# DECLARATION OF COVENANTS, CONDITIONS, COMMITMENTS, RESTRICTIONS, EASEMENTS, AND ASSESSMENTS
# OF CLEAR CREEK SUBDIVISION, SECTION I, AND SUBSEQUENT SECTIONS THERE TO
# DANVILLE, INDIANA

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THIS DECLARATION of Covenants, Conditions, Commitments, Restrictions, Easements, and Assessments, hereinafter referred to as the "Declaration" or the "Covenants," is made this \( \text{13th} \) day of November, 1996, by Cedar Run Limited, Inc., an Indiana Corporation, hereinafter referred to as "Declarant" or "Developer;"

WITNESSETH:

WHEREAS, Declarant is the owner of a certain 37.69-acre parcel of real property, hereinafter referred to as the "Real Estate," as described in Exhibit "A" attached hereto and by reference is made a part hereof;

WHEREAS, Declarant hereby subdivides said real property into single-family lots and two-family lots ("Village Homes") known and designates said subdivision as CLEAR CREEK, Section I, hereinafter referred to as the "Subdivision", as per plat thereof recorded on the \( \text{22nd} \) day of \( \text{1996} \), under Instrument No. 20X60 in the records of the Office of the Recorder of Hendricks County, Indiana, and by reference made a part hereof; and

WHEREAS, Declarant establishes a system of assessments and charges, hereinafter referred to as the "Assessments," to be borne by Lot Owners (hereinafter referred to as "Owners") of the Development, to provide for maintenance of the Common Property in the Development, for insurance coverage, and for mutual enforcement of the Covenants; and

NOW, THEREFORE, Declarant hereby affirms that the Real Estate described in Exhibit "A" attached hereto and by reference made a part hereof shall be held, subdivided, sold and conveyed subject to the following Covenants which purport to protect the value and desirability of the Development, and which shall run with the Real Estate and shall be binding on all parties having any right, title or interest in the Real Estate or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I
DEFINITIONS

A. The following are the definitions of terms used in this Declaration:

1. "Assessment" shall mean that share of the Common Expenses imposed upon each Lot, as determined and levied pursuant to the provisions of Article XVII herein.

2. "Association" shall mean Clear Creek Homeowners' Association, Inc. or an organization of similar name, its successors and assigns, and shall be created as an Indiana not-for-profit corporation. Its membership shall consist of Owners who pay mandatory assessments for liability insurance, project sign maintenance, Common Area "A" and any improvements thereto, storm water detention area maintenance, maintenance of landscaped areas in landscape easements, management fees and other expenses as determined by the Association.

3. "Builder" shall mean the contractor(s) constructing the first residence on each Lot, which may be the Developer for one or more Lots.
4. "Committee" shall mean the Clear Creek Development Control Committee, composed of three (3) members appointed by Developer who shall be subject to removal by Developer at any time with or without cause as long as Developer owns one (1) lot. Developer by appointment shall fill vacancies which may occur from time to time on the Committee until such time as the Subdivision is completely developed, at which time the Association shall appoint the Committee from its membership.

5. "Common Expenses" shall mean the actual and estimated cost to the Association for maintenance, management, operation, repair, improvement, and replacement of the Common Property as hereinafter defined and including, but not limited to, the maintenance of the storm water detention areas, but excluding normal mowing and cleaning of such areas, etc., and any other costs or expenses incurred by the Association for the benefit of the Common Property, including the cost of insurance as required herein. Common Expenses shall not include any costs or expenses incurred in connection with the initial installation and completion of streets, utility lines and mains, the drainage system, or other public improvements constructed by Developer.

6. "Common Property/Common Area" shall mean all real and personal property which is in the nature of common or public improvements.

It is anticipated all future sections may have certain additional amenities.

At the entry on Rockville Road (State Road 36), there are landscape, utility, and sign easements.

7. "Dwelling Unit" shall mean:

A. In R-2, on Lots numbered 129 through 146, inclusive, a single-family residence, including attached garage, situated upon a Lot in the Development.

