior dwelling material, number and garages, driveway requirements and other development standards for improvements on each Lot.

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 the right to use and maintain any Lots and Dwelling Units owned by DECLARANT and other portions of the "TRACT" (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 of Dwelling Units and the 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. DECLARANT shall have the right to remove the same from the "TRACT" at any time.

20. Amendment of Declaration.

(a) Generally. Except as otherwise provided in this Declaration, amendments to this Declaration shall be proposed and adopted in the following manner:

(i) 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.

(ii) Resolution. A resolution to adopt a proposed amendment may be proposed by the Board of Directors of Owners having in the aggregate at least a majority of the votes of all Owners.

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

(iv) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less a majority in the aggregate of the votes of all Owners. In the event any Lot or Dwelling Unit is subject to a first mortgage, the Mortgagee of record with the Corporation per Item 16(e) hereof 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 the provisions hereof.

(v) Special Amendments. No amendment to this Declaration shall be adopted which changes (1) the applicable share of an Owner's liability for the Common Expenses, or the method of determining the same, or (2) the provisions of this Declaration of Paragraph 17 with respect to casualty insurance or fidelity bonds to be maintained by the Corporation, or (3) the provisions of Paragraph 18 of this Declaration with respect to reconstruction or repair of the Common Areas and Common Expense Areas (Item 1(f)) in the event of fire or any other casualty or disaster, or (4) the provision of Paragraph 14 of this Declaration establishing the Architectural Review Board and providing for its functions, without, in each and any of such circumstances, the unanimous approval of all Owners and of all Mortgagees whose mortgage interest have been made known to the Board of Directors in accordance with the provisions of this Declaration.

(vi) Additional Special Amendments. No amendment to this Declaration shall be adopted which imposes a right to first refusal or similar restriction or which changes (1) the method of voting, or (2) reserves for, and responsibility for, maintenance, repair and replace of the Common Areas and Common Expense Areas, or (3) right to use the Common Areas and Common Expense Areas, or (4) termination of the applicability of this Declaration, or (5) any provisions which are for the express benefit of Mortgagees without the consent of at least two-thirds (2/3rds) of the votes of the Owners for the first ten (10) years after recording of this Declaration and thereafter at least a majority of the votes of Owners and the consent of Mortgagees holding mortgages on fifty percent (50%) of the Dwelling Units subject to mortgages whose mortgage interest have been made known to the Board of Directors as heretofore detailed.

(vii) 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 Marion County, Indiana, and such amendment shall not become effective until so recorded.

(viii) Failure of Mortgagee to Respond. Any Mortgagee who receives a written request to approve an amendment and fails to give a negative response within thirty (30) days after receiving such request shall be deemed to have approved such request.

(b) Amendments by DECLARANT ONLY. Notwithstanding the foregoing or anything elsewhere contained herein or in any other documents, 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 from time to time if such amendment or supplement is made (a) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, 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, or (d) to correct clerical or typographical errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto, or (e) adopt amendments prior to the APPLICABLE DATE which are not materially adverse to the owners. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the DECLARANT to vote in favor of, make, or consent to any amendments described in this Paragraph on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot or Dwelling Unit and the acceptance thereof shall be deemed to be a grant and acknowledgement of, and a consent to the reservation of, the power to the DECLARANT to vote in favor of, make, execute and record any such amendments. The right of the DECLARANT to act pursuant to rights reserved or granted under this Paragraph shall terminate at such time as the DECLARANT no longer holds or controls title to any part or portion of the "TRACT".

(c) Amendment Prior to the APPLICABLE DATE. Notwithstanding anything to the contrary contained

herein or in the Declaration, there shall be no amendment of the Declaration prior to the APPLICABLE DATE without the consent and approval of DECLARANT.

21. Party Walls.

(a) General Rules of Law to Apply. Each wall which is built as a part of the original construction of any Dwelling Unit upon the Tract 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.

(b) 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.

(c) 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 maintained by any of the Owners who make use of such party wall, 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.

(d) 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 furnishing the necessary protection against such elements.

(e) Right of 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.

(f) Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Paragraph 21, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, 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 elect an arbitrator for the refusing party.) The cost of the arbitrators shall be borne equally by the parties.

22. Acceptance and Ratification. All present and future Owners, Mortgagees, tenants and occupants of the Lots shall be subject to and shall comply with the provisions of this Declaration, the Articles of Incorporation, and the By-Laws incorporated herein by reference, and the rules and regulations as adopted by the Board of Directors as each may be amended from time to time. The acceptance of a deed of conveyance or the act of occupancy of any Lot shall constitute an agreement that the provisions of this Declaration, the Articles of Incorporation, 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 be binding on any person having at any time any interest or estate in a Lot or "TRACT" as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. All persons, corporation, partnership, trusts, associations, or other legal entities who may occupy, use, enjoy or control a Lot or Lots or any part of the "TRACT" in any manner shall be subject to the Declaration, the Articles of Incorporation, the By-Laws, and the rules and regulations applicable thereto as each may be amended or supplemented from time to time.

23. Negligence. Each Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents 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 misuse of the Common Areas and/or Common Expense Areas.

24. Costs and Attorneys' Fees. In any proceeding arising because of failure of an Owner to make any payments required or to comply with any provision of this Declaration, the Articles of Incorporation, 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 reasonable attorneys' fees incurred in connection with such default or failure.

25. Waiver. No Owner may exempt himself from liability for his contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Areas and/or Common Expense Areas or by abandonment of his Lot.

26. Severability Clause. The invalidity of any covenants, restriction, condition, limitation or other provision

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 enforced to the greatest extent permitted by law.

27. Pronouns. Any reference to the masculine, feminine or neuter gender herein shall, unless the context clearly requires to the contrary, be deemed to refer to and include all genders. And the singular shall include and refer to the plural and vice versa as appropriate.

28. Interpretation. The captions and titles of the various articles, sections, subsections, 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.

29. The Plat. The Final Plat of the portions of the "TRACT" detailed in Item 3 hereof is incorporated into this Declaration by reference to the Instrument number thereof, filed in the Office of the Recorder of Marion County, Indiana.

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

DEPT. OF METROPOLITAN DEVELOPMENT
DATE 7-2-99
PE
ADMINISTRATOR

"DECLARANT FEE OWNERS"
OF EXHIBIT "A" REALTY

COMMUNITY DEVELOPMENT III, INC.

By: Mauri G Young
Mauri G. Young
Capacity: President

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public, in and for said County and State, personally appeared Mauri G. Young, by me known, and by me known to be the President of Community Development III, Inc., who acknowledged the execution of the foregoing "Declaration of Covenants and Restrictions of BENTLEY FARMS OWNERSHIP" on behalf of said Corporation.

WITNESS my hand and Notarial Seal this 1st day of July, 1999.

My Commission Expires:
3-30-2007

County of Residence: HANCOCK

Notary Public
JOHN R. MAREN
(Printed)

32 APPROVED THIS 1st.....
DAY OF..JULY..... 19.99..
FRANKLIN TOWNSHIP ASSESSOR
Ruth Ann White.... DRAFTSMAN

FIRST AMERICAN

This Instrument Prepared by:
Raymond Good, #7201-49
SCHNORR, GOOD, SCAHILL & MAIER
144 North Delaware Street
Indianapolis, IN 46204-2551
317/264-3636

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DECLARATION OF COVENANTS AND RESTRICTIONS OF THE BENTLEY ESTATES OWNERSHIP

MARTHA A. WOMACKS
182930 JUL -2 99
AUDITOR'S OFFICE ACCEPTANCE FOR TRANSFER

THIS DECLARATION made this 1st day of JULY, 1999, by Community Development III, Inc. (DECLARANT) is the title owners of real estate (hereinafter called DECLARANT).

WITNESSETH:

WHEREAS, the following facts are true:

A. DECLARANT at the time of execution hereof is the sole owner in fee simple of real estate located in Marion County, Indiana, more particularly described in the attached Exhibit "A", which is incorporated herein by reference (hereinafter referred to as "TRACT" or "BENTLEY ESTATES" or "BENTLEY ESTATES SUBDIVISION").

B. DECLARANT, by execution of this Declaration, assures that all properties which are conveyed which are a part of the "TRACT" shall be conveyed subject to the terms and conditions of this Declaration, which shall run with the "TRACT" and be binding upon all parties having right, title or interest in the "TRACT", or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner.

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

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

(a) "APPLICABLE DATE" means the date determined pursuant to Paragraph 8 of this Declaration.

(b) "Articles" or "Articles of Incorporation" means the Articles of Incorporation of the Corporation, as hereinafter defined. The Articles of Incorporation are incorporated herein by reference.

(c) "Board of Directors" means the governing body of the Corporation elected by the Members in accordance with the By-Laws of the Corporation.

(d) "By-Laws" shall mean the By-Laws of the Corporation and shall provide for the election of directors and officers and other governing officials of the Corporation. A copy of the By-Laws is incorporated herein by reference.

(e) "Common Expense" means expenses for the administration of the Corporation, and expenses for the upkeep, maintenance, repair and replacement of the Common Areas or the Common Expense Area, and all sums lawfully assessed against the members of the Corporation.

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(f) Common Area and/or Common Expense Area.

The following appear as designated upon the Final Plat of the BENTLEY ESTATES SUBDIVISION.

Private Drive and Curb Cuts.

Reference is made to the plat of the BENTLEY ESTATES Subdivision for a private road, which runs parallel to both Mathews Road and the front of the 9 Lots in the subdivision and is separated from Mathews Road by a buffer strip which will be occupied by grass and/or landscape with identification signs for the subdivision at each point of ingress/egress to the private drive. The private street, curbs and buffer strip plus improvements therein and thereon are all designated common areas and therefore common expense items by virtue of the Corporation having responsibility to maintain same.

The Corporation shall maintain the buffer strip including fertilizing (2 per year) and mowing of the grass thereon when necessary, and the care, fertilizing, trimming, removal and replacement of trees and shrubs planted by the Declarant thereon without any duty to water any such planting and with trimming to be determined by the Board and not exceed one trimming per year.

MAINTENANCE RE; LOTS AND/OR DWELLING.

THE HOA SHALL HAVE NO OBLIGATION TO MAINTAIN THE LOTS AND/OR DWELLINGS AS EACH OF SUCH OBLIGATIONS ARE THE RESPONSIBILITY OF THE APPLICABLE LOT OWNER.

(g) "Corporation" also known as HOA means the BENTLEY ESTATES Homeowners Association, Inc., its successors and assigns, a not-for-profit corporation, whose members shall be the Owners of Lots, or appointees as provided in Paragraph 8 of this Declaration; such Corporation being more particularly described in Paragraph 8 of this Declaration.

(h) "DECLARANT" shall mean and refer to Community Development III, Inc. and any successors and assigns of it whom it designates 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 "TRACT" pursuant to the exercise of rights under, or foreclosure of, a mortgage executed by DECLARANT.

(i) "Dwelling Unit" shall refer to the single-family residence on each separate Lot.

(j) "Lot," means any plot of ground designated as such upon the recorded Final Plat of BENTLEY ESTATES, and upon which one (1) Dwelling Unit is constructed or is to be constructed. When Lot is used it shall be deemed to include the Dwelling Unit, if any, located thereon.

(k) "Member" means a member of the Corporation.

(l) "Mortgagee" means the holder of a first mortgage lien on a Lot.

(m) "BENTLEY ESTATES" or "BENTLEY ESTATES Subdivision" means the name by which the TRACT, as described in Paragraph A above, which is the subject of this Declaration, shall be known.

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

2. Declaration. DECLARANT hereby expressly declares that the "TRACT" shall be held, conveyed and transferred in accordance with the provisions of this Declaration.

