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DECLARATION

OF

NORTH SHORE

HORIZONTAL PROPERTY REGIME

R & P ENTERPRISES, INC.

"DEVELOPER"

INCLUDING THE

CODE OF BY-LAWS OF

THE NORTH SHORE CO-OWNERS ASSOCIATION, INC

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[illegible]

WITNESSETH:

WHEREAS, [illegible] the owner in fee simple title to certain real estate located in Marion County, Indiana, more particularly described in Exhibit A attached hereto and incorporated herein by this reference (hereinafter called the "Real Estate"); and,

WHEREAS, Declarant is also the owner in the fee simple title to certain other real estate adjacent to the Real Estate, more particularly described in Exhibit B attached hereto and incorporated herein by this reference (hereinafter called the "Adjacent Real Estate"), all or part of which Declarant anticipates may be added to the Real Estate by portions to be designated by Developer from time to time (the Real Estate and Adjacent Real Estate together to be called the "Tract"); and,

WHEREAS, Declarant, by execution of this Declaration, creates a Horizontal Property Regime ("Regime") upon the Real Estate, subject to the provisions of the Horizontal Property Act of the State of Indiana ("Act") and the terms and conditions of this Declaration; and,

WHEREAS, Declarant intends that as the portions of the Adjacent Real Estate are from time to time developed, they will be added to the Regime by amendment to this Declaration, so that the Regime created hereby is to be "expandable", as that term is used in the Act;

NOW, THEREFORE, Declarant hereby makes this Declaration and declares that the Real Estate shall be a "Horizontal Property Regime" as provided in the Act and that said Horizontal Property Regime shall be expandable to include all or part of the Adjacent Real Estate, as the same may be annexed from time to time, subject to and in accordance with the following terms and conditions:

Section 1. Definitions. The following terms whenever used in this Declaration shall have the following assigned meanings:

(a) "Act" means the Horizontal Property Act of the State of Indiana, Acts 1963, Chapter [illegible], Sections 1 through 31, as amended.

(b) "Additional Sections" means the portions of the Adjacent Real Estate which may from time to time be annexed to and included within "the Regime" as provided in Section [illegible].

(c) "Amendment" [illegible] any amendment to this Declaration by which all or any portion of the Adjacent Real Estate is added to the Regime.

(d) "A[illegible] of Co[illegible] described [illegible]

(e) "Board [illegible] the A[illegible]

(h) "Common Areas" means the Private Lots, all [illegible] Tract, [illegible] Common Areas as defined by Section [illegible] hereof.

(i) "Common Expenses" means the actual and estimated costs of the Association, including [illegible] the operation, maintenance, repair and [illegible] of the Common Areas and all other costs and expenses incurred by the Association for the benefit of the Common Areas or for the common benefit of all Owners; provided, however, that Common Expenses shall not include any costs of initial construction of any Building or other property or improvements on any portion of the Tract, nor any costs or repairs covered by any warranty of Declarant as builder of the Buildings and other Property within the Regime, nor any costs of repairs arising out of construction or other activities on any portion of the Adjacent Real Estate prior to its addition to the Regime, including but not limited to soil damage and debris caused by construction traffic, damage to any utility lines or mains within the Tract, and damage to or deterioration of trees, shrubs, fences, or other Property due to drought, [illegible] or the stage of tree model development.

(j) "Co-Owners" means all of the Owners of all the Dwelling Units in the Regime.

(k) "Declarant" means R & P Enterprises, Inc., and any successor or assignee of its interest in all or any part of the Tract or in this Declaration under an instrument or instruments which expressly state that the successor or assignee thereunder shall become the Declarant for purposes of this Declaration.

(l) "Dwelling Unit" means any individual residential unit within the Regime which is to be transferred to an Owner for exclusive occupancy by said Owner or its successors or assigns, each individual unit being more particularly described and identified in the Plan and in Sections 2 and 3 of this Declaration.

(m) "Percentage" means the [illegible] set forth in paragraph [illegible] of this Declaration for computing the [illegible] applicable to each Dwelling Unit, and [illegible] Percentage Interest after any Additions [illegible] shall be by Amendment to this Declaration.

[illegible]

[illegible]

(f) "Owner" [illegible] partnership, association, trust [illegible] legal entity, [illegible] any combination thereof, which holds the fee simple title to a Dwelling Unit. Persons or entities owning a single Dwelling Unit as tenants in common, joint tenants, tenants by the entireties, or any form of joint or divided ownership, shall be deemed the Owner for purposes of this Declaration.

(g) "Percentage Interest" means the percentage of undivided interest in the fee simple title to the Common Areas and Limited Areas appertaining to each Dwelling Unit, as defined in accordance with Sections 4 and 15 of this Declaration.

(h) "Percentage Vote" means that percentage of the total vote accruing to all of the Dwelling Units which is applicable to each particular Dwelling Unit and exercisable by the Owner thereof, as described in Sections 7 and 15 of this Declaration and in the By Laws.

(i) "Plans" means the floor and building plans of the Buildings and Dwelling Units on the Real Estate and the site plan, survey and elevation plan of the Real Estate and Buildings, duly certified by a registered architect or licensed professional engineer, and any such floor and building plans, site plans, surveys, and elevation plans which shall be prepared, verified and filed with any Amendments and which pertain to portions of the Adjacent Real Estate annexed to and made a part of "the Regime" by such Amendments.

(j) "Property" means the Real Estate and appurtenances thereunto, the Dwelling Units, the Buildings, and all other improvements of every kind and nature whatsoever, now or hereafter located upon the Real Estate or upon any Additional Sections after annexation to the Regime, and used in connection with the operation, use and enjoyment of the Regime.

(k) "Regime" means the Horizontal Property Regime created by the Declaration, including any subsequent Amendments thereto.

(l) "Unit" shall mean the [illegible] and Adjacent Parcels.

[illegible]

Section 3. [illegible] The boundaries [illegible] Dwelling Unit shall be as shown on the Plans. The vertical boundaries shall run to the interior, unfinished surfaces of the lowermost floor to the interior, unfinished surfaces of the uppermost ceilings, and the horizontal boundaries shall be the interior, unfinished drywall surfaces of the [illegible] walls and exterior walls and the unfinished interior surfaces of the doors and windows [illegible] Dwelling Unit, except that all glass, screens and air conditioning units shall be deemed a part of the Dwelling Unit. In the event that any horizontal or vertical boundary line as shown on the Plans does not coincide with the actual location of the respective wall, floor or roof of the Dwelling Unit because of inexactness of construction, settling after construction or for any other reasons, the boundary lines of each Dwelling Unit shall be deemed to be and treated for purposes of occupancy, possession, maintenance, decoration, use and enjoyment, etc., as in accordance with the actual existing construction. In such case, permanent easements for exclusive use shall exist in favor of the Owner of each Dwelling Unit in and to such space lying outside of the boundary lines of the Dwelling Unit as indicated on the Plans, but within the walls, floors, and ceilings of the Dwelling Unit as the same may actually exist.