B. In R-3, on Lots numbered 29 through 49, 73 through 92, and 114 through 128, all inclusive, a single-family residence, including attached garage, situated upon a Lot in the Development.

C. "Village Homes" in R-3, on Lots numbered 1 through 28, inclusive, a two-family residence, including attached garages, situated upon a Lot in the Development.

8. "Lot" shall mean and refer to any and each portion of the Real Estate (excluding any part of the Common Properties) designated and intended for use as a building site, or developed and improved for use as a one (1) family Dwelling Unit or a "Village Home" which accomodates a two-family dwelling on each Lot, identified by number and as shown on the Plat of the Development which is recorded in the Office of the Recorder of Hendricks County, Indiana. No Lot may be subsequently subdivided for development purposes, except to adjust for minor side yard infractions which may occur.

9. "Owner" shall mean a person who acquires any right, title or interest, legal or equitable, in and to a Lot being a single-family Lot or one-half of a "Village Home," but shall exclude those persons having such interest merely as security for the performance of an obligation.

10. "Plat" shall mean the subdivision plat of the Development identified as the Final Plat of Clear Creek Subdivision, Section 1, recorded on the day

ARTICLE II
CHARACTER OF THE DEVELOPMENT

A. In General: Each Lot in the Development shall be a residential lot and shall be used exclusively for single or two family residential purposes, as specified by the Zoning Classification for each specific Lot. No structure shall be erected, placed or permitted to remain upon any Lot except a Dwelling Unit.

No business buildings may be erected on any Lots thereof. No business may be conducted on any Lots thereof, other than those occupations permitted in the Dwelling Districts' Zoning Ordinance of the Town of Danville, Indiana.

Common Area "A" is a non-buildable Lot for residential dwelling units and is to be used as a park for the benefit of the Lot Owners in the Clear Creek Subdivision. Common Area "A" will be deeded to the Clear Creek Homeowners' Association.

B. Other Restrictions: All Lots in the Development shall be subject to the easements, restrictions and limitations of record, and to all governmental zoning authority and regulations affecting the Development, all of which are incorporated herein by reference.

ARTICLE III
RESTRICTIONS CONCERNING SIZE, PLACEMENT, AND MAINTENANCE OF DWELLING UNITS AND OTHER STRUCTURES

A. Type, Size, and Nature of Construction Permitted and Approvals Required: No Dwelling Unit, greenhouse, porch, garage, swimming pool, exterior structure, fences, basketball court, tennis court or other recreational facility may be erected, placed or altered on any Lot without the prior written approval of the Committee. Such approval shall be obtained prior to the commencement of construction and shall take into account restrictions as to the type of materials, exterior facade, design, layout, location, landscaping and finished grade elevations. Builders shall submit sets of Master Plans of typical homes to the Committee. When approved by the Committee, these Master Plans shall not require subsequent approval unless there are changes thereto.

1. Minimum Areas: The following restrictions shall apply: Any Dwelling Unit erected, placed, or altered shall have the following minimum areas, exclusive of garages and open porches:

   a. R-2, single-family: Lots numbered 129 through 146, inclusive.

      1. shall be 1,100 square feet of main floor area for a one-story dwelling unit; or

      2. shall be 960 square feet of main floor area if higher than one-story, with any dwelling unit higher than one story having a minimum of 1,500 square feet of finished living space.

   b. R-3, single family: Lots numbered 29 through 49, 73 through 92, and 114 through 128, all inclusive.

      1. shall be 950 square feet of main floor area for a one-story dwelling
unit; or

2. shall be 720 square feet of main floor area if higher than one-story, with any dwelling unit higher than one story having a minimum of 1,400 square feet of finished living space.

c. R-3, two-family: Lots numbered 1 through 28, inclusive.

1. shall be 950 square feet of main floor area for a one-story dwelling unit with one bedroom. For each additional bedroom, 150 square feet additional living space is required; or

2. shall be 720 square feet of main floor area if higher than one-story, with any dwelling unit higher than one story having a minimum of 1,400 square feet of finished living space. For each additional bedroom, 150 square feet additional living space is required.