3. Description of "BENTLEY ESTATES". "BENTLEY ESTATES" consists of 9 single family Lots, as designated on the Final Plat. The legal description for each lot in BENTLEY ESTATES shall be as follows:

> Lot ____ in BENTLEY ESTATES, a subdivision in Marion County, Indiana, as per plat thereof recorded _____, 19__, as Instrument No. _____, in the Office of the Recorder of Marion County, Indiana.

4. Ownership of Common Area. The Common Area of BENTLEY ESTATES as detailed in Item 1(f) are subject to this Declaration and shall be conveyed to the "HOA" and thereafter owned by the Corporation, and shall be held for the use and enjoyment of all the Members with the maintenance obligation relating there to being the obligation of the HOA. The Common Area rights shall pass with title to every Lot, subject to the provisions of this Declaration, including, but not limited to, the following:

(a) The right of the Corporation to control construction of improvements thereon.

(b) The right of the Corporation to suspend any Member from the right to use the Common Area for any period during which any assessment against such Member's Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of the Board's published rules and regulations.

(c) The right of the Corporation, upon approval by a written instrument signed by two-thirds (2/3rds) of all Class A Members, two-thirds (2/3rds) and of all Class B Members, and by two-thirds (2/3rds) of all first

mortgagees of record with the Corporation per Item 16(a) hereof, to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such Common Areas purposes and subject to such conditions as may be agreed by the Corporation.

(d) The right of the Corporation to adopt such rules and regulations regarding the Common Areas and use thereof as it deems necessary as provided in Paragraph 19.

(e) The Common Area made subject to this Declaration shall be conveyed by the DECLARANT and thereafter owned by the Corporation no later than when 80% of the Lots in BENTLEY ESTATES have been transferred to a name other than the DECLARANT.

5. Delegation of Use of the Common Area. Any Member may delegate, in accordance with provisions of this Declaration and the rules or regulations promulgated by the Corporation, his right of enjoyment, and use of the Common Area to members of his family, his tenants or contract purchasers who reside on any Lot.

6. Encroachments and Easements in Common Area. If by reason of inexactness of construction, settling after construction or for any other reasons, any Common Area encroaches upon any Lot, an easement shall be deemed to exist and run to the Corporation for the maintenance, use and enjoyment of such Common Area.

Each Owner shall have an easement in common with each other Owner to use all pipes, wires, ducts, cables, conduits, utility lines and other common facilities, if any, in the Common Area and serving his Dwelling Unit.

7. Easement for Utilities and Public and Quasi-Public Vehicles. An easement is granted to all utilities and their agents for ingress, egress, installation, replacement, repairing and maintaining of such utilities, including, but not limited to, water, sewers, gas, telephone and electricity on the "TRACT"; provided, however, nothing herein shall permit the installation of sewers, electric lines, water line or other utilities, except as initially designed and approved by DECLARANT on the Plat or as thereafter may be approved by DECLARANT or by the Board of Directors. By virtue of this easement the electrical and telephone utilities are expressly permitted to erect and maintain the necessary equipment on the "TRACT" and to affix and maintain electrical and telephone wires, circuits and conduits underground and across the "TRACT" within the easements shown on the Plat of BENTLEY ESTATES. In the event any utility furnishing service should request a specific easement by a separate recordable document, DECLARANT shall have the right to grant such easement on such "TRACT", without conflicting with the terms of this Paragraph. The easements granted herein shall in no way affect any other recorded easement on the "TRACT".

8. Corporation; Membership; Voting; Functions.

(a) Membership in Corporation. DECLARANT and each Owner of a Lot which is subject to assessment 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 a Member of the Corporation.

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

(i) 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 voted 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 be Members of the Corporation, but all of 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.

(ii) 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 four (4) votes for each Lot of which it is the Owner in all matters requiring a vote of the Members of the Corporation (Lots for this purpose include Lots reflected in a recorded plat. The Class B membership shall cease and terminate upon the APPLICABLE DATE, which shall be the first to occur of:

1. the date upon which the written resignation of the Class B Members is delivered to the resident agent of the Corporation;

2. thirty (30) days after the date when the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership, or;

3. five (5) years after date of recordation of this Declaration.

(c) Functions. The Corporation has been formed for the purpose of providing for the maintenance, repair, upkeep, replacement, and administration of the Common Area and Common Expense Areas (Item 1(f)) and to pay any other necessary expenses and costs in connection with these areas, and to perform such other functions as may be designated by it to perform under this Declaration.

9. Board of Directors.

(a) 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 this Declaration to be, an Owner, including a person appointed by DECLARANT as provided in subparagraph (b) of this Paragraph 9.

(b) Initial Board of Directors. The Initial Board of Directors shall be composed of the persons designated in the Articles, to-wit: Mauri Young, David Bertolet and Richard Wyand (hereinafter referred to as the "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 or the By-Laws (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 Owner, by acceptance of a deed to a Lot, or by acquisition of any interest in a Dwelling Unit by any type or juridical acts inter vivos or causa mortis, or otherwise, shall be deemed to have appointed DECLARANT as such Owner's agent, attorney-in-fact and proxy, which shall be deemed coupled with an interest and irrevocable until the APPLICABLE DATE determined as provided above, to exercise all of said Owner's right to vote, and to vote as DECLARANT determines, on all matters as to which Members of the Corporation are entitled to vote under the Declaration, the Articles, the By-Laws or otherwise; provided, however, this right to vote granted to DECLARANT shall not extend to votes of Members (if a vote is required) on matters of Special Assessments, mortgaging the Common Areas titled in the HOA or merger/consolidation of the Corporation with another corporation. This appointment of DECLARANT as such Owner's agent, attorney-in-fact and proxy shall not be affected by incompetence of the Owner granting the same. 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 a 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).

(c) 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 or Dwelling Unit may be represented on the Board of Directors by more than one person at a time.

(d) Terms of Office and Vacancy. The Initial Board, per subparagraph (b) of this Paragraph, 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 Successor Board to the Initial Board shall be three (3) in number. All Directors other than the Initial Board of Directors shall be Members of the Corporation at the time of their election to office and during their term of office as Directors. The Directors, other than the Initial Board of Directors shall be elected after the Applicable Date at the annual meeting of the Corporation by the Members. The first Board elected after the applicable date shall have one Director with a term of two (2) years with the other Directors' terms being one (1) year. The term of successor Directors thereafter (other than vacancies) shall be two (2) years thus provided a staggering of terms and continuity of experience.

Any vacancy of Director(s) prior to the annual meeting shall be filled by the remaining Directors. Any Director elected at an annual meeting to fill a vacancy shall serve for the unexpired term of the Director whose vacancy is thus filled.

(e) 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. A Director so elected shall serve until the next annual meeting of the Owners and until his successor is duly elected and qualified.

(f) 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, the management, maintenance, repair, upkeep and replacement as required and detailed under this Declaration within the Common Area and Common Expense Areas (Item 1(f)),

and the collection and disbursement of the Common Expenses. The Board may, on behalf of the Corporation, employ a reputable and recognized professional property management agent (herein called the "Managing Agent") upon such terms as the Board shall find, in its discretion, reasonable and customary, provided any such management agreement shall be for a term of three (3) years or less and shall provide that any such agreement may be terminated by either party upon ninety (90) days written notice to the other party. Other than the Initial Management under Paragraph 9 any decision thereafter to employ a professional property management agent shall require the prior consent of the Owners of at least fifty-one percent (51%) of the owners. The Managing Agent, if one is employed, shall assist the Board in carrying out its duties, which include, but are not limited to:

(i) protection, surveillance of the Common Area and Common Expense Areas (Item 1(f)), unless the same are otherwise the responsibility or duty of Owners of Lots; provided, however, that this duty shall not include or be deemed or interpreted as a requirement that the Corporation, the Board or any Managing Agent must provide any on-site or roving guards, security service or security system for protection or surveillance, and the same need not be furnished;

(ii) the duties delineated under Item 1(f) hereof;

(iii) assessment and collection from the Owners of each Owner's respective share of the Common Expenses;

(iv) 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;

(v) 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;

(vi) keeping a current, accurate and detailed record of receipts and expenditures affecting the Common Area and the Common Expense Areas (Item 1(f)) and the business and affairs of the Corporation specifying and itemizing the Common Expenses; all records and vouchers (including current copies of the Declaration, Articles of Incorporation, By-Laws and Rules) shall be available for examination by an Owner, Mortgagee, insurer or guarantor of a first mortgage, at any time during normal business hours;

(vii) procuring and maintaining for the benefit of the Corporation and the Board the insurance coverages required under the Declaration and such other insurance coverages as the Board, in its sole discretion, may deem necessary or advisable;

(viii) paying any other necessary expenses and costs in connection with the duties in subsection (ii) hereof; and

(ix) to furnish, upon request of any Mortgagee, insurer or guarantor of a first mortgage, an audited financial statement for the immediately preceding fiscal year.

(g) Powers of the Board of Directors. The Board of Directors shall have such powers as are reasonable and

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necessary to accomplish the performance of their duties. These powers include, but are not limited to, the power:

(i) to employ a Managing Agent to assist the Board in performing its duties;

(ii) 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 judgment of the Board of Directors;

(iii) to employ legal counsel, architects, contractors, accountants and other as in the judgment of the Board of Directors may be necessary or desirable in connection with the business and affairs of the Corporation;

(iv) to employ, designate, discharge and remove such personnel as in the judgment of the Board of Directors may be necessary for the Board of Directors to perform its duties;

(v) to include the costs of all of the above and foregoing as Common Expenses and to pay all of such costs therefrom; and

(vi) to open and maintain a bank account or accounts in the name of the Corporation.

(h) Limitation on Board Action. 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 (adjusted annually for increases or decreases in the Consumer Price Index) but in no event 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 Area or Common Expense Areas (Item 1(f)) 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.

(i) 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 any is employed, shall be entitled to reasonable compensation for its services, the cost of which shall be a Common Expense.

(j) 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. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Corporation.

(k) Additional Indemnity of Directors. The Corporation shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives, made a party to any action, suit or proceeding by reason of the fact that he 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 therein, except as otherwise specifically provided herein in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Director is liable for gross negligence or misconduct in the performance of his duties. 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 finding and notwithstanding the adjudication in any action, suit or proceeding against a Director, no Director shall be considered or deemed to be 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 statement 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 meeting of the Board of Directors.

(l) Bond. The Board of Directors may provide blanket fidelity bonds for the Managing Agent (if any), the treasurer of the Corporation, and such other officers or directors of the Corporation that handle or are responsible for funds 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 (provided, however, in no event shall the aggregate amount of the bond be less than a sum equal to one (1) year aggregate assessments on all Dwelling Units) and any such bond shall specifically include protection for any insurance proceeds received for any reason by the Board. Fidelity bonds shall name the Corporation as an obligee and shall contain waivers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. Such bonds shall provide that they may not be cancelled or substantially modified for any reason without at least ten (10) days prior written notice to the Corporation. The expense of any such bonds shall be a Common Expense.

10. Initial Management. The Board of Directors shall be deemed by the recordation of this Declaration to have entered into a management agreement with DECLARANT or with a corporation or other entity affiliated with DECLARANT or designated by DECLARANT for a term not to exceed three (3) years with either party having the right to terminate upon ninety (90) days' notice under which DECLARANT (or such other corporation or entity as appropriated) will provide supervision, management and maintenance of the Common Area of BENTLEY ESTATES, and in general perform all of the duties and obligations of the Corporation. Such management agreement may be renewed by the parties for additional terms of three (3) or less years or a new management agreement with different parties may be executed under similar terms and conditions. Any management agreement is or will be subject to termination by DECLARANT (or such other corporation or entity as appropriate) at any time prior to expiration of its term, in which event the Corporation shall thereupon and thereafter resume performance of all of its duties and obligations. Notwithstanding anything to the contrary contained herein, so long as a management agreement between the Corporation and DECLARANT (or such other corporation or entity as appropriate) is in effect, DECLARANT (or such other corporation or entity as appropriate) shall have and DECLARANT hereby reserves to itself (or such other corporation or entity as appropriate), the exclusive right to manage the Common Area of BENTLEY ESTATES and perform all the functions of the Corporation.