Section 4. [illegible] General Common Areas shall include the following, except to the extent [illegible] specifically designated in [illegible] as being part of a Dwelling Unit [illegible]

(a) [illegible]

(b) [illegible]

[illegible]

[illegible]

(c) [illegible]

(d) [illegible]

Section [illegible] Limited Areas. [illegible] the following:

(a) Storage Area. [illegible] Dwelling Unit as designated on the plans. The [illegible] pass [illegible] such Area [illegible] expressly [illegible] the [illegible] passing title. The [illegible] shall be subject to such [illegible] requirements as may be deemed appropriate and be [illegible] by the Board of Directors. An Owner may grant a license to any other Owner [illegible] or part of his storage area, provided such license shall expire when the Owner granting the license ceases to be an Owner of the Dwelling Unit for which the storage area is designated. Any such license agreement shall be in writing and a executed copy thereof shall be furnished to the Board of Directors. The licensee shall be bound by and subject to all the obligations of the Owner with respect to such storage area, but the Owner granting such license shall not be relieved thereby from any of his obligations [illegible] such storage area.

(b) Entrances, [illegible] hallways through which [illegible] are limited to the use of the Dwelling Unit or Dwelling Units served by [illegible]

(c) [illegible] balconies, porches, [illegible] walls and [illegible] the Dwelling [illegible] which they are [illegible]

(d) [illegible]

[illegible]

Section 7. Membership in Association and Percentage Vote. In connection with and as an inseparable part of the ownership of each Dwelling Unit, each Owner shall be a member of the Association and shall have a Percentage Vote, which he shall be entitled to cast at each meeting of the Association on each matter on which the Co-owners may vote under the terms of this Declaration, the Articles of Incorporation of the Association, or the By-Laws. The Percentage Vote allocated to each Dwelling Unit for all matters upon which the Co-Owners are entitled to vote shall be equal to the Percentage Interest appertaining to each Dwelling Unit as determined by Sections [illegible] and 15, taking into account any adjustments as a result of any Amendments. Unless otherwise [illegible] in the Act, the By-Laws, or this Declaration, [illegible] to be undertaken or performed by the Association [illegible] only upon the approval thereof by a majority of the Percentage Vote represented at the meeting at which such matter is considered (provided a quorum is present). To determine whether a majority or any specified percentage of the vote required by the [illegible] approval of a matter, the number of Owners who [illegible] in favor of such matter shall be [illegible] this Declaration and the Act, [illegible] of the Co-owners shall [illegible] by the total number of [illegible] that if the [illegible] fifty percent (50%) [illegible] the Percentage Vote [illegible] divided by [illegible] that in the Region, [illegible] two-thirds (2/3), and a majority [illegible] shall be determined by the [illegible]

[illegible]

(a) One hundred twenty (120) days after [illegible] twenty-seven (27) Dwelling Units in the Regime have been sold by Declarant,

(b) One hundred twenty (120) days after substantial completion of all Dwelling Units and other Property which Declarant may elect to build on the Tract; or

(c) The fifth anniversary of the date of this Declaration.

The irrevocable proxy conferred upon Declarant shall terminate as of the date of such transfer. Upon such transfer of control, Declarant shall make available to the Association all books, records, plans, and other information in its possession regarding the activities of said initial Board of Directors and the operation of the Regime prior to such turnover. Thereafter, the Association shall elect a Board of Directors annually in accordance with and as prescribed by the By-Laws, and may take any other actions with respect to control of the Regime provided for by this Declaration, the By-Laws, or the Act. The Board of Directors shall be the governing body of the Association, representing all of the Co-Owners in providing for the management, maintenance, repair, replacement and upkeep of the Property.

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

[illegible]

Section [illegible] Easements to and from Adjacent Real Estate. So long as all or any part of the Adjacent Real Estate is not annexed, Declarant reserves unto himself, his heirs and assigns, for the benefit of that part of the Adjacent Real Estate not annexed, an easement to enter upon the General Common Areas for pedestrian ingress and egress to the Adjacent Real Estate not annexed and to permit construction of buildings and other improvements thereon such Adjacent Real Estate, and an easement for access to any and all necessary utility lines, mains, and other utility services for any buildings or improvements on such Adjacent Real Estate, whether or not such buildings or improvements are to be added to the Regime. Declarant, or his successors or assigns, shall be responsible for repairing any damage to any property arising out of the exercise of this easement. The easements herein reserved shall permit free and unrestricted use and access to the roadways and sidewalks by Declarant and any other owners or residents of the Adjacent Real Estate not annexed, their guests, invitees, and all public and quasi-public vehicles. The easements granted and reserved in this paragraph 14 shall be easements and covenants running with the land and accruing to the benefit of the Adjacent Real Estate.

Section [illegible] The following restrictions apply to the use and occupancy of the Dwelling Units, General Common Elements and other Property.

(a) All Dwelling Units shall be used exclusively for residential purposes and occupancy for a single family. No owner shall lease any Dwelling Unit for a term of less than six months. Notwithstanding herein [illegible] shall restrict the use of any Dwelling Unit or any other property by Declarant during the period of sale period, for such purposes as Declarant deems [illegible] Management Offices, the [illegible] statements and equipment, [illegible]

[illegible]

[illegible]

(f) No animals of any kind shall be raised, bred, or kept in any Dwelling Unit or in the Common Areas, except that small pet dogs, cats, or customary household pets may be kept in a Dwelling Unit, provided that such pet is not kept, bred, or maintained for any commercial purpose, and does not create a nuisance. Pets shall be permitted outdoors only under leash and accompanied by an owner or other person, and an Owner shall be fully liable for any injury or damage to any person or to the Common Areas caused by his pet, and shall be responsible for removing his pet's waste materials. The Board of Directors may adopt such other rules and regulations regarding pets as it may deem appropriate, and in the event that in the judgment of the Board of Directors, any pet is causing or creating a nuisance or unreasonable disturbance or noise, such pet shall be permanently removed from the Property upon written notice of such determination by the Board of Directors.

(g) Nothing shall be done or permitted in any Dwelling Unit which will impair the structural integrity of any Building or which would structurally change any Building, except as otherwise provided in the Declaration or these By-Laws, nor shall any Dwelling Unit be used in any unlawful manner or in any manner to cause injury to the reputation of the Regime or to be a nuisance, annoyance, inconvenience, or damage to other Owners or tenants of the Building or neighboring Buildings, including, without limitation the generality of the foregoing, noise by the playing of musical instruments, radio, TV, [illegible] electrical equipment, appliances or [illegible] or machines.

(h) No [illegible] laundry [illegible] shall be hung [illegible] the Common Areas [illegible] in any place and [illegible] in [illegible], but [illegible] shall be hung [illegible] the Dwelling [illegible] and [illegible]

(i) [illegible] and members of their families, their guests, or invitees, all lessees, sub-lessees of any Dwelling Unit and all other persons entitled, at the same and to use and enjoy the [illegible] or any part thereof, shall observe and be governed by such rules and regulations as may from time to time be issued in writing by the Board of Directors governing the operation, use, and enjoyment of the Common Areas.

(j) No boats, campers, trailers of any kind, buses, mobile homes, trucks, motorcycles, [illegible] or any other unconventional vehicles of any description, shall be permitted, [illegible], or stored anywhere within the Property, except that any such vehicles may be parked or [illegible] completely enclosed within a garage, or except as may be authorized in writing by the Board of Directors. Garage doors shall be kept closed except when entering or exiting the garage. The parking of any type or kind of vehicle upon the streets, other than temporary parking by guests and invitees of any Owner, is prohibited. Appurtenant to each Dwelling Unit is the right to use the parking area located in the driveway area immediately adjacent to that Dwelling Unit, as shown on the Plans. The number of vehicles which may be parked in such area by any Owner shall not exceed the number of automobiles for which such Owner's garage space is designated. No Owner shall park any vehicle on a recurrent or permanent basis in any location other than in his garage or his designated parking area.