2. Masonry Requirement: The front elevation of all homes shall be fifty percent (50%) masonry of the first floor exterior wall area, exclusive of doors, windows, gables, and garage doors.

Side elevations of all homes on corner lots shall have a minimum masonry requirement on the side facing the street of three feet (3') side masonry.

A waiver of this requirement may be allowed by the Clear Creek Development Committee on any two-story dwelling.

3. Attached Garages: Each single-family Dwelling Unit shall have a minimum of a two-car attached garage; two-family Dwelling Units ("Village Homes") shall have a minimum of a two-car attached garage per side.

4. Driveways and Off-Street Parking Spaces: There shall be a minimum of two (2) off street parking spaces in each driveway. All driveways shall be constructed of concrete or asphalt material.

Driveways shall be not be more than twelve (12) inches wider than the outside of the garage door or doors it serves. A driveway shall not exceed in width the side boundaries of the garage it serves.

A driveway must be a minimum width of no less than the interior width of the garage door or doors it serves.

No additional parking shall be permitted on a Lot other than in the existing driveway.

Builders shall install driveways during original construction of the Dwelling Units.

No inoperative or unlicensed vehicles shall be stored or repaired on the outside on any Lot or on the driveway thereof. No camper, trailer, motor home, mobile home, boat, truck, school bus or other vehicle of like kind may be parked within the subdivision unless such vehicle is kept in the garage, except for personal automobiles, vans, and pick-up trucks.

5. Prohibition of Relocated or Moveable Structures: No Dwelling Unit, garage, out building or other structure of any kind may be moved onto any Lot. No trailer, mobile home, tent, basement, shack, garage, motor home, barn or other structure
may be placed or constructed on any Lot at any time for use as either a temporary or permanent residence or for any other purpose, except as reasonably required in connection with the construction of a Dwelling Unit on a Lot.

6. **Time Limits on Construction:** The exterior of every Dwelling Unit, garage, or other structure permitted to be constructed or to remain on any Lot shall be completed within six (6) months from the start of construction, including the application of at least one (1) coat of paint, stain or varnish on any exterior wood surfaces. All such structures shall be completed within one (1) year.

All structures must be completed, and the site graded, sodded, or seeded and reasonably landscaped within one (1) year from the date of the commencement of construction thereof.

7. **Maintenance of Lots During Construction:** All Lots shall be kept and maintained in a sightly and orderly manner during the period of construction of any structures on said Lots. No trash or rubbish of any kind shall be permitted to accumulate on any Lot or adjacent Lots. Construction debris shall be placed in dumpsters or wire/plastic trash enclosures which shall be placed on the Lots and not on the streets. The streets shall be kept clear of mud and dirt from water run off and excavation.

8. **Basketball Goals and Similar Structures:** To preserve the natural quality and aesthetic appearance of the Development, basketball goals or similar structures shall be approved by the Committee for size, location, height, composition, and color prior to installation.

No goal or structure may be installed or maintained such that playing basketball occurs in the street.

If portable goals are used, they may not be placed so that playing basketball occurs in the street.

9. **Fences:** All fences, except for masonry landscape walls to be built by the Developer, shall meet the following standards, shall be approved by the Committee, and shall comply with the standards of the Town of Danville Zoning Ordinance:

   a. Pool fences, where required, shall be a decorative type with some screen landscaping of the sides exposed to the streets. All pool fences must meet requirements of the Town of Danville Building Commission codes and regulations.

   b. No solid fence construction shall be permitted without approval of the Committee.

   c. Fences shall be shadow box, split-rail, chain link, black iron or aluminum picket style, unless otherwise approved by the Committee.

   d. The Committee shall require fences to be painted or stained to blend with the color of the respective houses.

   e. For non-corner lots, no fence may be installed between the street and the rear face of a house.