11. Real Estate Taxes. Real estate taxes are to be separately assessed and taxed to each Lot and the Common Area. In the event that for any year the real estate taxes are not separately assessed and taxed to each Lot but are assessed and taxed on the "TRACT" without a breakdown for each Lot and the Common Area, then each Owner shall

pay his proportionate share of the real estate taxes assessed to the land comprising the "TRACT" which shall be the ratio that the square footage in his Lot bears to the total square footage of all the land comprising the "TRACT" and shall pay his proportionate share of the real estate taxes assessed on the improvements on the "TRACT" based upon the ratio that the square footage of all improved Lots.

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

13. Maintenance of Common Area/Lots/Dwelling Units.

(a) Maintenance of Common Area. Maintenance of the Common Area, unless the same is otherwise the responsibility or duty of Owners of Lots shall be provided by the Corporation, however, this duty shall not include or be deemed or interpreted as a requirement that the Corporation, the Board, or any Managing Agent must provide any on-site or roving guards, security service or security system.

(b) Maintenance of Individual Lots and Dwellings. Except as otherwise noted above each owner shall be responsible for maintaining and keeping his Lot and all improvements thereon not provided by the Association in a good, clean and sanitary condition with an appearance which is complementary to the Subdivision. If any Owner shall fail to maintain and keep his property or any part thereof in a good, clean and sanitary condition, with an exterior appearance up to the general standards of the BENTLEY ESTATES SUBDIVISION, the Corporation may perform any work necessary and charge the Owner thereof for such cost, which shall be immediately due, and shall be secured by the Corporation's lien on the Owner's property.

Each Owner, by his acceptance of a deed to any Lot, irrevocably grants to the Corporation, its agents and employees, the right to enter upon, across and over the Lot owned by such Owner under such conditions as are reasonably necessary to effect the maintenance, cleaning, repair or other work permitted herein.

(c) Damage to or Abuse of Common Area or Areas to be Maintained by the Association under (b). If, due to the willful, intentional or negligent acts or omissions of an Owner, or of a member of the Owner's family, or of a guest, tenant, invitee or other occupant or visitor of the Owner, damage is caused to

Common Areas or repairs and maintenance are accelerated and some maintenance or repairs is required, the Owner shall be required to pay for such damage. Upon demand by the Board, the cost of such repairs shall be immediately due and payable, and if not paid, a lien may attach to the Owner's property, and costs of collection and reasonable attorney fees shall be added to any judgment entered on behalf of the Corporation.

14. Architectural Control.

(a) The Architectural Review Board ("Review Board"). As a standing committee of the Corporation there shall be, and hereby is, established an Architectural Review Board consisting of the Board of Directors of the HOA. Until the last Lot in BENTLEY ESTATES is transferred from Declarant to another party, the Architectural Review Board shall be the Initial Board of Directors unless the Initial Board of Directors relinquishes this responsibility in writing to the HOA at an earlier date. The Successor Architectural Review Board to the Initial Board shall be appointed by the Initial Board of Directors at such time as all platted lots in the TRACT hereof have been transferred by the Declarant to a title holder other than Declarant.

(b) Purpose. The Architectural Review Board shall regulate the external design, appearance, use and location of improvements on the Real Estate in such manner as to preserve and enhance values and to maintain a harmonious relationship among structures, improvements and the natural vegetation and topography.

(c) Conditions. No improvements, alterations, repairs, excavation, 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 change in the Common Area or Common Expense Areas (Item 1(f)), or other structure shall be commenced, erected, maintained, improved, altered, made or done on any Lot without the prior written approval of the Architectural Review Board.

(d) 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 (and all plans, drawings, specifications and other items required to be submitted to it in accordance with such rules as it may adopt) have 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 (2/3rds) vote of the Directors then serving. The Architectural Review Board may establish committees consisting of two (2) or more of its members, which committees shall exercise such powers of the Board as may be delegated to them.

(e) Maintenance of Architectural Control. The Association may not waive or abandon the procedure for regulating and enforcing the architectural design of the Dwelling Units nor for maintaining the Common Area or Common Expense Areas (Item 1(f)) without the prior written approval of 2/3rds of all Owners and 2/3rds of all Mortgagees whose mortgage interests have been made known to the Board of Directors in accordance with the provisions of this Declaration.

15. Assessments.

(a) 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 the accountant retained by the Board, which statement shall show all receipts and expenses received, incurred and paid during the preceding fiscal year.

(b) Proposed Annual Budget. Annually, 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 annual budget shall be submitted to the Owners at the annual meeting of the Corporation for adoption, and, if so adopted, shall be the basis for the Regular Assessments (hereinafter 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, 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 sums assessed by the Corporation shall be established by following generally accepted accounting principles applied on consistent basis.

The annual budget may include the establishment and maintenance of a replacement reserve fund for capital expenditures and replacement of the Common Area and Common Expense Areas (Item 1(f)), which replacement reserve fund (if established) shall be used for those purposes and not for usual and ordinary repair expenses. Such replacement reserve fund for capital expenditures and replacement for the Common Area (Item 1(f)), shall be maintained by the Corporation in a separate interest bearing account or accounts with one or more banks or savings and loan associations authorized to conduct business in Marion County, Indiana selected from time to time by the Board.

The failure or delay of the Board of Directors to prepare a proposed annual budget and to furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner of the obligations of the Owners to pay the Common Expenses as herein provided, whenever determined. Whenever, whether before or after the annual 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 ten percent (110%) of such last approved budget, as a temporary budget.

(c) Regular Assessment. The annual budget as adopted by the Owners shall, based on the estimated cash requirement for the Common Expenses on the current fiscal year as set forth in said budget, contain a proposed assessment against each Lot, which shall be the same amount for each Lot. Immediately following the adoption of the annual budget, each Owner shall be given written notice of such 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 such annual budget as finally adopted by the Owners. The aggregate amount of the Regular Assessments shall be equal to the total amount of

expenses provided and included in the final annual budget, including reserve funds as hereinabove provided. The Regular Assessment against each Lot shall be paid as detailed in Item 16e hereof. Payment of the Regular Assessment shall be made to the Board of Directors or the Managing Agent, as directed by the Board of Directors. In the event the Regular Assessment for a particular fiscal year of the Corporation was initially based upon a temporary budget, then:

(i) If the Regular Assessment based upon the final annual budget adopted by the Owners exceeds the amount of the Regular Assessment based upon the temporary budget, that portion of such excess applicable to the period from the first day of the current fiscal year to the date of the next payment of the Regular Assessment which is due shall be paid within thirty (30) days of written notice to said effect.

(ii) 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 of the Regular Assessment coming due, until the entire amount of such excess has been so credited.

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 Paragraph 16 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. The Regular Assessments shall be due and payable automatically on its due date 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.

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(d) Special Assessments. From time to time Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time and provided that any such assessment shall have the assent of two-thirds (2/3rd) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, and further provided that the DECLARANT shall not be any Owner's agent, attorney-in-fact or proxy in this vote pursuant to the third sentence of Paragraph 7 of this Declaration, 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, prorated in equal shares (herein called "Special Assessment"). Without limiting the generality of the foregoing provisions, Special Assessments may be made by the Board of Directors from time to time to pay for capital expenditures and to pay for the cost of any repair or reconstruction of damage caused by fire or other casualty or disaster to the extent insurance proceeds are insufficient therefor under the circumstances described in this Declaration.

(e) Regular Assessments Prior to the APPLICABLE DATE. During the period that Dwelling Units are being constructed within the "TRACT", it is difficult to accurately allocate the Common Expenses to the individual Lots. The purpose of this section is to provide the method for the payment of the Common Expenses during the period prior to the APPLICABLE DATE to enable the Corporation to perform its duties and functions. Accordingly, and notwithstanding any other provision contained in the Declaration, the Articles or the By-Laws or otherwise, prior to the APPLICABLE DATE, the annual budget and all Regular Assessments and Special Assessments shall be established by the Initial Board without any meeting or concurrence of the Owners; provided, however, the Regular Assessments shall be determined in accordance with the provisions contained in this subparagraph.

The Corporation may enter into a management agreement with DECLARANT (or a corporation or other entity designated by DECLARANT) (hereinafter referred to as "Management Agent" or "Managing Agent") in accordance with the provisions of Paragraph 9 of this Declaration. So long as such management agreement (or similar agreement) remains in effect, the Common Expenses and Regular Assessment shall be paid by Owners to Management Agent. The Regular Assessment per owner will be One Hundred Twenty Dollars ($120.00) per year, payable as hereafter detailed. The funds

obtained by Regular Assessment are not intended to include, and do not include, major physical alterations or other unusual expenditures not ordinarily anticipated in normal maintenance operations. Such expenditures would be covered through Special Assessments, or if sufficient the replacement reserve fund, if any such fund exists.

That portion of the Regular Assessment collected by DECLARANT prior to the APPLICABLE DATE applicable to any replacement reserve if any such reserve is created, funds shall be held by the initial Board and if required, applied to the replacement required in the Common Area and Common Expense Areas (Item 1(f)). To the extent that any such replacement reserve is not so applied, the balance thereof shall be retained by the Corporation at the APPLICABLE DATE. Payment of Regular Assessment equally amortized by calendar months starting back to the first of the month of the month of conveyance prior to the APPLICABLE DATE with respect to each Dwelling Unit (that is not owned by DECLARANT) shall commence and be payable on the date of conveyance by DECLARANT to such new owner. Payments of Regular Assessments thereafter shall be paid in full, annually on or before January 1. DECLARANT SHALL NOT BE RESPONSIBLE FOR REGULAR ASSESSMENTS FOR LOTS OWNED BY DECLARANT PRIOR TO THE APPLICABLE DATE, but DECLARANT shall be responsible for any shortfall to cover common expenses prior to the Applicable Date.

Each Owner hereby authorizes the Corporation and the Board of Directors and its officers to enter into the aforesaid management agreement described in Paragraph 9 of this Declaration and to adhere to and abide by the same.

(f) Failure of Owner to Pay Assessments. No Owner may exempt himself from paying regular Assessments and Special Assessments or from contributing toward the Common Expense or toward any other expense lawfully agreed upon by waiver of the use or enjoyment of the Common Area and/or Common Expense Areas (Item 1(f)) or by abandonment of the Lot belonging to him. Each Owner shall be personally liable for the payment of all Regular and Special Assessments. Where the Owner constitutes more than one person the liability of such person shall be joint and several. If any Owner shall fail, refuse or neglect to make any payment of any Regular Assessment or Special Assessment when due, the lien for such assessment on the Owner's Lot and Dwelling Unit may be filed and foreclosed by the Board

of Directors for and on behalf of the Corporation as a mortgage on real property or as otherwise provided by law. Upon the failure of the Owner to make timely payments of any Regular Assessment or Special Assessment when due the Board may in its discretion accelerate the entire balance of unpaid assessments. The Owner and any occupant of the Lot and/or Dwelling Unit shall be jointly and severally liable for the payment to the Corporation and the Board shall be entitled to the appointment of a receiver for the purpose of preserving the Lot and/or Dwelling Unit and to collect the rentals and other profits therefrom for the benefit of the Corporation to be applied to the unpaid Regular Assessments or Special Assessments. The Board may at its option bring 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 Assessment 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/or Dwelling Unit costs and expenses of such action incurred (including, but not limited to, reasonable attorney's fees) and interest from the date such assessment were due until paid at the rate equal to the prime interest rate then being charged by Bank One in Indianapolis to its largest and best corporate customer (or if said bank is no longer in existence then such rate charged by another National Bank in Marion County, Indiana selected by the Board of Directors). The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage.