(k) No Owner (other than Declarant) shall be allowed to plant trees, landscape, or to do any gardening in any of the Common Areas, except with the written consent of the Board of Directors.

(n) All trash, garbage, refuse shall be stored in appropriate containers inside the Dwelling Unit (including garage) or designated trash areas and shall be [illegible] for the regular trash collection [illegible] shall be by the Board of Directors.

(o) [illegible]

(p) The [illegible] shall comply with the [illegible] Declaration and the

[illegible]

[illegible] Agent [illegible] the Association, and shall perform [illegible] property management functions [illegible] the Association. Any management contract made [illegible] between the Association and Declarant (or any affiliate) shall be terminable by the Association without cause and without penalty on thirty (30) days' written notice at any time after Declarant terminates control of the Association. The Board of Directors has the right to adopt such rules and regulations concerning the maintenance, repair, use and enjoyment of the Common Areas as it deems appropriate, including the [illegible] to oversee the [illegible]. The Board of Directors shall have the exclusive right to determine the [illegible] to decorate each Dwelling Unit, including [illegible] and all decor [illegible] the exterior of each individual Dwelling Unit.

B. Dwelling [illegible]. Each Owner shall [illegible], and have the right to determine the interior decor of his Dwelling Unit, but this shall not include the right to make structural changes to the Dwelling Unit, nor the right to use interior decor which in the discretion of the Board of Directors adversely affects the external appearance of the Dwelling Unit, as more particularly set forth in Section [illegible] of this Declaration. No act or omission which constitutes waste shall be committed or suffered in or upon any Dwelling Unit, the General Common Areas, or Limited Areas. Each Owner shall maintain and repair at his sole cost and expense all fixtures, appliances, equipment and other improvements [illegible] a part of his Dwelling Unit under Sections 2 and 3 hereinabove, and each Owner shall promptly repair any condition or defect occurring or occurring in his Dwelling Unit which, if not repaired, might adversely affect any Dwelling Unit, General Common Area or Limited Area. The Board of Directors and Managing Agent shall have the right at reasonable times and upon reasonable prior notice (except in cases of emergency in which case no notice shall be required) to enter into the Dwelling Units and the Common Areas appurtenant to each Dwelling Unit to make repairs, repair, and maintain such Common Areas. In the event that any Owner fails or is unable to maintain [illegible] which he is responsible [illegible] or defect [illegible] any part of [illegible] any [illegible], the Board of Directors [illegible] Managing Agent may [illegible] the right to enter [illegible] repair such [illegible] approval required in [illegible] upon behalf [illegible]

[illegible]

[illegible] Owner as part of his Dwelling Unit and deemed a part thereof for purposes of this Declaration. Upon the sale of his Dwelling Unit, such alterations, additions, or improvements shall be transferred along with such Dwelling Unit, and the purchaser shall be deemed to assume the prior Owner's maintenance and insurance obligations. If, in the reasonable discretion of the Board of Directors, such alteration, addition, or improvement is not being properly maintained, the Board of Directors may cause the same to [illegible] if such condition is not corrected by such Owner within ten (10) days after notice of such determination by the Board of Directors, and such sums shall be [illegible] incurred in connection with such repair, including [illegible] fees.

Section 15. Expansion. The provisions of this paragraph shall govern the expansion of the Regime and the allocation and reallocation of Percentage Interests and Percentage Votes.

A. Expansion by Sections. Declarant anticipates that it may construct from time to time additional Dwelling Units on various portions of the Adjacent Real Estate, in addition to the Regime in the manner hereinafter set forth. The general plan of development shall be consistent with the density and plan of development of the Dwelling Units to be contained upon the Real Estate, and the exterior architectural design of additional Buildings shall not be substantially inconsistent with the Building(s) contained on the Real Estate. The maximum number of Dwelling Units to be contained in the Tract is thirty-six (36), of the [illegible] number is four (4). Additional Sections shall not be added by Declarant at any time after the expiration of seven (7) years from the date of this Declaration, nor shall Declarant add any further sections if more than five (5) years have elapsed since the most recent prior Section was added to the Regime. At any time, and from time to time, prior to the expiration of said seven-year period, Declarant, [illegible] may cause all or any part of the Adjacent Real Estate to be added to the Regime, subject to the following [illegible]

(1) [illegible]

[illegible]

[illegible] Section, at which time each Owner thereof shall incur and pay his Percentage Interest share of the Common Expenses attendant with such Additional Section, [illegible] with the Common Expenses attendant with the Real Estate and all Additional Sections previously added to the Regime.

B. Percentage Interest. The Owner of each Dwelling Unit shall have a Percentage Interest and Percentage Vote appurtenant to his Dwelling Unit which is equal to the Percentage Interest and Percentage Vote held by all other such Owners, and there will be no differentiation based upon the size or value of the Dwelling Units. The Percentage Interest and Percentage Vote appurtenant to each Dwelling Unit at any time shall be: One divided by the total number of Dwelling Units in the Regime at that time (herein called the "Formula"). The total shares shall at all times equal 100%, or as is close to 100% as is mathematically possible, having regard to the equality of shares allocable to each Dwelling Unit and the rounding thereof as required by Section [illegible].

C. Procedures for Amendment. As each Additional Section is developed, Declarant may record an Amendment annexing and adding such Additional Section to this Declaration and making it a part of the Regime. Declarant reserves the right to annex Additional Sections thereto in any manner or order it may choose. Such Amendment shall contain the following:

(a) A description of the portion of the Adjacent Real Estate to be annexed;

(b) A description of the Dwelling Units described in a manner consistent with this Declaration and the Act;

(c) The Percentage Interest of each of the Dwelling Units in the Regime after such annexation, [illegible] in accordance with the Formula.

D. Rights of Owners [illegible] by Expansion. Each Owner, by acceptance of a deed to a Dwelling Unit, [illegible] shall be applicable to the Real Estate as each Amendment:

(a) The Additional Section described in each Amendment shall be treated in all respects [illegible] in this Declaration.

(c) [illegible]

(d) [illegible] Common Areas [illegible] additional [illegible] Common Areas [illegible] by Amendment. Each Amendment [illegible] and convey [illegible] the Percentage Interest in the [illegible] Common Areas added by such Amendment, and each deed, mortgage, or other instrument affecting a Dwelling Unit shall be deemed to include and extend to such additional Common Areas.

(e) The recording of an Amendment shall not alter the amount of the lien for Common Expenses [illegible] a Dwelling Unit which is located in a part of the Real Estate [illegible]. The lien for the share of Common Expenses first and after such recording shall be assessed and paid based upon the recomputed percentage interest.

(f) Each Owner irrevocably [illegible] and deliver such documents, as are necessary or desirable to accomplish the annexation of the Additional Sections in the Tract in accordance with the provisions of this Section 15.