   For corner lots, no fence may be installed between the street and the side and the rear corner of the house facing the two respective streets.
Landscaping shall be required along corner lot side-yard fences exposed to the street yard.

f. All corner lot fences shall meet the requirements of Article III, Section B of these covenants.

g. The height of shadow box fences or pool fences may not exceed six (6) feet. The height of any other type of fence may not exceed four (4) feet. All owners shall maintain their respective fences in good condition including repainting and/or re-staining wood fences, removing rust and repainting metal fences, and repairing any structural defects or signs of deterioration.

h. Any deviation from the above requirements shall require approval from the Committee.

i. The Committee shall have the discretion to allow other fence types, based on the plans submitted under Article III, Section A and Article VI, Section A.

10. Landscaping: At least two (2) deciduous shade (overstory) trees (one in the front yard and one in the back yard) and one (1) deciduous ornamental (understory, in the front yard) tree shall be planted by Purchaser.

a. At least six (6) shrubs shall be installed as foundation plantings.

b. Front yards shall be sodded. The remainder of the yard shall be seeded and covered with straw, or seeded by an equivalent or better treatment.

11. Mailboxes: Builders shall install matching Committee-approved and Post Office-approved curb side rural mail boxes during original construction of the Dwelling Units. Each Owner shall maintain and replace his or her mailbox with the same type, unless a change in design and color is approved by the Committee.

12. Storage Tanks: Gasoline or other fuel storage tanks will not be permitted in the Development.

13. Gutters and Downspouts: All gutters and downspouts shall be painted, except if copper gutters are installed.

14. Awnings and Patio Covers: Awnings and patio covers made of metal, fiberglass or similar type materials will not be permitted in the Development.

15. Above Ground Swimming Pools: Above ground swimming pools will not be permitted in the Development.

16. In Ground Swimming Pools: In ground swimming pools shall be permitted in the Development, with the approval of the Committee.

17. Storage Sheds: All accessory buildings shall be placed on a permanent foundation, shall be constructed of new materials, shall be architecturally compatible with the dwelling unit, shall be constructed with the same or equivalent materials as the dwelling unit and shall be subject to the approval of the Committee. Accessory buildings shall not exceed ten (10) feet in width and ten (10) feet in height. Only one accessory building shall be permitted per lot.

will not be allowed. Satellite dishes 24 inches in diameter or less shall not be visible from the public street; similarly, the satellite dishes shall not be visible from the first floor level of adjoining homes.

All antennas shall be approved by the Committee and shall be screened from view, as required by the Committee. The color of the dish shall blend with the color of the background in such a way that the dish shall become essentially invisible.

Any television or communication antenna shall not extend more than five (5) feet above the highest point of the dwelling unit, shall be new or in like-new condition, and shall be maintained in good condition.

19. **No dog kennels or dog runs:** No dog kennels or dog runs will be allowed in the development.

20. **Clothes lines:** Only "umbrella type" clothes line fixtures will be permitted; no "telephone pole" style or permanent clothes lines shall be permitted.

21. **Solar Heat Panels:** Solar heat panels will not be permitted.

22. **Utility Lines:** All utility lines in the Development shall be placed underground. Utility lines shall be installed under completed streets by jacking or boring methods. Street cuts will not be permitted.

23. **Utility Meters and HVAC Units:** Wherever possible, all utility meters and HVAC units in the Development shall be located in places not seen from the street or shall be screened, if located in the fronts of the Dwellings.

24. **Notice:** The Developer shall include a copy of the recorded Plat and a copy of the recorded Declaration with all Builder's Agreements or forward as soon as these documents are recorded. The aforesaid Plat and Declaration shall be presented to and reviewed with the Buyer by the Builder during the selection of the Lot by the Buyer (prior to the Closing of the Lot).

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B. **Sight Distance at Intersections:** No fence, wall, hedge, shrub, or landscape 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. The same sight line limitations shall apply to any lot within ten (10) feet from the intersection of a street line with the edge of a driveway. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at a height sufficient to prevent obstruction of such sight lines.