(g) Subordination of Assessment Lien to Mortgage. Notwithstanding anything contained in this Declaration, the Articles or the By-Laws, any sale or transfer of a Lot 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 a manner provided by law with respect to mortgage foreclosures shall extinguish the lien of any unpaid installment of any Regular Assessment or Special Assessment as to such installment which became due prior to such sale, transfer or conveyance; provided, however, that the extinguishment of such lien cannot relieve the prior owner from personal liability therefor. No such sale, transfer or conveyance shall relieve the Lot and/or 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 Assessments or Special Assessment thereafter becoming due or from the lien therefor. Such unpaid

share of any Regular Assessments or Special Assessments, the lien for which has been divested as aforesaid shall be deemed to be a Common Expense collectible from all Owners (including the party acquiring the subject Lot from which it arose).

16. Mortgages.

(a) Notice to Corporation. Any Owner who places a first mortgage lien upon his Lot, or the Mortgagee, may notify the Secretary of the Corporation thereof and provide the name address of the Mortgagee. A record of such Mortgage and 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 at 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 any Mortgagee as may be otherwise required by this Declaration, the By-Laws and no Mortgagee shall be entitled to vote on any matter to which he otherwise may be entitled by virtue of this Declaration, the By-Laws or a proxy granted to such Mortgagee in connection with the mortgage, or otherwise.

The Corporation shall, upon request of a Mortgagee who has furnished the Corporation with its name and address as hereinabove provided, furnish such Mortgagee with written notice of 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.

(b) 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 Paragraph 16 hereof.

(c) Right of Mortgagee to Pay Real Estate Taxes or Insurance Premiums. Mortgagees shall have the right,

but not the obligation (1) to pay any charges against the Common Area and Common Expense Areas (Item 1(f)) which are in default and (2) to pay any overdue premiums on hazard insurance for the above areas or to secure new hazard insurance for the above areas on the lapse of a policy. Any Mortgagee making such payment shall be owed immediate reimbursement by the Corporation.

(d) Notice of Condemnation or Casualty Loss. Mortgagee shall be timely notified of any condemnation loss which affects a material portion of the "TRACT". Mortgagees shall also be timely notified of any lapse, cancellation or material modification of any insurance policy or fidelity bond held by the Corporation.

(e) Notice to Insurers and Guarantors. Any guarantor of a first mortgage or any insurer shall, upon notification and request to the Corporation, receive the same notices as are required to be given to Mortgagees.

17. Insurance.

(a) Casualty Insurance. The Corporation shall purchase a master casualty insurance policy affording fire and extended coverage insurance insuring, if possible and practical, the Corporation's improvements within the Common Area (Item 1(f)) in an amount consonant with the full replacement value of these improvements. If the Board of Directors can obtain such coverage for reasonable amounts they shall also obtain "all risk" 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. Such insurance coverage shall be for the benefit of each Owner, and if applicable, the Mortgagee of each Owner upon the terms and conditions hereinafter set forth.

All proceeds payable as a result of casualty losses sustained which are covered by insurance purchased by the Corporation as hereinabove set forth shall be paid to it or to the Board of Directors, who shall act as the insurance trustees and hold such proceeds for the benefit of the individual Owners and Mortgagees. The proceeds shall be used or disbursed by the Corporation or Board of Directors, as appropriate, and only in accordance with the provisions of this Declaration and any surety bond or bonds obtained by the Board of Directors concerning the officers of the Corporation as provided in the By-Laws shall specifically include protection for any insurance proceeds so received.

Such master casualty insurance policy, and "all risk" coverage, if obtained, shall (to the extent the same are obtainable) contain provisions that the insurer (a) waives its right to subrogation as to any claim against the Corporation, the Board of Directors, its agents and employees, Owners, their respective agents and guests, and (b) contains an endorsement that such policy shall not be terminated for nonpayment of premiums or for any other reason or shall not be substantially modified without at least ten (10) days prior written notice to Mortgagees and at least ten (10) days prior written notice to the Corporation.

Each Owner shall otherwise be solely responsible for loss or damage to his Dwelling Unit, the contents of his dwelling Unit and Lot however caused and his personal property stored elsewhere on the "TRACT" and the Corporation shall have no liability to the Owner for loss or damage to the Dwelling Unit, the contents of any Dwelling Unit or any personal property stored elsewhere on the "TRACT". Each Owner shall be solely responsible for obtaining his own insurance to cover any such loss and risk.

(b) 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, but not less than $1,000,000 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Such comprehensive public liability insurance policy shall cover the Corporation, the Board of Directors, any committee of the Corporation or Board, any Managing Agent appointed or employed by the Corporation, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the "TRACT". 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. Such public liability insurance policy shall contain a provision that such policy shall not be cancelled or substantially modified without at least ten (10) days written notice to the Corporation.

(c) 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 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.

(d) Insurance by Owners. Each Owner shall have the right to purchase such additional insurance at his own expense as he may deem necessary.

18. Restoration of Common Areas and/or Common Expense Areas (Item 1(f)) ("Improvements"). In the event of damage to or destruction of any of the "Improvements" herein titled due to fire or any other casualty or disaster, the Corporation shall attempt to promptly cause the same to be repaired and reconstructed to the extent of proceeds of insurance and other funds available but without making the HOA insolvent. The proceeds of insurance carried by the Corporation, if any, shall be applied to the cost of such repair and reconstruction.

In the event 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 of the "Improvements", or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing the "Improvements" 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. 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 "Improvements" to as near as possible the same condition as they existed immediately prior to the damage or destruction and with the same type of architecture.

19. Covenants and Restrictions. The following covenants and restrictions on the use and enjoyment of the Lots, Dwelling Units, Common Areas and Common Expense Areas (Item 1(f)) shall be in addition to any other covenants or restrictions contained herein and in the Final Plat, 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 an Owner, or by the Corporation. Present or future Owners or the Corporation shall be entitled to injunctive relief against any violation or attempted violation of any such covenants and restrictions, and shall, in addition, be entitled to

damages for any injuries or losses resulting from 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) No Owner shall permit anything to be done or kept in his Dwelling Unit or on his Lot or on any of the Common Areas and/or Common Expense Areas (Item 1(f)) which will result in a cancellation of insurance or increase in insurance because of any such action, 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 permitted in any Dwelling Unit, the Common Areas and/or Common Expense Areas (Item 1(f)) or on any Lot. The Board of Directors determination as to what is a nuisance shall be conclusive.

(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 any building 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 Areas and/or Common Expense Areas (Item 1(f)) except that pet dogs, cats or customary household pets may be kept in a Dwelling Unit (unless otherwise stated herein), provided that such pet is not kept, bred or maintained for any commercial purpose, and does not create a nuisance. Customary household pet does not include pot-bellied or midget pigs or hogs, exotic animals and/or other animals that would normally be considered livestock or zoo animals. 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 Areas and/or Common Expense Areas (Item 1(f)) caused by his pet. The Board may adopt such other rules and regulations regarding pets as it may deem necessary from time to time. 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 "TRACT" within ten (10) days after written notice from the Board to the respective

Owner to do so.

(f) The Common Areas and Common Expense Areas (Item 1(f)) shall be kept free and clear of rubbish, debris and other unsightly materials.

(g) 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 "TRACT".

(h) No "for sale", "for rent" or "for lease" signs, or other signs (other than customary realtor signs), or other window or advertising display shall be maintained or permitted on any part of the "TRACT", and 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 "TRACT" in connection with any unsold or unoccupied Lots and Dwelling Units.

(i) All Owners and members of their families, their guests, or invitees, and all occupants of any Dwelling Unit or other persons entitled to use the same and to use and enjoy the Common Areas 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 Areas and/or Common Expense Areas (Item 1(f)).

(j) The use of the Common Area shall be according to published Rules and Regulations.

(k) No Owner shall be allowed to plant trees, landscape or do any gardening in any of the Common Area and/or Common Expense Areas (Item 1(f)), except with express permission from the Board.

(l) The Common Areas and Common Expense Areas (Item 1(f)) shall be used and enjoyed only for the purposes for which it is designed and intended, and shall be used subject to the rules and regulations from time to time adopted by the Board.

(m) No Owner may rent or lease his Dwelling Unit for transient or hotel purposes.

(n) Any Owner who leases a Dwelling Unit shall lease the entire Dwelling Unit and shall have a written lease which shall provide that the lease is subject to the provisions of the Declaration and any failure of the lessee to comply with the terms of the Declaration, shall be a default under the lease.

(o) A motor vehicle that is inoperative or unlicensed and not being used for normal transportation is not permitted to remain on any Lot, outside of the attached garage.

(p) Detached accessory outbuildings are permitted so long as their location, size and building specification comply with zoning regulations and the Architectural Control procedure herein.

(q) References by incorporation, is made to the information contained in the Plat of this Subdivision, which includes, house size, exterior dwelling material, number and garages, driveway requirements and other development standards for improvements on each Lot.

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 the right to use and maintain any Lots and Dwelling Units owned by DECLARANT and other portions of the "TRACT" (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 of Dwelling Units and the 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. DECLARANT shall have the right to remove the same from the "TRACT" at any time.

20. Amendment of Declaration.

(a) Generally. Except as otherwise provided in this Declaration, amendments to this Declaration shall be proposed and adopted in the following manner:

(i) 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.

(ii) Resolution. A resolution to adopt a proposed amendment may be proposed by the Board of Directors of Owners having in the aggregate at least a majority of the votes of all Owners.

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

(iv) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less a majority in the aggregate of the votes of all Owners. In the event any Lot or Dwelling Unit is subject to a first mortgage, the Mortgagee of record with this Corporation per Item 16(e) hereof 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 the provisions hereof.

(v) Special Amendments. No amendment to this Declaration shall be adopted which changes (1) the applicable share of an Owner's liability for the Common Expenses, or the method of determining the same, or (2) the provisions of this Declaration of Paragraph 17 with respect to

casualty insurance or fidelity bonds to be maintained by the Corporation, or (3) the provisions of Paragraph 18 of this Declaration with respect to reconstruction or repair of the Common Areas and Common Expense Areas (Item 1(f)) in the event of fire or any other casualty or disaster, or (4) the provision of Paragraph 14 of this Declaration establishing the Architectural Review Board and providing for its functions, without, in each and any of such circumstances, the unanimous approval of all Owners and of all Mortgagees whose mortgage interest have been made known to the Board of Directors in accordance with the provisions of this Declaration.

(vi) Additional Special Amendments. No amendment to this Declaration shall be adopted which imposes a right to first refusal or similar restriction or which changes (1) the method of voting, or (2) reserves for, and responsibility for, maintenance, repair and replace of the Common Areas and Common Expense Areas, or (3) right to use the Common Areas and Common Expense Areas, or (4) termination of the applicability of this Declaration, or (5) any provisions which are for the express benefit of Mortgagees without the consent of at least two-thirds (2/3rds) of the votes of the Owners for the first ten (10) years after recording of this Declaration and thereafter at least a majority of the votes of Owners and the consent of Mortgagees holding mortgages on fifty percent (50%) of the Dwelling Units subject to mortgages whose mortgage interest have been made known to the Board of Directors as heretofore detailed.

(vii) 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 Marion County, Indiana, and such amendment shall not become effective until so recorded.