E. Removal from Tract. In the event Declarant elects not to annex all or part of the Adjacent Real Estate, as permitted by this Section 15, Declarant shall file an Amendment which shall permanently remove that portion of the Adjacent Real Estate which Declarant elects not to annex, and said portion thereafter shall not be subject to any possibility of becoming a part of the Regime. In addition, any portion of the Adjacent Real Estate for which an Amendment has not been filed within Seven (7) years of the date hereof shall automatically be removed from the possibility of becoming a part of the Regime. When, because of the expiration of all of the Adjacent Real Estate, the provisions of this, or the filing of an Amendment under this Section 15, the Regime is no longer subject to expansion, the [illegible] Interests then in effect shall not be altered unless approved by [illegible] percent (100%) of the Percentage Vote appurtenant [illegible] Mortgagees of at least two thirds [illegible] the Regime pursuant to such change.

[illegible]

[illegible]

5. Collection of Assessments. Each A[illegible] shall be due and payable within ten (10) [illegible] thereof as specified in this Declaration, [illegible] the By-[illegible] not so specified, then within ten ([illegible]) days [illegible] date(s) determined by the Board of Directors, and the [illegible] the end of the applicable time period [illegible] the payment of such Assessment is [illegible] the "Delinquency Date". Any Assessment which is not paid in full by the Delinquency Date shall be deemed delinquent without further notice or demand to the defaulting Owner, and shall bear interest on the unpaid balance from the Delinquency Date until fully paid, at a rate of interest [illegible] eighteen percent (18%) per annum. In the event that any costs or expenses, including attorney's fees, are incurred by or on behalf of the Association with respect to the recovery or collection of any delinquent Assessment, all such costs and fees shall be due and payable immediately by such delinquent Owner and shall bear interest from the date incurred until paid in full, at a rate of interest equal to eighteen (18%) per annum. All interest and all costs and expenses payable hereunder with respect to a delinquent Assessment shall be added to and become a part of such delinquent Assessment and shall constitute a lien on the delinquent Owner's dwelling unit and Percentage Interest as of the date on which such delinquent Assessment first became a lien. In the event that any Assessment [illegible] the Delinquency Date, the Association shall be [illegible] and payable in full [illegible] Assessment due to the year in which [illegible] and to enforce payment of the [illegible] and lien and to take appropriate [illegible] in accordance with the laws of the State [illegible] and its Percentage Interest [illegible] Mortgage [illegible]

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[illegible]

B. The Association shall obtain a comprehensive public liability insurance together with Workmen's Compensation Insurance, employer's liability insurance, and such other liability insurance, with such coverages and limits, as the Board of Directors deem appropriate; provided, however, that public liability insurance shall have liability limits of not less than Three Million Dollars ($3,000,000.00) for personal injury and One Million Dollars ($1,000,000.00) for property damage; and provided further, that all such policies shall meet the requirements of Subsection F of this Section 17. Such insurance shall inure to the benefit of each individual Owner, the Association, the Board of Directors, and any managing agent or company herein below the Association. The individual Owners, as well as any [illegible] of any Owner, shall have the right to [illegible] their benefit.

C. Each Owner has the right to purchase any additional insurance he may deem necessary, and each Owner shall be solely responsible for loss of or damage to the contents of his Condominium Unit, however caused, including all the [illegible], appliances, fixtures, and betterments installed in the Unit, and for loss of or damage to any [illegible] stored or kept in his Unit. [illegible] shall be solely responsible [illegible] any such [illegible]

[illegible] liability [illegible]

[illegible]

Section [illegible] If any part of the Project shall be taken in [illegible] by any competent authority, or if any condemnation proceeding shall be instituted with respect to all or any part of the Project, the Association shall have the right to appear and defend in such proceeding on behalf of the Owners affected thereby and to prosecute or benefit to any such Owner any action or proceeding, at law or in equity, as it may be appropriate for the adequate protection and compensation of all Owners affected by any condemnation or any public taking. The proceeds obtained by the Association as a result of any such action or proceeding shall be received by the Association and shall be applied by the Association as follows: (a) the portion of such award which is allocated by the court taking such award, or if not so allocated then as determined by a two-thirds (2/3) majority of the membership vote at a special meeting called for the purpose of making such allocation, to the buildings or units taken (hereinafter called the "Building Award"), shall be distributed among the Owners whose Dwelling Units were taken in proportion to the relative fair market value of their Units as of the date of such taking, or if [illegible] be determined, then equally among such Owners; (b) the [illegible] shall after payment of the Building [illegible] be paid to [illegible] to reimburse the Association [illegible] such award, and the balance [illegible] the Reserve [illegible]

[illegible]

(c) [illegible] in the event that [illegible] of the Dwelling Units in the Regime are [illegible] or destroyed by fire or other casualty, a special meeting of the Association shall be [illegible], at such meeting, a determination is made, by vote of at least a two-thirds (2/3) majority of the Percentage Votes of all owners in the Regime, that a complete destruction has occurred so that the Building and other Property in the Regime shall not be repaired or restored, then the proceeds of insurance and the Property in the Regime shall be dealt with and disposed of in accordance with Sections 19 and 21 of the Act, as either may be amended from time to time, or in accordance with any substitute provisions pertaining [illegible] which may be enacted subsequent to the date of this Declaration, with distribution [illegible] to be made to the Owners in proportion to the relative fair market values [illegible] Dwelling Units [illegible] the [illegible] and determination, if and to the extent [illegible] determined and if not to the [illegible] is governed by Rule [illegible]

(d) [illegible] (a) [illegible] Property [illegible] they [illegible] the [illegible] [illegible]

[illegible]

Section [illegible] Negligence. Each Owner [illegible] liable for the expense of any maintenance, repair, or replacement of any of the Property which becomes necessary by reason of his negligence or that of any member of his family or his or their guests, employees, agents, or lessees, to the extent that such expense is not covered by the proceeds of insurance carried by the Association. An Owner shall pay the amount of any increase in insurance premiums occasioned by misuse, [illegible], occupancy, or abandonment of his Dwelling Unit or its appurtenances, or of the Common Areas.

Section 21. Real Estate Taxes. [illegible] estate taxes are to be separately taxed to each Dwelling Unit and the Percentage Interest connected therewith, as provided in the Act. In the event that for any year real estate taxes are not separately assessed and taxed to each Dwelling Unit, but are assessed and taxed on the Real Estate as a whole, then each Owner shall pay his proportionate share of the real estate taxes. Each Owner's proportionate share will be equal to the Percentage Interest then appurtenant to the Owner's Dwelling Unit. Declarant will pay for the taxes on the Adjacent Real Estate until annexed, at which time the Owners will pay all of same according to their respective Percentage Interests. The worksheets of the Pike Township Assessor shall be used to determine assessment valuation for purposes of this Section 21.

Section 22. Utilities. Each Owner shall pay for those utilities provided to his Dwelling Unit which are separately billed or metered to his Dwelling Unit. Utilities which are not separately billed or metered shall be treated and paid as part of the Common Expenses.