C. **Building Setback Lines:** Front building setback lines are established as shown on the Plat. Between said lines and the right-of-way lines of the streets no structures may be erected or maintained. Additionally, no structures may be erected or maintained between the side and rear lot lines and the right-of-way lines of the street.

D. **Damaged Structures:** No dwelling unit which has been partially or totally destroyed by fire or other catastrophic event shall be allowed to remain in such state for more than thirty (30) days from the date of such occurrence unless otherwise approved by the Committee.

E. **Maintenance of Lots and Improvements:** The Owner of any Lot in the Development shall at all times maintain the Lot and any improvements thereon in such a manner to prevent
the Lot and its improvements from becoming unsightly. Specifically, the Owner shall:

1. Establish and mow the grass with reasonable frequency to prevent its growth from exceeding four (4) inches in height. This mowing requirement shall not apply to Lots owned by the Declarant.

2. Keep Lot free of debris and rubbish;

3. Prevent conditions of any kind from evolving which in the Committee's opinion may detract from or diminish in any way the aesthetic value of the Development;

4. Remove dead trees and replace with like species; and,

5. Maintain the exterior of all improvements in a state of good repair.

F. Requirement to Mow Grass in Public Rights-of-Way: All Owners shall be required to mow the grass in public rights-of-way including the areas between the sidewalk and the curb for their respective Lots.

ARTICLE IV
EASEMENTS

The strips of ground shown on the recorded plat of the Development which are marked "D., U. E." (Drainage and Utility Easements) are reserved for the use of public utility companies, including cable television companies and municipal agencies, but not including transportation companies, for the purpose of installing and maintaining drainage swales, ducts, poles, lines, wires, sewers, drains and appurtenances thereto. Said easements shall be perpetual from the date of this Instrument as subscribed to by the Developer, its successors and assigns. No permanent or other structures may be erected or maintained in said easements except for temporary structures, fences, driveways and walkways. The Owners of Lots in the Development shall take title to said Lots subject to the rights of said companies and agencies and the other owners of said Lots in the Development for purposes of ingress and egress and maintenance and repair in, along and through said easements so reserved.

ARTICLE V
EASEMENTS, PARTY WALLS, RULES
AS TO DESIGNATED VILLAGE HOME LOTS 1-28

A. Party Walls.

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

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

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

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

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

6. Arbitration: In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator from among disinterested Owners, and such arbitrators shall choose an additional arbitrator, who need not be an Owner, and the decision shall be by a majority of all the arbitrators. (Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor from another party, the Board of Directors of the Association shall select an arbitrator for the refusing party.)

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

ARTICLE VI
MISCELLANEOUS PROVISIONS AND PROHIBITIONS

A. Nuisances: No noxious or offensive activities shall be conducted on any Lot in the Development, nor shall anything be done on any Lot which shall be or shall become an unreasonable annoyance or nuisance to the Owners of other Lots in the Development. Nor shall Developer, any officer, agent, employee or contractor thereof, the Association, or any Owner be liable for any damage which may result from enforcement of the provisions of this paragraph.

B. Signs: No signs or advertisements shall be displayed or placed on any Lot or structure in the Development without the prior written approval of the Committee, except for the sale of a Lot or residence. However, Developer and designated Builders may use for sale and advertising signs during the sale of lots and the construction of houses in the Development.

C. Animals: No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats, or other household pets may be kept, provided that they

1. shall not be kept, bred, or maintained for any commercial purpose;
2. shall not become a nuisance to other Owners; and
3. shall be leashed upon leaving Owner's property.

Not more than three (3) pets of 20 pounds or less, not more than two (2) pets of 21 to 75
pounds, and not more than 1 pet 76 to 150 pounds shall be permitted to be domiciled in a 
Dwelling Unit or on a Lot. Pets which exceed 150 pounds shall be approved by the 
Committee.

