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Subdivision Covenants and Restrictions

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DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS OF
CASTLE COVE OWNERS' ASSN., INC.

THIS DECLARATION, made this ______ day of July, 1980,
by CASTLE COVE DEVELOPMENT CORP., an Indiana corporation (hereinafter
referred to as the "Developer"),

WITNESSETH:

WHEREAS, the Developer is the owner of all lands described in
Exhibit "A" attached hereto and made a part hereof, except those
areas designated as Lots 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14,
15, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34,
and 35 in the plat of Castle Cove, Section 1, recorded October 11, 1977, as Instr. 77-67723,
and amended by the Certificate of Correction of Section 1, recorded on
October 12, 1978, as Instr. 78-071465, which total area will be sub-
divided and known as Castle Cove (hereinafter referred to as the
"Development"), and will be more particularly described on the plats
of the various sections thereof which have been or will be recorded
in the Office of the Recorder of Marion County, Indiana; and

WHEREAS, the Developer is about to sell and convey the
residential lots situated within the platted areas of the Development
and, before doing so, desires to subject and impose upon all real
estate within the platted areas of the Development mutual and
beneficial restrictions, covenants, conditions and charges
(hereinafter referred to as the "Restrictions") for the benefit
of the lots and lands in the Development and the future owners
thereof:

NOW, THEREFORE, the Developer hereby declares that all of
the platted lots and lands located within the Development as they
become platted are held and shall be held, conveyed, hypothecated
or encumbered, leased, rented, used, occupied and improved, subject
to the following Covenants, Conditions and Restrictions, all of
which are established and agreed upon for the purpose of enhancing
and protecting the value, desirability and attractiveness of
the Development as a whole and of each of said lots to be platted
therein. All of the Restrictions shall run with the land and shall
be binding upon the Developer and upon the parties having or
acquiring any right, title or interest, legal or equitable, in
and to the real property or any part or parts thereof subject to
such Restrictions, and shall inure to the benefit of the Developer
and every one of the Developer's successors in title to any real
estate in the Development. The Developer specifically reserves
unto itself the right and privilege, prior to the recording of the
plat by the Developer of a particular lot or tract within the
Development as shown on Exhibit A, to exclude any real estate so
shown from the Development, or to include additional real estate;
provided, however, that the Developer may not plat and therefore
include more than a maximum of 217 residential lots within the
lands shown on Exhibit A.
The first phase of this Development in Castle Cove, Section I, recorded October 12, 1977, as Indr. 77-6772 in an amended in the Certificate of Correction of Section I, recorded on October 12, 1978, in Indr. 78-57146, in the Office of the Recorder of Marion County, Indiana, consisting of 47 residential lots and the area designated Common Property, being more specifically described in Exhibit "A", attached hereto and made a part hereof, comprised of a lake, shelter house, tennis courts, and a swimming pool.

A. "Committee" shall mean the Castle Cove Control Committee, composed of three members appointed by the Association who shall be subject to removal by the Association at any time with or without cause. Any vacancies from time to time existing shall be filled by appointment of the Association. The Association may, at its sole option, at any time hereafter, relinquish the Association the power to appoint and remove one or more members of the Committee.

B. "Association" shall mean the Castle Cove Owners' Assn., Inc., a not-for-profit corporation, the membership and powers of which are more fully described in paragraph 10 of this Declaration.

C. "Lot" shall mean any parcel of residential real estate described by one of the plots of the Development which is recorded in the Office of the Recorder of Marion County, Indiana.

D. Approvals, determinations, permissions, or consents required herein shall be deemed given if they are given in writing signed, with respect to the Developer or the Association by the President or a Vice President thereof, and with respect to the Committee, by two members thereof.

E. "Owner" shall mean a person, partnership, trust or corporation who has or is acquiring any right, title or interest, legal or equitable, in and to a Lot, but excluding those persons having such interest merely as security for the performance of an obligation.

2. CHARACTER OF THE DEVELOPMENT.

A. In General. Every numbered Lot platted as a part of the Development, unless it is otherwise designated by the Developer, is a residential Lot and shall be used exclusively for single-family residential purposes. No structure shall be erected, placed or permitted to remain upon any of said residential lots except a single family dwelling house and such outbuildings as are usually accessory to a single-family dwelling house. No double occupancy dwelling shall be permitted on any part of the Development. All tracts of land located within the Development which have not been designated by numbering as residential building lots or public rights-of-way in the recorded plats shall be designated and used as Common Property. Common property means and includes the proposed
lake, swimming pool, club house, tennis court, communal parking areas and proposed screening wall along the south boundary of 52nd Street which are to be created for the mutual use and enjoyment of the "Owners" in Castle Cove under the terms and conditions hereinafter set forth. However, the Developer reserves the right to withdraw any land from the description of the total property described in Exhibit A from this Declaration in the event the anticipated 217 lots do not prove economically feasible, in which instance any change of land use shall require the approval of all governmental regulatory bodies having jurisdiction including the local zoning authority.