Section [illegible] Use of Dwelling Units. For the purpose of maintaining the residential character of the Regime, and for the protection of the [illegible], Declarant specifically reserves the [illegible] of each Dwelling Unit [illegible] the Regime is sold. As [illegible] Additional Sections, Declarant may designate [illegible] and maintenance [illegible] Dwelling Unit within the Regime [illegible] the Dwelling Units [illegible] at the option of Declarant [illegible] Declarant [illegible] the [illegible] Dwelling Units [illegible] Declarant [illegible]

85007666B

(a) [illegible]

(b) Resolution. [illegible] amendment may be proposed by [illegible] Board of Directors by the vote [illegible] of the Percentage Vote.

(c) Meeting. The resolution concerning a proposed amendment must be adopted by the vote of the majority vote at a meeting duly [illegible] held in accordance with the provisions of [illegible]

(d) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less than a majority of the Percentage Vote. In the event any Dwelling Unit is subject to a mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the same manner as an Owner if the Mortgagee has given prior notice of its mortgage interest to the Board of Directors in accordance with the provisions of the Bylaws.

(e) Amendment. No amendment to this Declaration shall be made or have any force and effect which would change [illegible]

( ) [illegible] with respect to any [illegible] the share of an Owner [illegible] common expenses, without the [illegible] of ninety percent (90%) of the [illegible] shall [illegible] mortgagee [illegible]

( ) [illegible]

[illegible]

Any Mortgagee which has been duly notified of the matter of any proposed amendment shall be deemed to have waived the same if a Mortgagee representative shall fail to appear at the meeting at which such amendment is considered or to respond in writing within thirty (30) days after receipt of notice of such proposed amendment, and such amendment shall be conclusively deemed not waived if the Mortgagee is notified objects to such proposed amendment within thirty (30) days of the date such notices are mailed and if such notice states the Mortgagee [illegible] in this sentence.

(c) Recording. Each amendment of the Declaration shall be recorded by Declarant only in any case where Declarant has the right to amend this Declaration without any further consent or approval, and thereafter by the President and Secretary of the Association, provided that any amendment requiring the consent of Declarant shall [illegible] Declarant's written consent. All [illegible] in the office of the Recorder of Marion County, Indiana, [illegible] amendments [illegible] in this Article.

The Association [illegible] development [illegible] the [illegible] adopted by the [illegible] amend by the [illegible] affirm, the [illegible] rights [illegible] proxies held [illegible] provided [illegible]

[illegible]

[illegible] Owners, [illegible] Association, [illegible] assigns. [illegible] this Declaration [illegible] against [illegible] provisions, [illegible] attorneys' fees [illegible] This Declaration [illegible] right of [illegible] violation. [illegible] authorized, during the [illegible] any default [illegible] take action [illegible] in compliance with such [illegible] regulations [illegible] including, without limitation, (i) the recovery of [illegible] Common Areas [illegible] purpose, and (ii) the suspension [illegible] Owner [illegible] provided, however, that [illegible] enforcement action [illegible] affect the rights of a Mortgagee [illegible]

Section [illegible] Attorneys' Fees. [illegible] proceeding arising because [illegible] fail to make any required payment [illegible] comply with any [illegible] of the Declaration, [illegible] Bylaws, or the rules and regulations adopted pursuant [illegible] may be amended from time to time, the prevailing party [illegible] entitled to recover its costs [illegible] with such proceeding. [illegible] such proceeding, that [illegible] required herein or a violation [illegible] the provisions of the rules and regulations [illegible] may be amended [illegible]

[illegible] the following [illegible] provisions [illegible] the Bylaws, and the rules [illegible]

S500076658

[illegible]

[illegible]

Section [illegible] Construction and Severability. This Declaration and the By-Laws are intended to comply with the provisions of the Act, and shall be construed so as to be consistent therewith. The invalidity of any covenant, restriction, condition, limitation, or other provision of this Declaration or the By-Laws filed herewith shall not in any way affect in any manner the validity, enforceability or effect of the rest of this Declaration or the attached By-Laws. If any of the options, privileges, covenants, rights, or interests created by this Declaration would otherwise be unlawful or void for violation of (a) the rule against perpetuities or any analogous statutory provision, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the date of the Declaration.

Section 12. Floor Plans. The Plans pertaining to the Real Estate, as described in Section 1(a) of this Declaration, are incorporated into this Declaration by reference, and shall be recorded contemporaneously with the recording of this Declaration in the Office of the Recorder of Marion County, Indiana.

Section 13. Notices. Any notice required or permitted to be sent under this Declaration or the By-Laws shall be sufficient if it is delivered personally or sent by United States U.S. Mail, postage prepaid, to the address shown on the records of the Association provided, however, that notices to Mortgagees shall be sent by U.S. Certified Mail, Return Receipt Requested, [illegible]

IN WITNESS WHEREOF, [illegible] has caused this Declaration to be [illegible] the [illegible] year first above written.

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

S00076685

[illegible]

Witness my hand and Notarial Seal this [illegible] day of [illegible], [illegible].

Signature Kathy L. Henderson

Printed Kathy L. Henderson
Notary Public

My Commission Expires:
10-3-85

Resident of Marion County

This instrument was prepared by Scott A. Lindstrom, ICE MILLER DONADIO & RYAN, One American Square, Box 82001, Indianapolis, Indiana 46282; telephone: (317) 236-2100.

85007666B

[illegible] half of the Northeast quarter of Section [illegible], [illegible] East in Marion County, Indiana and being more [illegible] follows to-wit:

Commencing at the Northeast corner of the Northeast quarter of [illegible] thence South [illegible] 50' 11" West along the centerline of 79th Street [illegible] feet to a point in the center of River Road; thence South 14° 49' 50" West along the centerline of River Road 611.29 feet; thence South 28° 29' 20" West along said centerline 30[illegible] feet to the point of beginning of this description; thence continue South 28° 29' 20" West along said centerline a distance of 50.06 feet, thence South 40° 52' 50" West along said centerline 96.17 feet; thence South 49° 39' 55" East for a distance of 293.06 feet; thence North 40° 20' 05" East 212.00 feet, thence North 61° 31' 40" West a distance of 300.00 feet to the beginning point, containing 1.20 acres more or less and subject to all legal highways, rights-of-way and easements of record.

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EXHIBIT A

[illegible] of said Quarter Section, [illegible] of said Quarter Section [illegible] West, [illegible] feet, thence South [illegible] of this description; thence continue [illegible] feet, thence South 66°52'50" West [illegible] feet, [illegible] feet, thence South 43°41'20" West [illegible] East [illegible] feet; thence North [illegible] feet, [illegible] West, [illegible] feet to the POINT OF [illegible]. Containing [illegible] acres, more or less, and subject to all legal [illegible], rights-of-way and easements of record.

EXHIBIT

A part of the West half of the Northeast quarter of Section 30, Township 17 North, Range 4 East in Marion County, Indiana and being more particularly described as follows to-wit.

Commencing at the Northeast corner of the Northeast quarter of said section; thence South 89° 56' 11" West along the centerline of 79th Street 1464.70 feet to a point on the center of River Road; thence South 14° 49' 50" West along the centerline of River Road 611.29 feet; thence South 28° 29' 20" West along said centerline 309.82 feet to the point of beginning of this description; thence continue South 28° 29' 20" West along said centerline a distance of 56.06 feet; thence South 40° 52' 50" West along said centerline 96.17 feet; thence South 49° 39' 55" East for a distance of 293.06 feet; thence North 40° 20' 05" East 212.00 feet; thence North 61° 31' 40" West a distance of 300.00 feet to the beginning point, containing 1.20 acres more or less and subject to all legal highways, rights-of-way and easements of record.