D. **Vehicle Parking:** Any motor vehicle which is inoperative and not being used for normal 
transportation will not be permitted to remain on any street or lot except within a closed 
garage. Motor vehicles may not be parked upon grassy or landscaped areas. Unless 
otherwise provided by the rules and regulations of the Committee, motor homes, mobile 
homes, boats, campers, trailers, commercial trucks and similar vehicles may not be 
parked or stored upon a Lot unless within a closed garage. All passenger vehicles shall 
be parked in garages or in driveways. Guest vehicles may be parked on the public streets 
for a period not to exceed twenty-four (24) hours, unless the guest is from out-of-town; 
however, this shall not include vehicles parked on public streets on a frequent (in excess 
of 24 hours per month) basis. Vehicles may not be placed on blocks or jacks for purposes 
of repair, except for repairs made in garages.

E. **Ditches and Swales:** All Owners shall keep unobstructed and in good repair, all open 
storm water drainage ditches and swales located on their respective Lots. Owners of all 
Lots in the Development shall comply at all times with the provisions of the Development 
and Grading Plans for the Plat as approved by the Town of Danville Plan Commission, 
and with the requirements of all drainage permits issued for any Lot within the 
Development. Any field tile or underground drain encountered during the construction of 
any improvements within the Development shall be perpetuated. All Lot Owners in the 
Development, their successors, and assigns, shall comply with the Indiana Drainage Code 
of 1965, and all amendments thereto. No culverts shall be installed by any Lot Owner 
without the written consent of the Town of Danville Plan Commission.

No sanitary waste or other wastes shall be permitted to enter the storm drainage system. 
Discharge from any floor drain shall be permitted to discharge into the sanitary sewer 
system. Drainage from any floor drain (including, but not limited to, footing drains and 
downspouts) shall not be permitted to discharge into the sanitary sewer system. 
Downspouts shall discharge onto the surface of the ground. Footing drains shall be 
connected to yard subdrains or storm drains. With the purchase of a Lot, each Owner 
agrees that any violation of this paragraph constitutes a nuisance which may be abated by 
Developer, the Association, or any Owner in the Development in any manner provided 
at law or in equity. The cost or expense of abatement, including court costs and attorneys' 
fees, shall become a lien upon the Lot, and may be collected in any manner provided by 
law or in equity for collection of a liquidated debt.

F. **Garbage, Trash, and Other Refuse:** No owner of a Lot in the Development shall burn or 
bury out-of-doors, any garbage or refuse. Nor shall any such Owner accumulate or permit 
the accumulation out-of-doors of such refuse on his or her Lot.

G. **Outside toilets:** No outside toilets shall be permitted on any Lot in the Development 
(except during the period of construction and then only with the consent of Committee).

ARTICLE VII
SUBMITTAL AND APPROVAL OF PLANS

A. **Submittal of Plans:** No building, wall or other structure, except original construction of 
buildings by or on behalf of Declarant or an original Builder, may be commenced, erected 
or maintained in the Development, nor may any exterior additions, changes, or alterations 
therein or thereto be made until the plans and specifications for said additions, changes or 
alterations are submitted to and approved in writing by the Committee for harmony of 
external design and location in relation to surrounding structures and topography.

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B. Approval of Plans: Approvals, determinations, permissions or consents of and for plans required herein shall be deemed granted if given in writing and signed with respect to the Developer by an authorized Officer or agent thereof, or with respect to the Committee by two of its authorized designee(s).

C. Development Control Committee: Upon transfer of control of the Association to the Board of Directors and/or Officers of the Association, Developer will retain the approval of the first Dwelling constructed upon any Lot. All other approvals of plans will be transferred to the Development Control Committee.