Above-mentioned "Common Property" or "Reserve Areas" in each phase or plat of Development shall be dedicated to the Association prior to the conveyance of the first lot in such phase or plat.

Inasmuch as the first phase of development was platted, recorded and certain lots were sold therein, each of such purchasers shall be given the opportunity for the inclusion of their respective lots in this Declaration and become members of the Association, subject to the terms and conditions hereof including the lien of assessments hereinafter provided.

Such present Lot owners shall execute a form of Joinder in the Association in recordable form which, upon recording, shall become a part of this Declaration.

B. Residential Use of Accessory Outbuildings Prohibited. No accessory outbuildings shall be erected on any of the residential lots prior to the erection thereon of a single family dwelling house, and in no event shall any such accessory outbuilding or any temporary structure which may be constructed upon a residential lot under these Restrictions ever be used as a residence or dwelling house or place for human occupancy.

C. Occupancy or Residential Use of Partially Completed Dwelling House Prohibited. No dwelling house constructed on any of the residential lots shall be occupied or used for residential purposes or human habitation until it shall have been substantially completed. The determination of whether the house shall have been substantially completed shall be made by the Committee and such decision shall be binding on all parties.

3. RESTRICTIONS CONCERNING SIZE, PLACEMENT AND MAINTENANCE OF DWELLING HOUSES AND OTHER STRUCTURES.

A. Minimum Living Space Areas. The minimum square footage of living space of dwellings constructed on various residential lots in the Development, exclusive of porches, terraces, garages, carports, accessory buildings, or basements, or portions thereof, or similar facilities not modeled and decorated for regular and continuous habitation, shall be designated on the recorded plats of the sections within the Development, but shall in no case contain less than 1,200.00 square feet of living area.
B. Residential Set-Back Requirements.

(1) Front Set-Backs. Unless otherwise provided in these restrictions, all dwelling houses and above grade structures shall be constructed or placed on residential lots in the Development no closer than the minimum front set-back lines as established in plats of the various sections of the Development.

C. Fences, Mailboxes and Tree(s) - Town Center Plan. In order to preserve the natural quality and aesthetic appearance of the existing vegetative areas within the Development, any fence or mailbox must be approved by the Committee as to size, location, height and composition before it may be installed. A lot must have at least two trees crowning upon it in the front yard by the time the house is completed, and if this requires plantings by the Owner, the Committee must approve the size and location of such trees. No tree with a trunk diameter of 4 inches or more when measured 4 feet above the ground existing on any lot or common property may be removed without the prior written consent of the Committee.

D. Exterior Construction. The finished exterior of every building constructed or placed on any lot in the Development shall be of a material approved by the Committee. No house shall have metal prefabricated floors that extend above the highest roof line.

E. Garages Required. All residential dwellings in the Development shall include at least two covered off-street parking facilities and two open guest parking facilities (that may be a part of the driveway or turn around area) which shall be shown in the plans submitted to the Committee pursuant to paragraph 7 of these Restrictions.

F. Heating Plants. Every house in the Development must contain a heating plant installed in compliance with the required codes and capable of providing adequate heat for year-round human habitation of the house.

G. Diligence in Construction. Every building whose construction or placement on any residential lot in the Development is begun shall be completed within six (6) months after the beginning of such construction or placement. No improvement which has partially or totally been destroyed by fire or otherwise, shall be allowed to remain in such state for more than three (3) months from the time of such destruction or damage, and failure to remove or repair same within the time allotted may be undertaken by the Castle Cove Owners' Assn., Inc., and the cost thereof shall be assessed against the Owners of such property and become a continuing lien upon the land in the same manner and enforceable by the same means and charges as the levying and collection of charges for maintenance of Common Properties as hereinafter set forth.
H. Time in Which to Build Structures. The time or times within which the owners of the residential lots within the Development must construct and complete, ready for habitation, houses on their lots after their purchase of the Lot will be designated in their agreement of purchase. If a house is not completed upon a Lot within the prescribed time, the Developer shall have the option to repurchase such Lot for a price, in cash, equal to the Owner’s cost basis in the Lot, including the cost of improvements up to the time of repurchase. This option shall expire if not exercised prior to the time of completion of the house.

I. Prohibition of Used Structures. All structures constructed or placed on any numbered lot in the Development shall be constructed with substantially all new materials, and no used structures shall be relocated or placed on any such Lot.

J. Maintenance of Lots and Improvements. The Owner of any Lot in the Development shall at all times maintain the Lot and any improvements situated thereon in such a manner as to prevent the Lot or improvements from becoming unsightly; and, specifically, such Owner shall:

(i) Mov the Lot at such times as may be reasonably required in order to prevent the unsightly growth of vegetation and noxious weeds.