EXHIBIT B

[illegible]

Section 1.01. Individual Application. All [illegible] tenants, their guests and invitees, or any other person or persons that might now or hereafter use or occupy a Dwelling Unit or any part of the Property shall be subject to the rules, restrictions, terms and conditions set forth in the Declaration, these By-Laws, and the Act, as the same may be amended from time to time.

ARTICLE 2

Meetings of Association

Section 2.01. Purpose of Meetings. At least annually and at such other times as may be necessary or appropriate, a meeting of the Co-owners shall be held for the purpose of electing the Board of Directors, approving the annual budget, providing for the collection of the Common Expenses, and for such other purposes as may be required by the Declaration, these By-Laws, or the Act.

Section 2.02. Annual Meeting. The first annual meeting shall not be held until the [illegible] transfer of control of the Regime by Declarant or at such earlier time or times as may be determined by the Declarant. All subsequent annual meetings shall be held on any date selected by the Board of Directors, which is within five (5) days of the anniversary of the first annual meeting. At each annual meeting, the Co-owners shall elect the Board of Directors of the Association in accordance with the provisions of these By-Laws and such other business as may properly come before the meeting.

Section 2.03. Special Meetings. A special meeting of the members of the Association may be called by resolution of the Board of Directors or upon a petition signed by the Co-owners who have at least [illegible] percent ([illegible]%) of the Percentage Vote. The resolution or petition must be presented to the President or Secretary of the Association and shall state the purpose of such special meeting. No business shall be transacted [illegible] the special meeting [illegible]

[illegible]

[illegible] (51%) of the [illegible] [illegible] and majority of the [illegible] Bylaws, shall mean, [illegible] fifty percent [illegible] the [illegible] Vote as determined by the [illegible] in the Declaration and [illegible] majority of the petitions or votes present or represented at such meeting.

(3) Conduct of Meeting. The Chairman of the meeting shall be the President of the Association. He shall call the meeting to order at the duly designated time, and business will be conducted in the following order:

(1) Reading of Minutes. The Secretary shall read the minutes of the last annual meeting and the minutes of any special meeting held subsequent thereto.

(2) Treasurer's Report. The Treasurer shall report to the Co-owners concerning the financial condition of the Association and answer relevant questions of the Owners concerning the Common Expenses and financial report for the prior year and the proposed budget for the current year.

(3) Budget. The proposed budget for the current calendar year shall be presented to the Co-owners for approval or amendment.

(4) Election of Board of Directors. Nominations for the Board of Directors may be made by any Owner from those persons eligible to serve. Such nominations must be in writing and presented to the Secretary of the Association at least ten (10) days prior to the annual meeting. Voting for Board of Directors will be by paper ballot. The ballot shall contain the name of each person nominated to serve as a Board member. Each Owner may cast his Percentage Vote [illegible] as many nominees as are to be elected; however, he shall not be entitled to accumulate his votes. [illegible] the highest ballots [illegible] be elected.

(5) Other Business. Other business may be brought before the meeting only upon written request submitted to the Secretary of the Association at least ten (10) days prior to the date of the meeting, provided, however, that [illegible] may be [illegible] by a majority [illegible].

(6) [illegible]

[illegible] During Declarant [illegible] the Declaration, [illegible] after the date of the Declaration, [illegible] the [illegible] turnover meeting of [illegible] the [illegible] determined by Declarant within [illegible] of the Declaration, the [illegible] provided by the initial Board of Directors approved by [illegible] Initial Board of Directors shall [illegible] which a Board of [illegible] the Association [illegible] under the Declaration, the Act, [illegible] By-Laws, [illegible] specifically limited in [illegible]. Said initial Board of Directors may appoint [illegible] Committees to advise and [illegible] in the performance of its functions. The rights and powers of said initial Board of Directors shall be limited as follows:

(a) The power of assessment shall be limited [illegible] the total monthly assessments [illegible] against any Dwelling Unit during the first year after the date of the Declaration [illegible] exceed [illegible] Dollars ($[illegible]) and said amount shall not be increased in any subsequent year prior to turnover by more than twelve percent (12%) over the amount in the preceding year.

(b) Said initial Board shall have no power to realter the Percentage Interests or Percentage Votes in a manner not consistent with the Formula.

(c) Said initial Board, as such, shall have no power to determine on behalf of the Co-owners whether a complete destruction of the Buildings and other Property within the Project has occurred, and the Co-owners shall be entitled to vote on such matter in accordance with Section [illegible] of the Declaration, provided, however, that this shall not prohibit Declarant from voting on such matter according to the Percentage Vote attributed to the Dwelling Units owned by Declarant.

(d) Said initial Board of Directors shall not have any action requiring the vote or consent of any Mortgagee [illegible] consent of any Mortgagee [illegible]

Declarant [illegible] to waive, on behalf of the Association, the [illegible] and annual accounting provided to [illegible] Act and in the Declaration, [illegible] as Declarant [illegible] of the Association. At the time of turnover [illegible] Declarant, the first annual meeting of the Association [illegible], at which time the rights and powers of the [illegible] shall be [illegible] the Report [illegible] in accordance with the provisions of the [illegible] Act, and the By-Laws [illegible] thereof [illegible]

[illegible]

Section 3.02. Additional Qualifications. [illegible] an Owner [illegible] that the person is a partnership, corporation, trust or other legal entity, then the [illegible] entitled to cast the Percentage Vote on behalf of such [illegible] shall be eligible to serve on the Board of Directors.

Section 3.03. Term of Office and Vacancy. The Board of Directors shall be elected at each annual meeting of the Association subject to the limitations set forth in Section 2.06 above. Any vacancy or vacancies occurring in the Board shall be filled by a vote of a majority of the remaining Directors or by vote of the Co-owners if a Director is removed in accordance with Section 3.01 of this Article III.

Section 3.04. [illegible] Directors. After the tenure of the initial Board of Directors has expired, a Director or Directors may be removed with or without cause by a majority of the vote at a special meeting of the Co-owners duly called and constituted. In such case, his successor shall be elected at the same meeting from eligible owners nominated at the meeting. A Director selected shall serve until the next annual meeting of the Co-owners [illegible] his successor is duly elected and qualified.

Section 3.05. Duties of the Board of Directors. The Board of Directors [illegible] or cause to be performed, when and to the extent deemed necessary or appropriate in the Board's business judgment, the following:

(a) [illegible]

(b) [illegible] removal of garbage and [illegible] from the Common Areas;

(c) [illegible] operating, and furnishing of the [illegible] Areas and Limited Areas, the exterior [illegible] garage and [illegible];

(d) [illegible] maintaining streets, [illegible] and sidewalks, and the [illegible];

(e) [illegible]

(f) [illegible] budget, as [illegible] the [illegible] annual [illegible]

[illegible]

[illegible] Powers of the Board of Directors. The Board of Directors shall have such powers as are reasonably necessary or appropriate to enable them to perform the duties, these powers include, but are not limited to, the following:

(a) To employ a professional managing agent or real estate management company (either being hereinafter referred to as "Managing Agent") to assist the Board in performing its duties;

(b) To purchase for the benefit of the [illegible] such equipment, tools, materials, labor and services as may be necessary in the judgment of the Board of Directors;

(c) To procure for the benefit of the [illegible] fire and extended coverage insurance covering the Buildings and the Property to the full insurable value thereof, to provide public liability and property damage insurance and Workmen's Compensation insurance, if necessary, and to procure all such other insurance as is required or permitted under the Declaration, for the benefit of the Owners, the Association, and the Mortgagees;

(d) To employ lawyers, counsel, architects, engineers, 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;

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

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

(g) To adopt, revise, amend, and alter from time to time such other rules and regulations with respect to use, occupancy, operation, and enjoyment of the Property; provided that the Board shall give written notice to the Owners of any such rules and regulations, amendments, or alterations thereof.