1. Power of Committee:

   a. In General: No building structure, or improvement of any type of kind shall be constructed or placed on any Lot in the Development without 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 all existing conditions 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 one-quarter (1/4) inch equals one foot (1'), or to such other scales as the Committee may require. There shall also be submitted, where applicable, the permits or plot plans which shall be prepared by either a registered land surveyor, engineer, or architect. Plot plans submitted for Building Permits shall bear the stamp or signature of the Committee acknowledging the approval thereof.

   b. Power of Disapproval. The Committee may refuse to grant permission to remove trees, repaint, construct, place or make the requested improvement, when:

      1. the plans, specifications, drawings, or other material submitted are inadequate or incomplete, or show the proposed improvement to be in violation of these Restrictions;

      2. the design or color scheme of a proposed improvement is not in harmony with the general surroundings of the Lot or with adjacent buildings or structures; or

      3. 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 the other Owners.
c. **Developer Improvements**: The Committee shall have no power with respect to any improvements or structures erected or constructed by the Developer (or any Builder, if Developer has approved the plans therefore).

d. **Duties of Committee**: The Committee shall approve or disapprove the proposed improvements within fifteen (15) days after all required information is received by it. One (1) copy of submitted material shall be retained by the Committee for its permanent files. All notifications to applicants shall be in writing, and, in the event that such notification is one of disapproval, it shall specify the reason or reasons for such disapproval. In the event that a written approval is not received from the Committee within fifteen (15) days from the date of receipt of the information required to be submitted by these Subdivision Restrictions, the failure to issue such written approval shall be construed as the disapproval of any such plans submitted.

The submitting party can re-submit and if no written approval or denial is received, after the next fifteen (15) days, the no action shall be construed as approval.

e. **In General**: Any party to whose benefit these restrictions inure, including Developer, Association and any Owner in the Development, may proceed at law or in equity to prevent the occurrence or continuation of any violation of these Restrictions, but neither Developer nor Association shall be liable for damages of any kind to any person for failing to abide by, enforce, or carry out any of these Restrictions.

f. **Liability of Committee**: Neither the Committee nor any agency thereof, nor the Developer, 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.

g. **Inspections**: The Committee may inspect work being performed to assure compliance with these Restrictions and applicable regulations.

h. The failure of the Committee to act in any particular situation with any particular party shall in no way be a waiver of any right of action or enforcement in the future.

**ARTICLE VIII**
**RULES GOVERNING BUILDING ON SEVERAL CONTIGUOUS LOTS HAVING ONE OWNER**

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Whenever two or more contiguous Lots in the Development are owned by the same Owner, and said Owner proposes to use two or more of said Lots as a site for one (1) Dwelling Unit, said Owner shall apply in writing to the Committee for permission to use said Lots for this purpose. If permission is granted, Owner must comply with all requirements of the Town of Danville Unified Subdivision Ordinance. The Lots constituting the site for said Dwelling Unit shall be treated as a single Lot for the purpose of applying these restrictions while the Lots remain improved with one (1) Dwelling Unit. Two-family dwellings shall be permitted in the Development only on Lots 1 through 28, inclusive.

ARTICLE IX
REMEDIES

A. **Available Remedies:** In the event of a violation, or threatened violation, of any of the Covenants herein recited, Declarant, the Owners and all other parties claiming under them ("Interested Parties"), individually or through the Association, shall have the right to enforce the Covenants contained herein, and may pursue any and all remedies, at law or in equity, available under applicable Indiana law, with or without proving any actual damages, and including the right to secure injunctive relief or to secure removal by due process of any structure not in compliance with the Covenants contained herein, and shall be entitled to recover reasonable attorneys' fees and the costs and expenses incurred as a result thereof.

B. **Government Enforcement:** The Town of Danville Plan Commission, its successors and assigns, shall have no right, power or authority to enforce any Covenants contained in this Declaration other than those Covenants which expressly run in favor of the Town of Danville Plan Commission; provided further, that nothing herein shall be construed to prevent the Town of Danville Plan Commission from enforcing any provisions of the Unified Subdivision Control Ordinance, as amended, or any conditions attached to approval of the plat of Clear Creek, Section 1, by the Plat Committee, and any subsequent sections approved thereafter.

C. **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 Covenants shall be held to be a waiver by that party (or any estoppel of that party to assert) of any right available to him upon the occurrence, recurrence or continuation of such violation or violations of these Covenants.