(viii) Failure of Mortgagee to Respond. Any Mortgagee who receives a written request to approve an amendment and fails to give a negative response within thirty (30) days after receiving such request shall be deemed to have approved such request.

(b) Amendments by DECLARANT ONLY. Notwithstanding the foregoing or anything elsewhere contained herein or in any other documents, 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 from time to time if such amendment or supplement is made (a) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, 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, or (d) to correct clerical or typographical errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto, or (e) adopt amendments prior to the APPLICABLE DATE which are not

materially adverse to the owners. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the DECLARANT to vote in favor of, make, or consent to any amendments described in this Paragraph on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot or Dwelling Unit and the acceptance thereof shall be deemed to be a grant and acknowledgement of, and a consent to the reservation of, the power to the DECLARANT to vote in favor of, make, execute and record any such amendments. The right of the DECLARANT to act pursuant to rights reserved or granted under this Paragraph shall terminate at such time as the DECLARANT no longer holds or controls title to any part or portion of the "TRACT".

(c) Amendment Prior to the APPLICABLE DATE. Notwithstanding anything to the contrary contained herein or in the Declaration, there shall be no amendment of the Declaration prior to the APPLICABLE DATE without the consent and approval of DECLARANT.

21. Acceptance and Ratification. All present and future Owners, Mortgagees, tenants and occupants of the Lots shall be subject to and shall comply with the provisions of this Declaration, the Articles of Incorporation, and the By-Laws incorporated herein by reference, and the rules and regulations as adopted by the Board of Directors as each may be amended from time to time. The acceptance of a deed of conveyance or the act of occupancy of any Lot shall constitute an agreement that the provisions of this Declaration, the Articles of Incorporation, 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 be binding on any person having at any time any interest or estate in a Lot or "TRACT" as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. All persons, corporation, partnership, trusts, associations, or other legal entities who may occupy, use, enjoy or control a Lot or Lots or any part of the "TRACT" in any manner shall be subject to the Declaration, the Articles of Incorporation, the By-Laws, and the rules and regulations applicable thereto as each may be amended or supplemented from time to time.

22. Negligence. Each Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents 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 misuse of the Common Areas and/or Common Expense Areas.

23. Costs and Attorneys' Fees. In any proceeding arising because of failure of an Owner to make any payments required or to comply with any provision of this Declaration, the Articles of Incorporation, 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 reasonable attorneys' fees incurred in connection with such default or failure.

24. Waiver. No Owner may exempt himself from liability for his contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Areas and/or Common Expense Areas or by abandonment of his Lot.

25. Severability Clause. The invalidity of any covenants, restriction, condition, limitation or other provision 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 enforced to the greatest extent permitted by law.

26. Pronouns. Any reference to the masculine, feminine or neuter gender herein shall, unless the context clearly requires to the contrary, be deemed to refer to and include all genders. And the singular shall include and refer to the plural and vice versa as appropriate.

27. Interpretation. The captions and titles of the various articles, sections, subsections, 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.

28. The Plat. The Final Plat of the portions of the "TRACT" detailed in Item 3 hereof is incorporated into this Declaration by reference to the Instrument number thereof, filed in the Office of the Recorder of Marion County, Indiana.

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

"DECLARANT FEE OWNERS"
OF EXHIBIT "A" REALTY

COMMUNITY DEVELOPMENT III, INC.

By: Mauri A Young
Mauri G. Young
Capacity: President

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public, in and for said County and State, personally appeared Mauri G. Young, by me known, and by me known to be the President of **Community Development III, Inc.**, who acknowledged the execution of the foregoing "Declaration of Covenants and Restrictions of BENTLEY ESTATES OWNERSHIP" on behalf of said Corporation.

WITNESS my hand and Notarial Seal this 1st day of July, 1999.

Notary Public

My Commission Expires:
3.30.2007

JOHN R. MAREN
(Printed)
County of Residence: HANCOCK

DEPT. OF METROPOLITAN DEVELOPMENT
DATE 7299
PER
ADMINISTRATOR

This Instrument Prepared by:
Raymond Good, #7201-49
SCHNORR, GOOD, SCAHILL & MAIER
144 North Delaware Street
Indianapolis, IN 46204-2551
317/264-3636

41-Young\BENTLEY ESTATES\Declaration 3-26-99\

APPROVED THIS ...1 ST.....
30 DAY OF....JULY..... 19.99..
FRANKLIN TOWNSHIP ASSESSOR
Ruth Ann White ..... DRAFTSMAN

LAND DESCRIPTION

Part of the Northeast Quarter of the Northeast Quarter of Section 24, Township 14 North, Range 4 East of the Second Principal Meridian in Franklin Township, Marion County, Indiana, being more particularly described as follows:

Commencing at the Northeast corner of said Quarter Quarter Section; thence South 89 degrees 51 minutes 59 seconds West (assumed bearing) along the north line thereof a distance of 1349.41 feet to the northwest corner of said Quarter Quarter Section; thence South 00 degrees 33 minutes 49 seconds West along the west line of said Quarter Quarter Section a distance of 345.92 feet to the Point of Beginning; thence South 85 degrees 28 minutes 16 seconds East a distance of 240.58 feet; thence South 00 degrees 33 minutes 49 seconds West, parallel with said west line, a distance of 727.33 feet; thence North 89 degrees 08 minutes 57 seconds West, parallel with the south line of said Quarter Quarter Section, a distance of 240.00 feet to said west line; thence North 00 degrees 33 minutes 49 seconds East along said west line a distance of 742.77 feet to the Point of Beginning, containing 4.050 acres, more or less.

FIRST AMERICAN

EXHIBIT "A"

A201100049549

June 06, 2011 2:41 PM
Julie L. Voorhies,
Marion County Recorder

Pages: 20

Fee $72.50
By: MLW

Cross-Reference:
Bentley Farms (Plat), Instrument # 1999-0099745
Bentley Farms, Declaration of Covenants, Instrument # 1999-0126978

REVISED AND RESTATED

CODE OF BYLAWS

for

BENTLEY FARMS HOMEOWNERS ASSOCIATION, INC.

COMES NOW the Bentley Farms Homeowners Association, Inc., by its Board of Directors, on this 15 day of April, 2011, and states as follows:

WITNESSETH THAT:

WHEREAS, the residential community in Marion County, Indiana commonly known as Bentley Farms was established upon the recording of certain Plats and other documents with the Office of the Recorder for Marion County, Indiana; and

WHEREAS, the Plat for Bentley Farms was recorded with the Office of the Marion County Recorder on May 20, 1999, as **Instrument # 1999-0099745**; and

WHEREAS, the Declaration of Covenants and Restrictions of the Bentley Farms Ownership ("Declaration") was recorded with the Office of the Marion County Recorder on July 2, 1999, as **Instrument # 1999-0126978**; and

WHEREAS, said Declarations state that by taking a deed to any Lot as set forth on the above listed Plats for the Bentley Farms development, each owner becomes a mandatory member of the subdivision's homeowner's association known as Bentley Farms Homeowners Association, Inc. ("Association"), an Indiana nonprofit corporation; and

WHEREAS, the Association was incorporated pursuant to the above listed Declarations as a non-profit corporation pursuant to Articles of Incorporation ("Articles") filed with, and approved by, the Indiana Secretary of State on October 8, 1999; and

WHEREAS, the Association's Initial Board of Director(s) adopted a Code of Bylaws ("Bylaws") to provide for the administration of the Association; and

WHEREAS, the Bylaws, Article VIII, Section 8.01, states that the Board of Directors of the Corporation shall have the power to make, alter, amend or repeal the Bylaws of the Corporation by an affirmative vote of a majority of the members of the Board of Directors; and

WHEREFORE, pursuant to the authority granted to the Board of Directors by the Bylaws, a majority of the Board of Directors have voted to adopt this Revised and Restated Code of Bylaws to replace the current Bylaws. This Revised and Restated Code of Bylaws does not conflict in any manner with any provision contained in the Declaration or the Articles of Incorporation, and it is the intention of the Association that this Revised and Restated Code of Bylaws shall replace all formerly adopted Bylaws and any amendments thereto.

[End of Recitals]

REVISED AND RESTATED

CODE OF BY-LAWS

for

BENTLEY FARMS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Identification

Section 1. Name. The name of the corporation is "Bentley Farms Homeowners Association, Inc." (also referred to as "Corporation" or "Association").

Section 2. Principal Office and Resident Agent. The name and post office address of the registered office of the Association is: Bentley Farms Homeowners Association, Inc., c/o Don E. Stowers, 8133 Bentley Farms Place, Indianapolis, IN 46259, or as updated from time to time with the Indiana Secretary of State's Office.

The registered agent of the corporation is currently: Don E. Stowers, 8133 Bentley Farms Place, Indianapolis, IN 46259. However, it should be noted that the registered agent may be a member of the Board of Directors or a hired management agent and can potentially change from year to year. Therefore, the current registered agent of the Association may be determined through the most recent annual business entity report filed with the Indiana Secretary of State's office.

Until the Board of Directors otherwise determines, the registered office of the Association shall be the registered place of business of the Association, but such registered office may be changed from time to time by the Board of Directors in the manner provided by law and need not be identical to the registered place of business of the Association.

ARTICLE II

Definitions

Section 1. "Act" means the Indiana Nonprofit Corporation Act of 1991 and any subsequent amendments thereto.

Section 2. "Articles of Incorporation" or "Articles" means the Articles of Incorporation of the Corporation filed with the Office of the Secretary of State of Indiana, as the same are or hereafter may be amended from time to time.

Section 3. "Association" or "Corporation" shall mean and refer to Bentley Farms Homeowners Association, Inc.

Section 4. "Board of Directors" means the Board of Directors of the Corporation.

Section 5. "Bylaws" means the most current Code of Bylaws, including any amendments or revisions, adopted by the Association.

Section 6. "Declarant" or "Developer" means Community Development III, Inc., and any successors and assigns of it whom it designates in one or more written recorded instruments to have the rights of Developer under the Declaration; including, without limitation, any mortgagee acquiring title to any portion of the Property (as such term is defined in the Declaration) pursuant to the exercise of rights under, or foreclosure of, a mortgage executed by Developer.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants and Restrictions of the Bentley Farms Ownership was recorded with the Office of the Marion County Recorder on July 2, 1999, as **Instrument # 1999-0126978**, and all subsequent amendments thereto.

Section 8. "Director" means a member of the Board of Directors, elected or appointed in accordance with these Bylaws.

Section 9. "Owner" also referred to as "Member" or "Lot Owner", means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who owns fee simple title to a lot (i.e. name is on the deed).

Section 10. "Property", "Properties", "Real Estate" "Development" and "Tract" shall mean and refer to the real estate described in the Declaration, identified in the exhibits attached to the Declaration, and/or set forth on the various recorded Plats of the Development, and any property subsequently annexed thereto pursuant to the Declaration.

Section 11. All other terms used in these Bylaws not set forth herein are to be interpreted as defined and used in the Declaration.

ARTICLE III

Membership, Meetings, and Voting Rights

Section 1. Membership: Reference is hereby made to the Declaration and the Articles which sets forth terms, provisions, and conditions governing and relating to membership in the Association, transfer of membership and voting rights of classes of members, all of which terms, provisions and conditions are incorporated herein by reference.

Section 2. Quorum and Adjournments: At any meeting of the membership, unless otherwise stated in these Bylaws or in the Declaration, the presence of members, in person or by proxy, entitled to cast twenty percent (20%) of the total number of valid and eligible owner votes shall constitute a quorum. For purposes of this section, the term "eligible" means any owner whose privileges are not suspended for any reason as set forth in the Declaration, Articles or these Bylaws. If a member has had his voting rights suspended pursuant to the Declaration, Articles or these Bylaws, that vote is not considered a valid or eligible vote toward calculating quorum requirements. After a member's vote is represented, either in

person or by proxy, for any purpose at a meeting, the vote will be considered present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting. Except as otherwise provided in the Declaration, Articles or these Bylaws, each question or action will be deemed passed if approved by a simple majority of the eligible votes cast by the members present, in person or by proxy, at a meeting at which a quorum is present.