(ii) Remove all debris or rubbish.

(iii) Prevent the existence of any other condition that reasonably tends to detract from or diminish the aesthetic appearance of the Development.

(iv) Cut down and remove dead trees.

(v) Keep the exterior of all improvements in such a state of repair or maintenance as to avoid their becoming unsightly.

K. Association’s Right to Perform Certain Maintenance. In the event that the Owner of any Lot in the Development shall fail to maintain his Lot and any improvements situated thereon in accordance with the provisions of these Restrictions, the Association shall have the right by and through its agents or employees or contractors, to enter upon said Lot and repair, clean or perform such other acts as may be reasonably necessary to make such Lot and improvements situated thereon, if any, conform to the requirements of these Restrictions. The cost therefor to the Association shall be added to and become a part of the annual charge to which said Lot is subject, and may be collected in any manner in which such annual charge may be collected. Neither the Association nor any of its agents, employees, or contractors shall be liable for any damage which may result from any maintenance work performed hereunder.

4. PROVISIONS RESPECTING DISPOSAL OF SANITARY WASTE.

A. Outside Toilets. No outside toilets shall be permitted on any Lot in the Development (except during a period of construction, and then only with the consent of the Committee).
B. Construction of Sewage Lines. All sanitary sewage lines on the residential building lots shall be designed and constructed in accordance with the provisions and requirements of the Indianapolis Department of Public Works. No storm water (surface or subsurface) shall be discharged into sanitary sewers. Copies of all permits, plans and designs relating to the construction of any sanitary sewer service line shall be submitted in duplicate to the Committee at the time of the submission of all other plans or documents required for the obtaining from said Committee of a permit to build.

5. GENERAL PROHIBITIONS.

A. In General. No noxious or offensive activities shall be permitted on any lot in the Development, nor shall anything be done on any of said lots that shall become or be an unreasonable annoyance or nuisance to any owner of another lot in the Development.

B. Signs. No signs or advertisements shall be displayed or placed on any lot or structures in the Development within the prior written approval of the Committee unless such signs complies with the Sign Regulations Ordinance of the Department of Metropolitan Development.

C. Animals. No animals shall be kept or maintained on any lot in the Development except the usual household pets, and, in such case, such household pets shall be kept reasonably confined so as not to become a nuisance.

D. Vehicle Parking. No trucks, campers, trailers, boats, cycles, or similar vehicles shall be parked on any street in the Development. No such vehicle shall be parked in view from public streets or adjacent lots in the Development for more than a 48-hour period, excepting sales and construction trailers or structures.

E. Garbage and Other Refuse. No owner of a lot in the Development shall burn or permit the burning out of doors of garbage or other refuse, nor shall any such owner accumulate or permit the accumulation out of doors of such refuse on his lot except as may be permitted in subparagraph F below. All houses built in the Development shall be equipped with a garbage disposal unit.

F. Fuel Storage Tanks and Trash Receptacles. Every tank for the storage of fuel that is installed outside any building in the Development shall be buried below the surface of the ground. Every outdoor receptacle for ash, trash, rubbish or garbage shall be installed underground or shall be so placed and kept as not to be visible from any street within the Development at any time, except at the times when refuse collections are being made.

G. Model Homes. No owner of any lot in the Development shall build or permit the building upon said lot of any dwelling house that is to be used as a model home or exhibit house without permission to do so from the Developer.
H. Temporary Structures. No temporary house, trailer, tent, garage or other outbuilding shall be placed or erected on any Lot nor shall any overnight camping be permitted on any Lot, excepting sales and construction trailers and structures.

I. Ditches and Dikes. It shall be the duty of every Owner of every Lot in the Development on which any part of an open storm drainage ditch or dike is situated to keep such portion thereof as may be situated upon his Lot continuously unobstructed, maintained and in good repair, and to provide for the installation of such culverts upon said Lot as may be reasonably necessary to accomplish the purpose of this subsection. All Owners, if necessary, as determined by the Committee, shall install dry culverts between the road right-of-way and their Lots in conformity with specifications and recommendations of the Committee.

J. Utility Services. No utility services shall be installed under finished streets except by jacking, drilling or boring. Any damage caused thereby shall be repaired to as good or better condition by the Owner, its subcontractors or agents, and the enforcement of this provision may be undertaken by the Castle Cove Owners' Ass'n in the same manner as the levying and collection of assessments hereinafter set forth.

K. Walls and Septic Tanks. No water wells shall be drilled on any of the Lots nor shall any septic tanks be installed on any of the Lots in the Development, without the approval of the Committee.