[illegible] Board Action. After the [illegible] the authority of the

[illegible]

[illegible]

The [illegible] shall be adjusted every five (5) years from the date of this Declaration to reflect changes in the purchasing power of the dollars, as determined by the most recently published annual GNP Implicit Price Deflator or any comparable, successor index.

Section 3.08. Compensation. No Director shall receive any compensation for his services as such except to such extent as may be expressly authorized by a majority of the owners.

Section 3.09. Meeting. Regular meetings of the Board of Directors maybe held at such time and place as shall be determined from time to time by a majority of Directors. The Secretary shall give notice of regular meetings of the Board to each Director personally or by United States mail at least five (5) days prior to the date of such meetings. At any time after the tenure of the initial Board of Directors has expired, a special meeting of the Board may be called by the President or any two members of the Board. The person or persons calling such meeting shall give written notice thereof to the Secretary, who shall either personally or by mail and at least three (3) days prior to the date of such special meeting, give notice to the Board members. The notice of the meeting shall contain a statement of the purpose for which the meeting is called. Such meeting shall be held at such place as shall be designated in the notice.

Section 3.10. Waiver of Notice. But to any meeting of the Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. The presence of any Director at a meeting shall, as to such Director, constitute a waiver of notice of the time, place, and purpose thereof. If all Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

ARTICLE IV

[illegible]

OFFICERS

Section 4.01. Officers of the Association. The principal officers of the Association shall be the President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board. The Board may appoint an Assistant Treasurer and an Assistant Secretary, and such other officers as in their judgment may be desirable. [illegible] more offices may be held by the same person, except that the offices of the President and Secretary [illegible] shall be held by the same person.

Section 4.02. Election of Officers. The officers of the Association [illegible] by the Board at the [illegible]

[illegible]

Section 4.03. The Vice-President. The Vice-President shall be elected from among the Directors and shall [illegible] all duties incumbent upon the President during the absence or disability of the President. The Vice-President shall [illegible] such other duties as these By-Laws may prescribe or as [illegible] from time to time, be imposed upon him by the Board or by the President.

Section 4.05. The Secretary. The Secretary shall be elected from among the Owners or Directors. The Secretary shall attend all meetings of the Association and of the Board and shall keep or cause to be kept a true and complete record of proceedings of such meetings, shall perform all other duties incident to the office of the Secretary, and such other duties as from time to time may be prescribed by the Board. The Secretary shall specifically see that all notices of the Association or the Board are duly given, mailed or delivered, in accordance with the provisions of these By-Laws.

Section 4.06. The Treasurer. The Board shall elect from among the Owners or Directors a Treasurer who shall maintain a correct and complete record of account showing accurately at all times the financial condition of the Association and such other duties incident to the office of Treasurer. He shall be legal custodian of all monies, notes, securities, and other valuables which may from time to time come into possession of the Association. He shall immediately deposit all funds of the Association coming into his hands in some reliable bank or other depository to be designated by the Board and shall keep such bank account in the name and for the exclusive benefit of the Association.

Section 4.07. Assistant Officers. The Board of Directors may from time to time designate and elect from among the Co-owners an Assistant Secretary and Assistant Treasurer, who shall have such powers and perform such duties of the Officers whom they are elected to assist, delegated to them and such other powers and duties as the Board of Directors may prescribe.

[illegible]

[illegible] Dwelling Unit [illegible] the Manager, Agent or any person [illegible] any emergency, in order to reach any [illegible] his Dwelling Unit, the Board or its [illegible] by reason, whether [illegible] Any owner shall be [illegible]

ARTICLE VI

[illegible] Assessments

Section [illegible] Annual Accounting. [illegible] close of each calendar year and prior to the [illegible] the annual meeting of the Association, the Board of Directors shall cause to be prepared and furnished to each Owner an audited financial statement by an independent certified Public Accountant, which statement shall show all receipts and expenses received, incurred, and paid by the Association during the preceding calendar year.

Section [illegible] Proposed Annual Budget. At least [illegible] before the date fixed for the annual meeting of the Association, the Board of Directors shall cause to be prepared a proposed annual budget for the ensuing calendar year estimating the total amount of the Common Expenses for the ensuing year, and furnish a copy of such proposed budget to each Owner prior to the annual meeting. The proposed annual budget shall be submitted to the Owners at the annual meeting of the Association for adoption, and if so adopted, shall be the basis for the Regular Assessments (hereinafter defined) for the ensuing calendar year. At the annual meeting of the Owners, the proposed annual budget may be approved in whole or in part, or may be modified in whole or in part, by a majority of the votes present or represented at the meeting (provided a quorum is present); provided, however, that in no event shall the annual meeting of the Owners be adjourned until an annual budget is approved at such meeting.

Section [illegible] Regular Assessments. The annual budget as adopted shall, [illegible] requirement for the Common Expenses in the ensuing year as set forth in said budget, constitute the basis for the Regular Assessment against each Dwelling Unit based on the [illegible] interest of each Dwelling Unit times the total [illegible] annual budget (herein called the "Regular Assessment"). The Regular Assessment against each Unit shall be paid in twelve (12) equal monthly installments, commencing on the first day of the January immediately following adoption of the budget, and the first day of each calendar month [illegible] thereafter. The monthly installments of the Regular Assessment shall be [illegible] by the Board of Directors [illegible] monthly Assessment [illegible] Regular Assessment for each year shall be [illegible] the amount of budgeted [illegible] the Regular [illegible]

[illegible] Percentage Interest [illegible] the Declaration [illegible] annual Assessment [illegible] Dollars ($[illegible]) [illegible] year [illegible] Association may [illegible] (..%) during each [illegible] year in which [illegible] the Association. Declarant [illegible] to pay [illegible] Assessments in lump sums [illegible] all Dwelling Units [illegible] and may elect to pay the same [illegible] quarterly or semi-annually in advance during the calendar year. The Declarant shall be responsible for any deficits during the period in which it controls the Association, and Declarant shall [illegible] establish and maintain during such period a reserve fund for replacement or major repair of Common Areas based upon its good faith estimates of replacement costs and useful life of such Common Areas. After the turning over of control of the Regime to the Co-owners, each Dwelling Unit Owner shall pay to the Association a Regular Assessment based on the Percentage Interest for each Dwelling Unit for payment of the regular Common Expenses provided for in the annual budget, including expenses for maintenance and repair of the Common Areas, necessary insurance costs, reserve funds for replacements and maintenance, costs of operation of the community activities and facilities of the Association, and for any other necessary or appropriate expenses for maintenance and operation of the Regime.