In the event a quorum is not present at any meeting called under authority of these Bylaws, that meeting may be adjourned to another date not more than sixty (60) days later. At this subsequent meeting, or meetings, the quorum will drop to ten percent (10%) of the total number of valid and eligible owner votes.

Section 3. **Meetings:** Meetings of the Members of the Association will follow these provisions:

A. **Place.** Meetings of the Members are to be held in Marion County, Indiana, at a place selected by the Board of Directors of the Association.

B. **Annual Meeting.** The Board of Directors of the Association will set a date for the Association's Annual Meeting to be held each year. The only limitation to setting the date for the Annual Meeting is that the Annual Meeting must be held no more than fifteen (15) months after the previous annual meeting. However, the specific date, time and place of the Annual Meeting are to be determined by the Board of Directors. At each Annual Meeting, the Members will conduct director elections and transact any other Association business to be properly addressed at the meeting.

C. **Special Meetings.** A Special Meeting of the Lot Owners may be called by: a) the President; b) resolution approved by a majority of the Board of Directors; or c) by written petition signed by at least ten percent (10%) of the Lot Owners. The petition must be presented to the President or Secretary of the Association and must state the purpose(s) for which the Special Meeting is to be called.

The Board of Directors has thirty (30) days from the date the Secretary receives a properly signed petition from the Members to send a Notice to the Membership calling the requested Special Meeting. The purpose(s) of the Special Meeting, along with the date, time and location of the Special Meeting must be stated in the meeting notice sent to the Lot Owners. No business shall be transacted at a Special Meeting except as stated in the notice of the meeting, unless all the Lot Owners are present.

It should be noted that according to the Act the Members may not call or hold a Special Meeting of the Members without first submitting a petition, signed by not less than ten percent (10%) of the Members, asking that the Board of Directors call a Special Meeting as set forth above. If the Board refuses to call a Special Meeting of the Members after receiving a proper petition from the Members, then the Members may call a Special Meeting of the Membership on their own.

D. **Notice of Meetings.** Written or printed notices stating the place, day and hour of a meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered or mailed by the Secretary of the Corporation to each member of record of the Corporation entitled to vote at the meeting, at such address as appears upon the records of the Corporation, at least ten (10) days before the date of the meeting, but not more than sixty (60) days prior to the meeting.

Notices of any meeting may be mailed by first class U.S. Mail. Notices of meetings may also be hand-delivered to an owner's residence. If the owner consents to electronic service, then notice of meetings may be provided to owners by email or postings on the Association's website, if one.

Notice of any meeting of the members may be waived in writing by any owner or by the owner's attendance at the meeting in person, by proxy or by ballot.

E. **Order of Business.** The order of business at meetings of the members shall, to the extent applicable, be as follows:

1. Call to Order.
2. Reading of minutes of preceding meeting.
3. Reports of officers.
4. Reports of committees.
5. Treasurer's Report and review of Annual Budget (if an annual meeting).
6. Election of director(s) (if an annual meeting).
7. Unfinished business.
8. New business.
9. Adjournment.

Section 4. Voting at Meetings.

A. **Voting Rights.** Unless otherwise suspended, each Lot is entitled to cast one (1) vote on each issue properly brought before the membership. In the event any Lot is owned by more than one person, the owners must decide among themselves which owner is entitled to vote at a meeting of the members. In the event the lot is owned by a corporation or other entity, that entity may appoint a representative to cast the vote(s) for the lot.

B. **Proxies.** A member may vote either in person or by his duly appointed proxy. Where a member's vote is by proxy, the member must designate his proxy in writing and deliver it to the Secretary of the Corporation or any other officer or agent of the Association authorized to tabulate votes. The proxy is effective once it is received by the Association.

A proxy must contain the member's printed name, address or Lot number, the member's signature, and the date the proxy is executed (signed). A proxy is only valid for eleven (11) months from the date of its execution unless a longer or shorter period of validity is expressly set forth in the proxy. A proxy may be revoked in writing by the member prior to being exercised or by the member's personal attendance at the meeting where the vote is to be taken.

If a member signs more than one proxy appointment, the latest in time, if possible to determine, is considered to be valid. If a member signs more than one (1) proxy to be used at a particular meeting, and it cannot be determined which proxy is the latest in time, then none of the member's proxies shall be counted or voted.

C. **Majority Required.** Except as otherwise provided in the Declaration, Articles, these Bylaws, or Indiana law, each question or action voted upon at any member meeting will be deemed passed if approved by a simple majority of the eligible votes cast by the members present, in person or by proxy, at the meeting at which a quorum is present.

D. **Suspension of Voting Rights.** No member shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payment due to the Association shall be eligible to vote, either in person or by proxy.

For purposes of this provision, the thirty (30) day period begins on the first day of the fiscal year or the due date of the assessment as set by the Board of Directors pursuant to its authority as set forth in the Declaration, whichever is later in time. If the amount due to the

Association is for an obligation other than assessments, such as reimbursement for a covenant violation or court judgment, then the thirty (30) day period shall start on the date the amount became due.

The term "payment" means the payment of all amounts due to the Association, including any assessments, collection fees, interest, late fees, attorney fees, court costs, or other sums that are owed to the Association. As a result, if any owner is paying the Association on a payment plan or agreement, and that payment arrangement does not pay the entire amount due to the Association within thirty (30) days of becoming due, then that owner's voting rights will stay suspended until the entire amount due to the Association is paid in full.

In addition, payment of delinquent accounts by any method other than cash at a meeting where a vote will be held does not end any suspension under this provision until the funds from the payment are actually received by the Association. The Board of Directors is free to adopt additional rules regarding the suspension of voting rights as they deem necessary or appropriate for the failure of an owner to pay any sums owed to the Association.

Section 5. Action by Written Ballot, Etc. Any action required or permitted to be taken at any meeting of the members may be taken by written ballot with or without a meeting if the Association delivers a written ballot to every owner eligible to vote on the matter. To be valid, the ballot must contain:

a) the printed name of the lot owner;
b) the signature of the lot owner;
c) the lot(s) owned or being purchased by the lot owner; and
d) the date the ballot is being signed.

Approval by written ballot is only valid if:

a) the number of votes cast in person and/or by ballot equals or exceeds the quorum required to be present at a meeting authoring such action; and
b) the number of approvals equals or exceeds the number of votes required to approve the matter at a meeting.

The written ballot must set forth each proposed action and provide an opportunity for the owner to vote for or against each proposed action. A solicitation, or request, for votes by written ballot must indicate:

a) the number of responses needed to meet the quorum requirements;
b) the percentage of approvals necessary to approve each matter, other than the election of directors; and
c) specify the time by which a ballot must be received by the Association to be counted.

If a meeting is to be held, then ballots may be mailed or personally delivered to the Association's registered office prior to the meeting date; however, unless otherwise stated on the ballot, all ballots cast by owners NOT attending the meeting must be RECEIVED at the Association's registered office by the end of business at least one (1) calendar day prior to the date of the meeting in order to be counted. Unless otherwise stated on the ballot, any ballots received less than one (1) calendar day prior to the meeting date will not be counted.

If a meeting is NOT to be held, then owners must mail or personally deliver their ballot to the Association's registered office by the due date stated on the ballot. Any ballots RECEIVED after the due date will not be counted.

Only official ballots sent to the owners by the Association will be accepted. Unofficial ballots will not be counted. Ballots must be received by the Association in a sealed envelope; ballots in open or unsealed envelopes will not be counted. Each owner must fully fill out the ballot, print their name and

address and sign the ballot. The Board of Directors may adopt additional voting procedures for submitting and processing ballots.

If an owner signs or submits more than one ballot, the latest in time, if possible to determine, is considered to be valid. However, if an owner signs or submits more than one ballot, and it is not possible to determine which ballot is to be used, the Board may reject all ballots submitted by that owner.

In addition, voting and meeting participation may be held or performed in any manner set forth in the Act or deemed acceptable by the Courts as a practical way to collect votes and allow Members to participate in Association actions.

ARTICLE IV

Nomination and Election of Directors

Section 1. Nominations. Nominations for the Board of Directors may be made by any Owner from those persons eligible to serve. Such nominations may be made in writing and presented to the Secretary of the Association prior to the date of the annual meeting. The Board has the authority to set a deadline date for submitting written nominations prior to the annual meeting.

If an insufficient number of written nominations are received prior to the date of the annual meeting to fill all Board positions open for elections at the annual meeting, then oral nominations will be accepted from the floor prior to voting on any open Directorship position.

If a sufficient number of written nominations are received prior to the date of the annual meeting to fill all Board positions open for elections at the annual meeting, then the presiding officer of the annual meeting has the sole discretion to either: 1) stand on the submitted written nominations; or 2) accept additional oral nominations from the floor, prior to voting on any open Directorship position.

Section 2. Election. Voting on each position for the Board of Directors shall be by paper ballot containing the signature, printed name and address of the Owner casting the ballot. Written balloting may be waived by proper motion at the annual meeting and voting conducted by a voice vote or show of hands in circumstances where the number of nominees does not exceed the number of Board positions open for election (i.e. 2 nominees for 2 open directorships).

Each Owner, or their proxy, may cast the total number of votes to which he is entitled to cast for as many nominees as are to be elected; however, cumulative voting shall not be allowed. Those persons receiving the highest number of votes shall be elected.

At any director election where the terms of those directors being elected are to be staggered, the highest vote recipient shall be elected to the longest term, the second highest vote recipient shall be elected to the second longest term, and so on until all director positions being elected are filled. If there is a tie for directorship positions of differing term lengths (i.e. two (2) persons both receive fifteen (15) votes, but one (1) is to serve a two (2) year term and one (1) is to serve a one (1) year term), the directors may agree to which term each will serve without the need for a new run-off vote. If the directors cannot resolve the term dispute by agreement, then the presiding officer shall have the sole discretion to decide the issue by either: 1) conducting a run-off ballot vote by the members; 2) draw from a hat; or 3) the flip of a coin.

In the event no quorum is present at an annual meeting of the Association, or if a sufficient number of candidates cannot be found to fill all open Board vacancies at the annual meeting, whether by slating, written petition or oral nomination, then the remaining members of the Board of Directors may fill any directorship positions open for election at the annual meeting. Any Director so appointed to fill an open position on the Board of Directors shall serve the same term as if elected by the members at the annual meeting.

Section 3. Conducting Elections by Ballot. The election of directors may be conducted by ballot so that owners may select their nominees and send in their votes prior to the annual or special meeting. If the number of written nominations received by the Association before the deadline date exceeds the number of open board positions to be filled at the annual meeting, then a ballot will be mailed to each owner for voting on new board members. *If the election of directors is conducted by ballot voting, then NO write-in nominations or nominations from the floor will be accepted so everyone has a chance to vote on the same list of candidates.*

If the number of written nominations received by the Association before the deadline date matches the number of open board positions to be filled at the annual meeting, then there is no reason to incur the expense of a mailed ballot since all submitted nominees will be elected by default. In this situation, the Board may simply waive ballot voting and accept the submitted nominees by voice vote at the annual meeting.

If an insufficient number of written nominations are received by the deadline date to fill all Board positions open for election at the annual meeting, then ballot voting will not be conducted and oral nominations will be accepted from the floor prior to voting on any open Directorship position.

ARTICLE V

Board of Directors

Section 1. Number, Qualifications and Term of Office.