L. Sight Distances at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the street, shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting points twenty-five (25) feet from the intersection of said street lines, or in the case of a rounded property corner, from the intersection of the street lines extended, excepting screening walls or plantings on the perimeter boundary described in Exhibit A. The same sightline limitations shall apply to any Lot within ten (10) feet from the intersection of a street line with the edge of a driveway pavement or alley line. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

6. CASTLE COVE CONTROL COMMITTEE.

A. Powers of Committee.

(i) Generally. No dwelling, building structure or improvement of any type or kind shall be constructed or placed on any Lot in the Development without the prior approval of the Committee. Such approval shall be obtained only after written application has been made to the Committee by the Owner of the Lot requesting authorization from the Committee. Such written application
shall be in the manner and form prescribed from time to time by the Committee, and shall be accompanied by two (2) complete sets of plans and specifications for any such proposed construction or improvement. Such plans shall include plot plans showing the location of all improvements existing upon the Lot and the location of the improvement proposed to be constructed or placed upon the Lot, each properly and clearly designated. Such plans and specifications shall set forth the color and composition of all exterior materials proposed to be used and any proposed landscaping, together with any other material or information which the Committee may require. All plans and drawings required to be submitted to the Committee shall be drawn to a scale of 1" = 10', or to such other scale as the Committee may require. There shall also be submitted, where applicable, the permits or reports required under paragraph 3 of these Restrictions. All such plot plans shall be prepared by professional draftsmen, registered land surveyor, engineer or architect.

(ii) Power of Disapproval. The Committee may refuse to grant permission to construct, place or make the requested improvement, when:

(a) The plans, specifications, drawings or other material submitted are themselves inadequate or incomplete, or show the proposed improvement to be in violation of these restrictions;

(b) The design or color scheme or a proposed improvement is not in harmony with the general surroundings of the Lot or with adjacent buildings or structures;

The proposed improvement, or any part thereof, would in the opinion of the Committee be contrary to the interests, welfare or rights of all or any part of other Owners.

(iii) Power to Grant Variances. The Committee may allow reasonable variances or adjustments of these Restrictions where literal application would result in unnecessary hardship, but any such variance or adjustment shall be granted in conformity with the general intent and purposes of these Restrictions, and no variance or adjustment shall be granted which is materially detrimental or injurious to other Lots in the Development.

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B. Petition of Committee. The Committee shall approve or disapprove proposed improvements within 30 days after all required information shall have been submitted to it. One copy of all submitted material shall be retained by the Committee for its permanent files and the second copy returned to the applicant marked "Approved" and sealed as herein provided or "Disapproved" with a statement of reasons for disapproval. Failure of the Committee to take action within 30 days from date of submission of plans shall be deemed to constitute an approval.

C. Liability of Committee. Neither the Committee nor any agent thereof, nor the Developer, nor the Association, shall be responsible in any way for any defects in any plans, specifications or other materials submitted to it, nor for any defects in any work done according thereto.

D. Inspection. The Committee may inspect work being performed with its permission to assure compliance with these Restrictions and applicable regulations. Non-compliance shall be grounds for a suit for injunction to prevent violation of the terms of approval by either the Committee, the Castle Cove Owners' Assn., Inc. or any affected property owner within the subdivision without the necessity of posting bond.

7. RULES GOVERNING BUILDING ON SEVERAL CONTIGUOUS LOTS HAVING ONE OWNER.

Whenever two or more contiguous Lots in the Development shall be owned by the same person, and such owner shall desire to use two or more of said Lots as a site for a single dwelling house, he shall apply in writing to the Committee for permission so to use said Lots. If permission for such a use shall be granted, the Lots constituting the site for such single dwelling house shall be treated as a single Lot for the purpose of applying these Restrictions to said Lots, so long as the Lots remain improved with one single dwelling house and do not impair drainage or utility easements.

8. OWNERSHIP, USE AND ENJOYMENT OF COMMON PROPERTIES AND RECREATIONAL FACILITIES.

Each Common Property and recreational facility depicted on the recorded plats of the Development shall remain private, and neither the Developer's execution or recording of the plats nor the doing of any other act by the Developer is, or is intended to be, or shall be construed as, a dedication to the public of the Common Properties or recreational facilities. A license upon such terms and conditions as the Association and the successors, assigns or licensees of it shall from time to time grant, for the use and enjoyment of the Common Properties and the recreational facilities, is granted to the persons who are from time to time members of the Association. Ownership of the Common Properties and recreational
facilities shall be conveyed in fee simple title, free of financial encumbrances to the Association upon their completion. Such conveyance shall be subject to covenants and restrictions of record, and such other conditions as the Association may at the time of such conveyance deem appropriate. Such conveyance shall be deemed to have been accepted by the Association and those persons who shall from time to time be members thereof upon the recording of a deed or deeds conveying such Common Properties and recreational facilities to the Association.