Section 6.04. Special Assessments. In addition to the Assessments authorized above, the Association may levy such special Assessments as may be necessary for the purpose of defraying, in whole or in part: (1) the cost of any construction, reconstruction, repair or replacement of a capital improvement, including fixtures and personal property related thereto, and (2) the expense of any other contingencies or events not provided for in the annual budget or the reserves and working capital of the Association; provided that no special Assessments shall be levied without the assent of a majority of the Percentage Vote at a meeting duly called for this purpose. Each Owner shall pay to the Association a special Assessment based on his Percentage Interest times total sum approved to meet the costs and expenses as heretofore provided. The Association may, in connection with the levy of any special Assessment, specify that the same shall be payable in installments and specify the due dates thereof.

Section 6.05. Adjustments. In the event that the approved budget and Regular Assessments plus the reserves and working capital of the Association prove insufficient to meet the Association's actual expenses in any year, such deficiencies may be corrected through one or more special Assessments. In the event the approved and Regular Assessments exceed actual expenses in any year, such surplus shall be retained and used to offset expenses in the next year(s) or returned to the Co-owners in proportion to their Percentage Interests as the Board of Directors [illegible]

Section 6.06. Delinquency Budget and Assessments. If for any reason an annual budget and the annual Assessments for any year have not been determined prior to the beginning of such year, the budget and Assessments in effect during the preceding year shall continue in effect until such time as the annual budget and annual Assessments have been [illegible] in accordance with the Declaration and these By-Laws; provided, however, that said preceding budget and Assessments may be increased by up to fifteen percent (15%) by the Board of Directors [illegible] necessary in making up deficits and Assessments.

[illegible]

[illegible] Dwelling Unit shall deposit with the Association an amount equal to two (2) [illegible] installments of the Regular Assessment for Common Expenses for such Dwelling Unit, which amount shall be retained by the Association as working capital. Thereafter, each Owner shall continue to maintain on deposit with the Association an amount at least equal to one-sixth (1/6) of the Regular Assessment for Common Expenses for his Dwelling Unit for the current calendar year. Amounts paid or deposited into the working capital fund shall not relieve an Owner from this responsibility for the Regular Assessments due in accordance with this Article VI. All amounts held by the Association pursuant to this Section 6.07 shall be maintained in a federally-insured, interest-bearing account in a bank or savings and loan association doing business in Marion County, Indiana, and all interest thereon shall be added to and deemed a part of such fund. Notwithstanding anything contained herein to the contrary, the Declarant shall not be required to maintain on deposit with the Association the contribution to the working capital fund described in this Section 6.07; provided, however, that the Declarant shall be obligated to immediately make up any deficiency resulting from the excess of the Declarant's proportionate share of actual Common Expenses over the Declarant's Regular Assessments.

Section 6.08. Status of Funds Collected by Association. All funds collected pursuant to this Article VI shall be held and expended by the Association solely for the purposes designated herein, and, except for any special Assessments that may be levied hereunder against less than all of the Owners, and except for such adjustments as may be required to reflect delinquent or prepaid assessments, shall be deemed to be held for the use, benefit, and account of all of the Owners for the payment of Common Expenses in accordance with the Owners' respective Percentage Interests.

ARTICLE VII

Amendment to By-Laws

These By-Laws may be amended by Declarant in the same manner and to the same extent as the Declaration; in addition, these By-Laws may be amended by a majority of the Percentage Vote of the Co-Owners in a duly constituted meeting called for such purpose, except that the right of amendment is exclusively reserved to the Initial Board of Directors during the period set out in Section 2.06 above, and except as prohibited by any provision of the Declaration, the Act, or these By-Laws, as the same may be [illegible]

ARTICLE VIII

[illegible] Mortgages

Section 8.01. [illegible] Any Owner who places a first mortgage lien upon his [illegible] shall notify the Secretary of the Mortgagee

[illegible]

Section [illegible] Notice of Assessments. Upon ten (10) days written notice to the Association and the payment of a reasonable fee, the Association shall deliver to any Owner, Mortgagee, prospective Mortgagee, title insurance company, purchaser or other prospective transferee of a Dwelling Unit, a written statement setting forth the amount of all unpaid assessments, if any, with respect to the subject Dwelling Unit, together with the amount of the current assessments for Common Expenses and the date(s) such assessments become due and payable. Any such written statement shall be binding upon the Association in favor of any person relying therein in good faith.

Section 8.03. Financial Statements. The Association, upon the request of any Mortgagee, shall provide to said Mortgagee the most recent financial statement prepared on behalf of the Association pursuant to Section 5.02 of these By-Laws.

Section 8.04. Notices to Mortgagees. The Association shall promptly provide to any Mortgagee of which the Association has been provided notice under Section 8.01 of these By-Laws of any of the following:

(a) Any condemnation or casualty loss that affects either a material portion of the Regime or the Dwelling Unit securing its mortgage,

(b) Any delinquency in the payment of Regular or Special Assessments owed by the Owner of any Dwelling Unit on which said holder, insurer, or guarantor holds a mortgage, if said delinquency continues for more than sixty (60) days,

(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and,

(d) Any proposed action that requires the consent of a specified percentage of Mortgagees.

Section 8.05. Availability of Information. The Association shall keep and shall make available to prospective purchasers of Dwelling Units, upon request at reasonable business hours, copies of the Declaration, By-Laws, current rules and regulations, if any, and the most recent financial statement of the Association.

Subscribed and sworn to before me, a Notary Public, in and for said County and State, this 13 day of Aug, 1985.

Signature: Kathy L Henderson

Printed: Kathy L Henderson
NOTARY PUBLIC

My Commission Expires:

[illegible] Resident of [illegible] County

CONSENT AND SUBORDINATION

American Fletcher National Bank and Trust Company ("AFNB") hereby consents to the recordation of the foregoing Declaration of North Shore Horizontal Property Regime and By-Laws of North Shore Co-Owners' Association, Inc. and agrees that its interest in the Real Estate is and shall be subject to the terms and provisions of said Declaration and By-Laws, and that as portions of the Adjacent Real Estate are made a part of the North Shore Horizontal Property Regime pursuant to the Declaration, its interest in such portions shall also be subject to the terms and provisions of said Declaration and By-Laws. Said Declaration and By-Laws shall not otherwise be amended in any material respect without the consent of AFNB, so long as AFNB holds any interest in the Real Estate or Adjacent Real Estate.

AMERICAN FLETCHER NATIONAL BANK
AND TRUST COMPANY

By: Frank C Pinillo, VP
(Signature)

Frank C Pinillo, Vice President
(Printed Name and Title)

Eugene E. Renn

EUGENE E. RENN - VICE PRESIDENT
(Printed Name and Title)

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[illegible] respectively of American Fletcher National [illegible] organized and existing under the laws of the State of Indiana, and acknowledged the execution of the foregoing instrument and Subordination as such officers acting for and on behalf of said corporation.

Witness my hand and Notarial Seal this [illegible] day of December, 1985.

Signature: [illegible]

Printed: [illegible]
NOTARY PUBLIC

My Commission Expires:

[illegible]

Resident of [illegible] County

Prepared by Scott A. Lindquist, ICE MILLER DONADIO & RYAN, One American Square, Box 82001, Indianapolis, Indiana 46282.

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