(a). Number. The affairs of the Association shall be governed and managed by the Board of Directors (collectively called the "Board" or "Directors" and individually called "Director"). The Board of Directors will be composed of three (3) persons, with the minimum number of Directors being three (3) and the maximum number being five (5). The exact number of Directors may be increased or decreased, as permitted by law, by resolution of the Board of Directors. If the number of directors currently serving changes due to the resignation or removal of directors, or if an insufficient number of members volunteer to fill all possible Board positions, the Board shall continue to function with the remaining number of directors until those vacancies are filled so long as there are at least three (3) directors serving.

(b). Qualifications. A director must be an owner who maintains his primary place of residence in the Bentley Farms community and does not have his membership rights in the Association suspended for any reason as set forth in the Declaration, Articles or these Bylaws. No Lot may be represented by more than one person or representative on the Board of Directors at the same time.

(c). Term of Office Generally. The Board of Directors will serve their terms on a staggered basis as provided by law. Currently, there are five (5) directors serving on the Board, four (4) of which are serving rotating two (2) year terms. At each Annual Meeting, two (2) directors will be elected to serve a two (2) year term, and one (1) director will be elected to serve a one (1) year term. The remaining two (2) directors have one (1) year remaining on their two (2) year term. All directors shall serve their full term and/or until their respective successors are properly elected and qualified.

In the event that the number of Directors is increased or decreased by resolution of the Board, the election terms, or rotation, of said Directors shall be determined by the Board at the time the increase or decrease is approved, so long as the election of Directors continues to be staggered. If multiple directors are being appointed by the Board to fill staggered Board vacancies, then the Board shall determine which appointee shall serve each respective staggered term.

Section 2. Vacancies and Removal.

(a). Vacancies. Any vacancy that occurs on the Board of Directors due to the death, resignation, or removal of a director will be filled by a new appointee approved by a majority vote of the remaining Directors, and the appointee will serve the remaining term of the vacant directorship. However, if a vacancy is caused by a Director being removed from the Board by a vote of the membership at a special meeting called for that purpose, then a majority of the members in attendance at that special meeting must select a replacement(s) to fill the position(s) of the removed Director(s). Any Director elected by the members to fill a vacancy on the Board will serve the unexpired portion of the vacant directorship.

(b). Removal. Any Director may be removed from the Board of Directors, with or without cause, by a majority vote of the members of the Corporation at a special meeting called for such purpose. The vacancy of a Director removed by the members at a special meeting shall be filled by a majority of the members in attendance at that same special meeting. A Director elected by the members to fill a vacancy on the Board created by the removal of a director will serve until the next annual meeting of the Association, when a permanent replacement will be elected by the members to fill any remaining portion of the removed director's term.

Pursuant to Indiana Code 23-17-12-10, as may be amended or re-codified from time to time, and the Articles, the Board of Directors also has the right to remove a Director from the Board "for cause" by a majority vote of the remaining Board members.

For purposes of this provision, an act that constitutes "for cause" includes, but is not limited to: a) failing to attend three (3) or more consecutive meetings of the Board of Directors; b) becoming ineligible to serve on the Board pursuant to any terms set forth in the Declaration, Articles or these Bylaws; c) acts of fraud, theft, deception, or criminal behavior; d) breach or disclosure of confidential Board or owner information or discussions to person(s) not on the Board; or e) any other actions not authorized or ratified by the Board which hinder or bypass the authority of the Board to act as a whole.

Determination of whether "for cause" has been sufficiently established to justify removal of a Director is left to the sole discretion of the members or the remaining Directors. The vacancy of a Director removed by the members at a special meeting or a vacancy of a directorship due to a Director being removed by a vote of the Board shall be filled pursuant to the vacancy provisions within these Bylaws.

Section 3. Duties of the Board of Directors. The Board of Directors is the governing body of the Association representing all of the Owners and is responsible for the functions and duties of the Association, including but not limited to, providing for the administration of the Real Estate, the management, maintenance, repair, upkeep and replacement of the Common Area (unless the same are otherwise the responsibility or duty of Owners), and the collection and disbursement of the Common Expenses.

The Board shall fulfill these duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar conditions, and in a manner the Board believes to be in the best interest of the Association. The availability of funds, the unforeseen or unexpected nature of expenses caused by natural, administrative, or regulatory reasons, or any other factor or factors which may hinder or prevent the Board from taking action to fulfill any of these duties shall be considered in determining the reasonableness of the Board's actions or failure to provide certain services or maintenance as provided herein.

The Board may employ a managing agent upon such terms as the Board shall find, in its discretion, reasonable and customary. The managing agent shall assist the Board in carrying out its duties, which include, but are not limited to:

(a) protection, surveillance of the Common Area and Common Expense Areas (Item 1(f) of the Declaration), unless the same are otherwise the responsibility or duty of Owners of Lots; provided, however, that this duty shall not include or be deemed or interpreted as a requirement that the Corporation, the Board or any Managing Agent must provide any on-site or roving guards, security service or security system for protection or surveillance, and the same need not be furnished;

(b) the duties delineated under Item 1(f) hereof;

(d) assessment and collection from the Owners of each Owner's respective share of the Common Expenses;

(e) 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;

(f) 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;

(g) keeping a current, accurate and detailed record of receipts and expenditures affecting the Common Area and the Common Expense Areas (Item l(f) of the Declaration) and the business and affairs of the Corporation specifying and itemizing the Common Expenses; all records and vouchers (including current copies of the Declaration, Articles of Incorporation, Bylaws and Rules) shall be available for examination by an Owner, Mortgagee, insurer or guarantor of a first mortgage, at any time during normal business hours;

(h) procuring and maintaining for the benefit of the Corporation and the Board the insurance coverage required under the Declaration and such other insurance coverage as the Board, in its sole discretion, may deem necessary or advisable;

(i) paying any other necessary expenses and costs in connection with the duties in subsection (b) hereof;

(j) to furnish, upon request of any Mortgagee, insurer or guarantor of a first mortgage, an audited financial statement for the immediately preceding fiscal year;

(k) enforcing the covenants, restrictions, bylaws and rules and regulations in the Declaration, Articles, Bylaws or adopted rules and regulations;

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

Section 4. 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 to:

(a) employ a managing agent to assist the Board in performing its duties;

(b) purchase, lease or otherwise obtain for the Association, to enable it to perform its functions and duties, such equipment, materials, labor and services as may be necessary in the judgment of the Board of Directors;

(c) 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 Association;

(d) 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 Areas, and to perform all other maintenance, upkeep, repair and replacement duties of the Association and the Board;

(e) include the costs of performing all of its functions, duties and obligations as Common Expenses and to pay all such costs there from;

(f) open and maintain a bank account or accounts in the name of the Association;

(g) create, adopt, revise, amend or alter from time to time such additional rules and regulations with respect to use, occupancy, operation, enjoyment, and architectural additions or modifications of the Real Estate, including the individual lots, streets (whether public or private), and the Common Areas, said rules and regulations being in addition to the rules and restrictions set forth in the 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;

(h) take any and all appropriate action, including legal action, if necessary, to enforce or gain compliance by all Owners of the provisions, restrictions or requirements within Declaration, Articles, Bylaws, or rules and regulations of the Association;

(i) grant to such public or private companies, entities or bodies as the Board may approve, such easements as may be necessary to provide the Lots, Dwelling Units and Common Areas with facilities for utility and similar services, including but not limited to cable television facilities and service; provided that such easements are located within or are co-extensive with any one or more utility easements, maintenance and access easements, landscape and maintenance easements, or Common Areas shown upon, and identified as such on, or provided for in, any subdivision plat of the Development, whether such plat is heretofore or hereafter recorded.

Section 5. Limitation on Board Action. The authority of the Board to enter into contracts shall be limited to contracts involving a total expenditure of less than $2,500.00 per year (adjusted annually for increases or decreases in the consumer price index) without obtaining the prior approval of a majority of the Owners voting, in person and by proxy, at a special meeting called to approve such expenditure, except that in the following cases such approval of the membership shall not be necessary:

A. Contracts for replacing or restoring portions of the Common Areas damaged or destroyed by fire or other casualty where the cost thereof is payable out of insurance proceeds actually received or for which the insurance carrier has acknowledged coverage;

B. Proposed contracts and proposed expenditures expressly set forth in the proposed annual budget as approved by the Owners at the annual meeting;

C. Expenditures incurred to pursue enforcement of any provision, restriction or requirement within Declaration, Articles, Bylaws, or rules and regulations of the Association; or to defend the Association or any of its directors, officers, managers or agents regarding any legal action;

D. 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.

Section 6. Annual Meeting. The Board of Directors must meet annually, without notice, immediately following, and at the same place as, the annual meeting of the membership; or at the next regularly scheduled Board meeting, for the purpose of electing officers.

Section 7. Regular Meetings. Regular meetings of the Board of Directors shall be held at such regular intervals, without notice, at such place and hour as may be determined from time to time by resolution of the Board of Directors. If a regular meeting of the Board is to be held on a date other than a regularly scheduled meeting date previously set by the board, then notice of the meeting must be provided to each director at least forty-eight (48) hours prior to the meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President or by a majority of the members of the Board of Directors, at any place within or without the State of Indiana, upon twenty-four (24) hours notice, specifying the time, place and general purposes of

the meeting, given to each Director personally, by telephone or email; or notice may be given by U.S. Mail if sent, via first class, postage pre-paid, mail at least three (3) days before such meeting.

Section 9. Notice and Waiver of Notice. Notices of Board meetings shall be given to each Director as set forth in these Bylaws. A Director waives formal meeting notice requirements by attending the meeting or by voting in writing or email on any issue addressed at a meeting of the Board.

Section 10. Quorum. A majority of the entire Board of Directors then qualified and acting constitutes a quorum for the purpose of transacting business, except for filling vacancies in the Board of Directors which shall require action by a majority of the remaining Directors. Any act of the majority of the Directors present at a meeting at which a quorum shall be present shall be the act of the Board unless otherwise provided for by law or by these Bylaws. A majority of the Directors present may adjourn any meeting from time to time. Notice of an adjourned meeting need not be given other than by announcement at the time of adjournment.

Section 11. Attendance at Board Meeting. Any board member may participate in a board meeting telephonically, such as a conference call, or electronically, such as internet video transmission, or other internet or electronic communication by which all directors participating may hear each other during the meeting.

Section 12. Action Taken Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors or any committee may be taken without a meeting if the action is approved by a majority of the entire Board in writing or via email. If an action is approved via writing or email, evidence of the written or email approval must be made a part of the corporate Board minutes or records. However, failure to keep documentation of the approval does not automatically invalidate the decision.

Section 13. Compensation. No Director shall receive compensation for any service he may render to the Association as such director. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties, and any Director may be paid and compensated for services rendered to the Association in a capacity other than as a director.

Section 14. 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 Association 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 Association, unless any such contract shall have been made in bad faith. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Association.

Section 15. Additional Indemnity of Directors. The Association shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives, made a party to any action, suit or proceeding by reason of the fact that he is or was a Director of the Association, 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 therein, except as otherwise specifically provided herein in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Director is liable for gross negligence or misconduct in the performance of his duties. The Association 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 or deemed to be 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 Association 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 Association 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 16. Bond. The Board of Directors may provide surety bonds (or an equivalent form of coverage) and may require the managing agent (if any), the treasurer of the Association, and such other officers as the Board deems necessary, to provide surety bonds (or an equivalent form of coverage), indemnifying the Association 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 (or equivalent form of coverage) shall specifically include protection for any insurance proceeds received for any reason by the Board. The expense of any such bonds (or equivalent form of coverage) shall be a Common Expense.