9. CASTLE COVE OWNERS' ASSN., INC.

A. In General.

(i) There has been or will be created, under the laws of the State of Indiana, a not-for-profit corporation to be known as the "Castle Cove Owners' Assn., Inc.", which is referred to as the "Association". Every Owner of a residential Lot in the Development shall be a member of the Association. Each Owner of a residential Lot within the Development shall be subject to all the requirements and limitations imposed in those Restrictions on other Owners of residential Lots within the Development and on members of the Association, including those provisions with respect to the payment of an annual charge.

(ii) In addition to the foregoing, the Board of Directors of the Association may establish associate memberships in the Association for persons who are not otherwise entitled to the benefits of membership by virtue of being Owners of residential Lots within the Development. Associate members shall have none of the rights of members to vote at meetings of the Association. The Board of Directors of the Association may establish fees or charges for such associate memberships and rules and regulations concerning such associate memberships which may be different from those applicable to members generally.

B. Purposes of the Association.

(i) The general purpose of the Association is to provide a means whereby those areas within the Development designated as Common Property on the plans thereof, and such other recreational facilities within the Development as may be conveyed to the Association or established by it, may be operated, maintained, repaired and replaced.

(ii) An additional purpose of the Association is to provide a means for the promulgation and enforcement of
C. Power of Association to Levy and Collect Charges and Impositions.

(i) The Association shall have all the powers set forth in its Articles of Incorporation, together with all other powers that belong to it by law, including the power to levy a uniform annual charge or assessment against the Lots within the Development. Such charge shall be 

(ii) Membership and Voting Rights. Every Owner of a Lot shall be a member of the Association. For purposes of determining classes of membership, a Class A Member shall be the Owner of any conveyed Lot containing a Dwelling, and a Class B Member shall be the Owner of any undeveloped, platted Lot, and each reference to a Lot in Section 2(a), 2(b) or 2(c) of this Paragraph C shall be deemed to be a conveyed Lot containing a Dwelling or an un conveyed, platted or unplatted, Lot, respectively.

(iii) The Association shall have two (2) classes of Membership:

(a) Class A. Every person, group of persons or entity, other than the Developer, who is a record Owner of a fee interest in any improved Lot which is or becomes subject, by covenants of record, to assessment by the Association provided, however, that any such person, group of persons or entity who holds such interest solely as security for the performance of an obligation shall not be a Member. A Class A Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. In the event that more than one person, group of persons or entity is the record owner of a fee interest in any Lot, then the vote for the membership appurtenant to such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. In the event agreement is not reached, the vote attributable to such Lot shall not be cast.
D. Covenant for Maintenance Assessments Class A and Class B Members.

Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

All sums assessed by the Association shall be established by using generally accepted accounting principles applied on a consistent basis and shall include the establishment and maintenance of a replacement reserve fund for capital expenditures and replacement and repair of the Common Areas and facilities, which funds shall be used for those purposes and not for usual and ordinary repair expenses of the Common Areas and facilities. This fund for capital expenditures shall be maintained in a separate interest bearing account with a bank or savings and loan association authorized to conduct business in the county in which the Association is established.

Inasmuch as the annual budget for the Association will have a deficit until all Lots are platted, assessments during the build-out period shall be paid to Developer and Developer shall be financially responsible to pay all Association expenses.
In addition, as each assessment is paid to Developer, that portion of each assessment allocable to the replacement reserve fund in accordance with each annual budget shall be deposited and maintained in a separate interest bearing account as defined above. The difference between assessments paid by Owners and 217 lots shall be funded by Developer in said replacement reserve fund until such time as Class II memberships in the Association expire as hereinafore set forth. Said deficit in operating expense and contributions to replacement reserve fund to be paid by Developer shall constitute a lien upon the Property described in Exhibit A secondary only to the mortgage securing the land development loan and the lien of a first mortgage upon an improved Lot. Such lien shall be collectible in the same manner as regular annual assessments as hereinafter provided.

Further, at the time Class II memberships in the Association expire, Developer shall fund the Association with a sum equal to twenty-five per cent of the budgeted remaining twelve months' usual and ordinary expenses to create a fund sufficient for the Association to meet its current obligations as they accrue until its current collection of assessments is sufficient to meet its current expense.

The annual and special assessments, together with interest, $0.00 per month commencing 30 days after due date, costs and reasonable attorney's fees, shall be a charge on the Lot and shall be a continuing lien upon the property against which such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them, but such delinquent accounts shall remain a lien upon the Lot subject to foreclosure.

(i) Purpose of Assessments. The assessments levied by the Association on a Lot shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Properties and for the improvement and maintenance of the Common Areas and shall not inure to the benefit of Developer or third parties, nor in any manner jeopardize the not-for-profit corporate status of the Association pursuant to the U.S. Internal Revenue Code or the laws of the State of Indiana.

(ii) Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the initial conveyance of the Common Area to the Association. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year and thereafter until the Board of Directors fixes the permanent annual assessment date. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessment on a Lot is binding upon the Association on the date of its issuance.
(iii) Uniform Rates of Assessment. Both annual and special assessments shall be fixed at a uniform rate for all Lots. Annual assessments may be paid on a monthly, quarterly or semi-annual basis, but, if paid on other than an annual basis, default in the payment of any one installment shall cause the entire unpaid assessment for the year in which the delinquency occurs to become immediately due and payable.

(iv) Maximum Annual Assessment. Until January 1, 1981, the maximum annual assessment shall be $125.00.

For the ensuing four (4) calendar years, because of uncertainties in usual and ordinary Common Area expenses due to the Indiana real property reassessment, rising costs of energy and other unforeseeable operating expenses, the Board of Directors of the Association may increase the assessment by a sum not to exceed 10% per annum without vote of the Membership. However, any such increases shall be documented by normal accounting procedures and distributed to the Membership to demonstrate that such increases are attributable to increases in operating expenses and no portion of such increases shall inure to the benefit of the Developer and the monies received shall be entirely expended on Association expenses.

(a) From and after January 1, 1985, the maximum annual assessment per Lot may be increased each year without a vote of the Membership, as provided below on the basis of "The Revised Consumer Price Index - Cities [1957-1959=100]" (hereinafter called "CPI"), published by the Bureau of Labor Statistics of the United States Department of Labor. The CPI Number indicated in the column for the City of Indianapolis, entitled "All Items", for the month of November of the year preceding the year in which the conveyance of the first Lot to an Owner occurs, shall be the "Base CPI Number"; and the corresponding CPI Number for the month of November of the year in which the conveyance of the first Lot to an Owner shall be "Current CPI Number". The Current CPI Number shall be divided by the Base CPI Number. From the quotient thereof, there shall be subtracted an integer of One (1); and the resulting positive number shall be deemed to be the maximum percentage that the annual assessment per Lot may be increased above the maximum assessment for the previous year without a vote of the Membership. Each succeeding year thereafter, the maximum percentage increase of assessment over the previous year without a vote of the Membership shall be determined in a like manner; provided, however, the Current CPI Number for each previous year shall be deemed the Base CPI Number for each succeeding year in the computation of the maximum percentage increase. In the event the actual percentage increase of assessment in any year by the Association is less than the maximum allowed without a vote of the Membership, the difference, between the actual percentage increase and the maximum percentage increase, may be added to the percentage increase for the following year in determining the maximum percentage increase of assessment allowed without a vote of the Membership for such year.
(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner until January 1, 1986, the maximum annual assessment per Lot may be increased above the maximum percentage rate set forth above only by a vote of two-thirds (2/3) of the Class A Members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment per Lot at an amount not in excess of the maximum.

(v) Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of Class A Members.

(vi) Notice and Quorum for any Action Authorized Under Paragraphs (iv) and (v) Above. Written notice of any meeting called for the purpose of taking any action authorized under paragraphs (iv) and (v) above shall be sent to all Class A and Class B Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting, the presence of Class A and Class B Members or of proxies entitled to cast sixty percent (60%) of all the votes of the Class A and B Membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

(vii) Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment for a Class A or Class B Membership not paid within thirty (30) days after the due date shall become delinquent. If an assessment is not paid within thirty (30) days after the due date, the assessment shall bear a late charge of One and One-Half Percent (1 1/2%) per month. The Association may bring an action at law against the Owner personally obligated to pay the same, and foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. In the enforcement of the lien of assessment, the Association may recover in addition to delinquencies, to date of judgment and late charges, court costs and reasonable attorneys' fees.

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(viii) Subordination of the Lien to Mortgagee.
The lien of the Association's provided for in this paragraph shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No Sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

(ix) Suspension of Privileges of Membership.
Notwithstanding any other provision contained herein, the Board of Directors of the Association shall have the right to suspend the voting rights, if any, and the right to use the facilities of the Association of any member or associate member (i) for any period during which any of the Association's charges owed by the member or associate member remain unpaid; (ii) during the period of any continuing violation of the restrictive covenants for the Development, after the existence of the violation shall have been declared by the Board of Directors of the Association; and (iii) during the period of any violation of the Articles of Incorporation, by-laws or regulations of the Association.

18. RIGHTS OF MORTGAGEE. Unless at least seventy-five per cent of the first mortgagees (based upon one vote for each first mortgage owned) or the Class A members have given their prior written approval, the Association shall not:

(i) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Properties, Common Area or improvements located thereon which are owned directly or indirectly by the Association for the benefit of the Lien holders, the granting of easements for public utilities or for other public purposes consistent with the intended use of the Properties by the Association shall not be deemed a transfer within the meaning of this clause.

(ii) Change the method of determining the obligations, assessments, dues or other charges which may be levied against a Lot or Owner.

(iii) By act or omission, change, waive or abandon any scheme of regulation or enforcement thereof pertaining to the architectural design or exterior appearance of the Dwellings on Lots, the exterior maintenance of the Dwellings on Lots, the maintenance of party walls or common fences, driveways or the upkeep of lawns and plantings in the Properties.