ARTICLE VI

Officers

Section 1. In General. The officers of the Corporation must be members of the Board of Directors and may consist of a President, a Vice President, a Secretary, a Treasurer, and such other officers or assistant officers as the Board shall from time to time create and so appoint. Any two (2) or more offices may be held by the same person, except that the duties of the President and Secretary shall not be performed by the same person.

Section 2. Election and Terms. Each officer will be appointed by the Board of Directors at the Board's annual meeting, and shall hold that officer position until: a) the next annual meeting of the Board; b) the expiration of the director's term on the Board of Directors; or c) the director's removal or resignation from the Board, whichever occurs first.

Section 3. Vacancies and Removal. Whenever any vacancy shall occur in any office by death, resignation, increase in the number of officers of the Corporation, or otherwise, the vacant office shall be filled by the Board of Directors, and the officer so elected shall hold office until the next annual meeting of the Board or until his or her successor is duly elected and appointed.

Any officer may be removed at any time, with or without cause, by vote of a majority of the whole Board. A Director removed from a particular office shall continue to serve on the Board of Directors, and may be re-appointed to a different office or may serve on the Board without an officer designation.

Section 4. President. The President shall be the chief executive officer of the Corporation; shall preside at all meetings of Voting Members and of the Board of Directors; shall have general and active supervision, control, and management of the affairs and business of the Corporation, subject to the orders and resolutions of the Board; shall have general supervision and direction of all officers, agents and employees of the Corporation; shall see that all orders and resolutions of the Board are carried into effect; and in general shall exercise all powers and perform all duties incident to such office and such other powers and duties as may from time to time be assigned to him by the Board.

The President shall have full authority to execute proxies on behalf of the Corporation, and to execute, with the Secretary, powers of attorney appointing other corporations, partnerships or individuals the agent of the Corporation, all subject to the provisions of the laws of the State of Indiana, the Declaration, the Articles of Incorporation and this Code of Bylaws.

Section 5. Vice-President. The Vice-President shall act in the place or stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by him the Board of Directors or as are delegated to him by the President.

Section 6. Secretary. The Secretary shall attend meetings of the Board and of the Voting Members and shall act as Secretary of such meetings; shall give or cause to be given all notices provided for in these Bylaws or required by law; shall record all votes and minutes of all proceedings of the meetings of Voting Members and the Board in a book or books to be kept for that purpose; shall be custodian of the records of the Corporation; shall have charge of the list of Voting Members; and in general shall exercise all powers an perform all duties as may be from time to time assigned to him or her by the Board or by the President. The Secretary, or Board in the Secretary's absence, shall have the authority to appoint someone to serve as the Secretary's assistant for note/minute taking purposes at a meeting.

Section 7. Treasurer. The Treasurer shall keep correct and complete records of account showing accurately at all times the financial condition of the Corporation; shall be the custodian of the corporate funds and securities; shall immediately deposit, in the name and to the credit of the Corporation, all moneys and other valuable effects of the Corporation in such depositories as may be designate by the Board of Directors; shall disburse the funds of the Corporation as may be ordered by the Board or by the President; and in general. shall exercise all powers and perform all duties customarily incident to such office and such other powers and duties as may from time to time be assigned to him or her by the Board or the President.

Section 8. Special Appointments. The Board of Directors may appoint such other officers and/or assistant officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may, from time to time, determine.

ARTICLE VII

Committees

Section 1. In General. The Board of Directors, by resolution adopted by a majority of the Board of Directors, may create or appoint one (1) or more various committees to assist the Board in carrying out the purposes of the Association. Members of committees may, but need not, be members of the Board of Directors. Each committee, to the extent provided in such resolution or as authorized pursuant to the Act, Articles, Declaration, or these Bylaws, shall have and may exercise such authority of the Board of Directors as shall be expressly delegated by the Board from time to time; except that no such committee shall have the authority of the Board of Directors in reference to:

a. Adopt, amend or repeal the Articles of Incorporation;
b. Approve or recommend a plan of merger or consolidation of the corporation not requiring Member approval;

c. Approve or recommend to the Members the sale, pledge, lease, transfer or exchange of all or substantially all of the assets of the Corporation;
d. Approve or recommend to the Members the dissolution of the Corporation or a revocation thereof;
e. Adopt, amend, or repeal the Bylaws of the Corporation;
f. Fill vacancies on the Board of Directors or committees;
g. Elect, appoint or remove Directors or members of committees;
h. Fix the compensation of any member of such committee; or
i. Alter or repeal any resolution of the Board of Directors that by its terms provides that it shall not be so amendable or repealable.

A majority of all members of any such committee may determine its action and fix the time and place of its meetings, unless the Board of Directors shall otherwise provide. The Board of Directors shall have power at any time to change the number and members of any such committee, to fill vacancies and to discharge any such committee. The designation of such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon it or him by the Indiana Nonprofit Corporation Act of 1991, as amended.

ARTICLE VIII

Records of the Association

Section 1. In General. Current copies of the Declaration, the Articles, the Bylaws, rules and regulations, other corporate documents concerning the Real Estate or the Association and its operation required to be kept and made available for inspection shall be available for inspection by any member or other properly designated party at the principal office of the Association during reasonable business hours or under other reasonable circumstances, where copies of the same may be purchased at reasonable cost.

The Association shall keep detailed books of account showing all expenditures and receipt of administration which shall specify the maintenance and repair expenses of the Common Areas, all easements, and any other expenses incurred by or on behalf of the Association and the members. The accounts, books, records, financial statements, and other papers of the Association shall be open for inspection by any member upon written request submitted to the Board at least five (5) days in advance of the inspection date, and said inspection is to be made during reasonable business hours or under other reasonable circumstances. Any holder, insurer, or guarantor of a first mortgage on a Lot shall be entitled upon written request to receive a financial statement for the immediately preceding fiscal year.

The Association reserves the right to require any member to request inspection of the accounts, books, records, financial statements, and other papers of the Association according to the requirements set forth under the Indiana Nonprofit Corporation Act of 1991, specifically Indiana Code 23-17-27 et seq., and any amendments or re-codification subsequently adopted thereto. The Association reserves the right to deny an owner access to any records that are not required to be opened for inspection under Indiana law, or if the Association determines the owner's request; a) was not made in good faith or for a proper purpose; b) the member fails to describes with reasonable particularity the purpose and the records the member desires to inspect; or c) the records requested are not directly connected to the stated purpose for the request.

ARTICLE IX

Execution of Instruments

Section 1. Checks, Draft, etc. All checks, drafts, bills of exchange or other orders for the payment of money, obligations, notes or other evidences of indebtedness of the Association shall be signed or endorsed by such officer or officers, employee or employees of the Association as shall from time to time be designated by the Board of Directors.

Section 2. Contracts. All contracts, agreements, deeds, conveyances, mortgages and similar instruments authorized by the Board of Directors shall be signed, unless otherwise directed by the Board of Directors or required by law, by the President, and attested by the Secretary.

ARTICLE X

Assessments and Fiscal Year

Section 1. Assessments. Each Owner is obligated to pay to the Association annual and special assessments as more specifically described in the Declaration. The assessments are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid within thirty (30) days shall be delinquent.

If the assessment is not paid within thirty (30) days after the assessment falls due, the assessment shall bear interest from the date of delinquency at the rate equal to the prime interest rate then being charged by Bank One in Indianapolis to its largest and best corporate customer (or if said bank is no longer in existence then such rate charged by another National Bank in Marion County, Indiana selected by the Board of Directors). In addition, the Association may impose reasonable late fees on all delinquencies. The Board shall have the right to determine the amount of the late fees, the time period before the late fees are imposed, the rate of the late fees (i.e. annually, monthly, etc.) and to make any other provisions for late fees and interest charges on late payments as the Board, in its sole discretion, deems appropriate. The Board may also adopt specific collection procedures to be used in collecting assessments and pursing delinquent accounts.

If the Association incurs administrative fees or expenses as a result of collecting delinquent amounts, the Owner shall be personally obligated to reimburse the Association these fees.

If the Association employs legal counsel to pursue the collection of unpaid amounts owed to the Association, the Owner shall be personally obligated to pay any collection costs or expenses for the sending of collection letters or other correspondence or communication prior to the filing of legal action, or for the Association's attorney to take any other action in an attempt to collect the unpaid amounts.

The Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, or both, and there shall be added to the amount of such account balance the costs of preparing the collection notices and letters, preparing and filing the complaint in such action, interest and late fees on any assessment as above provided, and reasonable attorneys' fees, together with the costs of the action.

In addition, an Owner who becomes more than thirty (30) days delinquent on any assessment or other payment due to the Association shall not be eligible to vote, either in person or by proxy; to be elected or serve on the Association's Board of Directors; or to use any of the Common Area facilities, if any, pursuant to the provisions set forth in the Declaration, Articles and/or these Bylaws.

Section 2. Fiscal Year. The fiscal year of the Association shall begin at the beginning of the first day of January in each calendar year and end at the close of the last day of December of the same calendar year.

ARTICLE XI

Rules and Regulations; Enforcement

Section 1. Rules and Regulations. The Board shall have the authority to promulgate, adopt, revise, amend, and alter from time to time such additional rules, regulations, policies, procedures and guidelines governing the use, occupancy, operation, enjoyment and architectural changes and modifications of the lots, streets (public or private), common areas, and any other portion of the Properties, including the personal conduct of the members and guests thereon, as in the sole discretion of the Board are deemed necessary or advisable. These rules, regulations, policies, procedures and guidelines, and any amendments thereto, shall be furnished by the Association to all owners prior to the effective date. All rules, regulations, policies, procedures and guidelines shall be binding and enforceable upon each and every lot and member, including all occupants, guests and invitees of any lot or member, in the Development the same as if it were expressly set forth in the Declaration itself. Any rules, regulations, policies, procedures and guidelines adopted by the Board may be specifically overruled, cancelled, or modified by the Board or at a duly called and constituted regular or special meeting of the members by a majority vote of all eligible members of the Association.

Section 2. Enforcement In General. Any party to whose benefit the Declaration or these Bylaws inures, including the Association, any Committee, or any individual owner, may proceed at law or in equity to prevent the occurrence or continuation of any violation of the Declaration or these Bylaws, or any rules, regulations, policies, procedures or guideline adopted thereto, but neither the Association or any Committee shall be liable for damages of any kind, including legal fees and costs, to any person for failing to enforce or carry out any of the provisions of the Declaration or these Bylaws.

Section 3. Costs and Attorney Fees. The provisions of the Declaration, Articles, Bylaws, and rules, regulations and architectural guidelines for Bentley Farms, including amendments or modifications thereto, shall be binding and enforceable upon each and every Lot and Lot Owner in Bentley Farms. For any violation of the Declaration, Articles, Bylaws, or rules, regulations or architectural guidelines adopted by the Board or the Architectural Committee, each owner in violation shall be subject to an action at law or in equity by the Association to enjoin the violation, or pursue any other relief or remedy as may be set forth in the Declaration, Articles, Bylaws or rules and regulations.

If the Association takes any action to enforce any provision or restriction in the Declaration, Articles, Bylaws, and rules, regulations and architectural guidelines of Bentley Farms, including, but not limited to, the preparing and sending of violation letters, towing of vehicles, self-help or legal action filed in the courts, then the Association shall be entitled to reimbursement of all its costs and expenses, including, but not limited to reasonable attorney fees, administrative charges by a management agent, and court costs, of said enforcement activity or action from the party or parties in violation of said rule or regulation.

The foregoing remedies shall be in addition to, or supplement, any remedies of the Association identified in the Declaration, Articles or Bylaws, and may be used or applied to any enforcement activity or action taken pursuant to any violation of the Declaration, Articles or Bylaws or any properly adopted rule or regulation.