(iv) Fail to maintain fire and extended coverage insurance on insurable Common Area on current replacement cost basis in an amount not less than one hundred per cent of the insurable value (based on current replacement cost).

(v) Use hazard insurance proceeds for losses to Common Area for other than the repair, replacement or reconstruction of such improvements.
(vii) Mortgagors, their successors or assigns, shall have the right to examine the books and records of the Association.

(viii) First mortgagors of Dwellings on Lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Area or Limited Common Area and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such Common Area and Limited Common Area, and first mortgagors making such payments shall be owed immediate reimbursement therefor from the Association. Entitlement to such reimbursement shall be reflected in an agreement in favor of all first mortgagors duly executed by the Association, and an original or certified copy of such agreement shall be acknowledged by the Seller as defined by Seller's Guides for the Federal Home Loan Mortgage Corp.

(viii) No provision of the constituent documents shall give a Lot Owner or any other party priority over any rights of first mortgagors of Dwellings within the Properties pursuant to their mortgages in the case of a distribution to Lot Owners of insurance proceeds or condemnation awards for losses to or a taking of Common Area or Limited Common Area.

11. REMEDIES.

(i) In General. The Association or any party to whose benefit these Restrictions inure, including the Developer, may proceed at law or in equity to prevent the occurrence or continuation of any violation of these Restrictions, but neither the Developer nor the Association shall be liable for damages of any kind to any person for failing either to abide by, enforce or carry out any of these Restrictions.

(ii) Delay or Failure to Enforce. No delay or failure on the part of any aggrieved party to invoke any available remedy with respect to a violation of any one or more of these Restrictions shall be held to be a waiver by that party (or an estoppel of that party to assert) any right available to him upon the occurrence, recurrence or continuation of such violation or violations of these Restrictions.

12. EFFECT OF BECOMING AN OWNER. The Owners of any Lot subject to these Restrictions, by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from the Developer or a subsequent Owner of such Lot, shall accept such deed and execute such contract subject to each and every Restriction and agreement herein contained. By acceptance of such
dood or execution of such contract, the Owner acknowledges
the rights and powers of the Developer and of the Association
with respect to the Restrictions, and also, for themselves,
their heirs, personal representatives, successors and assigns,
such Owners covenant and agree and consent to and with the
Developer, the Association and to and with the Owners and
subsequent Owners of each of the Lots affected by these
Restrictions to keep, observe, comply with and perform such
Restrictions and agreements.

13. TITLES. The underlined titles preceding the various
paragraphs and subparagraphs of the Restrictions are for
convenience of reference only, and none of them shall be used
as an aid to the construction of any provision of the
Restrictions. Wherever and whenever applicable, the singular
form of any word shall be taken to mean or apply to the plural,
and the masculine form shall be taken to mean or apply to the
feminine or the neuter.

14. DURATION AND AMENDMENT. The foregoing covenants and restrictions
are to run with the land and shall be binding on all parties and all
persons claiming under them until January 1, 2002, at which time said
covenants and restrictions shall be automatically extended for successive
periods of ten (10) years, unless changed in whole or in part by vote of
those persons who are then the Owners of a majority of the numbered Lots
in the Development. The declaration may be amended the first twenty (20)
years by an instrument signed by not less than seventy-five percent (75%)
of the Lot owners. Any amendment must be recorded.

15. SEVERABILITY. Every one of the Restrictions is
hereby declared to be independent of, and severable from, the
rest of the Restrictions and of and from every other one of
the Restrictions, and of and from every combination of the
Restrictions. Therefore, if any of the Restrictions shall
be held to be invalid or to be unenforceable, or to lack
the quality of running with the land, that holding shall
be without effect upon the validity, enforceability or
"running" quality of any other one of the Restrictions.

IN TESTIMONY WHEREOF, witness the signature of the Developer
this 11th day of July, 1980.

CASTLE COVE DEVELOPMENT CORP.

By

President

ATTEST:

Secretary

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STATE OF INDIANA )
COUNTY OF Marion )

Before me, a Notary Public in and for said County and State,
personally appeared William A. Schmolko and
Melvin Stav, the President and Secretary
of CASTLE COVE DEVELOPMENT CORP., and acknowledged the execution
of the foregoing Declaration of Covenants, Conditions and
Restrictions for and on behalf of that Corporation.

WITNESS my hand and seal this 11th day of July, 1980.

Notary Public
Boone County, Resident

My Commission Expires:
7-1-81

This instrument prepared by William F. LeMond,
Attorney at Law
600 Union Federal Building
Indianapolis, Indiana 46204
EXHIBIT "A"

A part of the East Half of the Southwest Quarter and a part of
the West Half of the Southeast Quarter of Section 24, Township 17
North Range 4 East in Marion County, Indiana, being more particularly
described as follows, to wit:

Beginning at a point on the North line of the said Southwest Quarter
Section North 90 degrees 00 minutes 00 seconds East 500.00 feet from
the Northwest corner of the East Half of the said Southwest Quarter
Section; thence North 90 degrees 00 minutes 00 seconds East along
the North line of the said Southwest Quarter Section and the North
line of the said Southwest Quarter Section 1114.10 feet; thence South
01 degree 19 minutes 37 seconds West 354.26 feet; thence North 90
degrees 00 minutes 00 seconds East and parallel with the said North
line 225.00 feet; thence South 01 degree 19 minutes 37 seconds West
2308.35 feet to the South line of the said Southwest Quarter Section;
thence North 89 degrees 44 minutes 55 seconds West along the South
line of the said Quarter Section 564.08 feet to the Southeast corner
of the said Southwest Quarter Section; thence North 89 degrees 49
minutes 17 seconds West along the South line of the said Southwest
Quarter Section 1348.58 feet to the Southeast corner of the East Half
of the said Southwest Quarter Section; thence North 89 degrees 45
minutes 33 seconds East along the West line of the said East Half
1477.79 feet; thence North 90 degrees 00 minutes 00 seconds East and
parallel with the North line of the said Southwest Quarter Section
500.00 feet; thence North 90 degrees 45 minutes 33 seconds East and
parallel with the said West line 1176.12 feet to the BEGINNING POINT,
containing 96.028 acres, more or less.

Also:

A part of the East Half of the Southwest Quarter of Section 24,
Township 17 North, Range 4 East in Marion County, Indiana, being
more particularly described as follows, to wit:

Beginning at the Northwest corner of the East Half of the said
Southwest Quarter Section; thence South 89 degrees 56 minutes 52
seconds East along the North line of the said Half Quarter Section
500.00 feet; thence South 00 degrees 48 minutes 53 seconds West and
parallel with the West line of the East Half of the said Southwest
Quarter Section 1176.12 feet; thence North 89 degrees 56 minutes 52
seconds West and parallel with the said North line 500.00 feet to
the West line of the said Half Quarter Section; thence North 00 degrees
48 minutes 53 seconds East along the said West line 1176.12 feet to
the BEGINNING POINT, containing 13.93 acres, more or less.

Subject, however, to the right-of-way for 82nd Street off the entire
North side thereof; subject, further, to a 50 foot wide perpetual
covenant in favor of the City of Indianapolis, Indiana, Department
of Public Works, recorded as Instrument Number 73-4138 in the Office

80 47665
of the Recorder of Marion County, Indiana, also, subject to a
30 foot wide temporary construction easement in favor of the City
of Indianapolis, Indiana, Department of Public Works, recorded as
Instrument Number 73-4137 in the Office of the Marion County
Recorder; subject, further, to all other legal easements and
rights-of-way of record.
LEGAL DESCRIPTION

CASTLE COVE - SECTION 1

Coven Property in Castle Cove - Section 1, a subdivision in Marion County, Indiana, the plot of which is recorded as Instrument 97706779 in the Office of the Recorder of Marion County, Indiana, being more particularly described as follows:

Beginning at the Northeast corner of Lot numbered 3 in said Castle Cove - Section 1; thence South 17 degrees 00 minutes 00 seconds West along the East line of said Lot numbered 3 a distance of 140 feet to the Normal Pool Elevation (631.00) of an existing lake (the following course being along the Normal Pool Elevation of said lake); thence Westerly along the South line of said Lot numbered 3 and Southerly along the East line of Lots numbered 9 thru 21 (both inclusive) 1615 feet, more or less, to a point that lies 25 feet North 71 degrees 01 minutes 05 seconds East from the Southeast corner of Lot numbered 21 (the next six described courses being along the East line of said Castle Cove - Section 1); thence North 11 degrees 01 minutes 05 seconds East 418.97 feet; thence North 03 degrees 00 minutes 00 seconds East 109.55 feet; thence North 42 degrees 00 minutes 00 seconds East 504.00 feet; thence North 90 degrees 00 minutes 00 seconds East 263.02 feet; thence North 01 degrees 25 minutes 06 seconds East 508.56 feet; thence North 89 degrees 57 minutes 29 seconds West 225.00 feet to the East line of Lot numbered 21; thence South 60 degrees 57 minutes 52 seconds West along the East line of said Lot numbered 2 a distance of 50.53 feet to a curve having a radius of 50.60 feet, the radius point of which bears South 60 degrees 57 minutes 52 seconds West; thence Southerly along said curve 149.00 feet to the POINT OF BEGINNING (said Point being South 17 degrees 00 minutes 00 seconds West from said radius point), containing 7.43 acres, more or less.

Subject, however, to all legal easements and rights-of-way of record.

7-6-80