ARTICLE X
EFFECT OF BECOMING AN OWNER

All present and future Owners, Mortgagees, tenants and occupants of the Lots and Dwelling Units, and other Persons claiming by, through, or under them, shall be subject to and shall comply with the provisions of this Declaration and the Articles, the By-Laws, and the rules and regulations adopted by the Board of Directors of the Association as each may be amended or supplemented from time to time. The acceptance of a deed or conveyance of the act of occupancy of any Lot or Dwelling Units shall constitute an agreement that the provisions of this Declaration and the Articles, the By-laws and the rules and regulations of the Association as each may be amended or supplemented from time to time, are accepted and ratified by such owner, tenant or occupant, and all such provisions shall be covenants running with the land and shall bind any Person having at any time any interest or estate in a Lot or Dwelling Unit or the Real Estate, all as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. All Persons who may own, occupy, use, enjoy or control a Lot or Dwelling Unit or any part of the Real Estate in any manner shall be subject to this Declaration and the Articles, the By-Laws, and the rules and regulations of the Association applicable thereto as each may be amended or supplemented from time to time.

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ARTICLE XI
TITLES

The underlined titles of the various Articles and Sections of these Covenants are for the convenience of reference only. None of them shall be used as an aid to the construction of any provisions of the Covenants. 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.

ARTICLE XII
DURATION AND AMENDMENT

A. **Duration of Declaration**: This Declaration shall be effective for an initial term of twenty (20) years from the date of its recordation by the Recorder of Hendricks County, Indiana, and shall automatically renew for additional terms of ten (10) years each, in perpetuity, unless at the end of any term the Owners' vote pursuant to Article XVII, Section K, to terminate this Declaration, in which case this Declaration shall terminate as of the end of the term during which such vote was taken. Notwithstanding the preceding sentence, all easements created or reserved by this Declaration shall be perpetual unless otherwise expressly indicated herein.

B. **Amendment of Declaration**: As long as Developer is a Class B member as defined in Article XV, Section B.2., Developer hereby reserves the right to make such amendments to this Declaration as Developer may deem necessary or appropriate without the approval of any other person or entity, in order to bring this Declaration into compliance with the requirements of any public agency having jurisdiction thereof or any agency guaranteeing, insuring, or approving mortgages, or to change or modify Covenants for amendments to the Plat or Article III Restrictions which would apply to future construction, provided that Developer shall not be entitled to make any amendment which will have a materially adverse effect on the rights of any Mortgagor, nor which will substantially impair the benefits of the Covenants to any Owner or substantially increase the obligations imposed by the Covenants on any Owner without the written approval of said Owners as provided for under Article XVII, Section K.

Upon conversion of Class B membership to Class A membership as provided in Article XV, Section B.2, the Covenants may be amended as provided for under Article XVII, Section K.

ARTICLE XIII
SEVERABILITY

The within Covenants shall run with the land and shall be binding on all parties claiming under them. Invalidation or unenforceability of any of the Covenants by Judgment or Court Order shall in no way affect the validity or enforceability of any of the other provisions which shall remain in full force and effect.

ARTICLE XIV
DEDICATION OF STREET RIGHTS-OF-WAY

All street rights-of-way shown on the plat and not heretofore dedicated to the public are hereby dedicated to the public.
ARTICLE XV
HOMEOWNERS' ASSOCIATION

The Association shall be an Indiana not-for-profit corporation and shall operate in accordance with Articles XV through XVIII of this Declaration.

ARTICLE XVI
ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

A. **Membership:** Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from the ownership of any Lot. In addition, the Association, and/or its members therein, may be members in any one or more umbrella or joint homeowners' associations, if any, composed of associations and/or members from surrounding areas or, if organized by the Builders or Lot Owners of a community.

B. **Classes of Membership:** The Association shall have two (2) classes of voting members:

1. **Class A:** Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot, except a “Village Homes” Lot would have two votes, one for each half.

2. **Class B:** The Class B member(s) shall be the Declarant, who shall be entitled to three (3) votes for each Lot owned, and the members of the first Board of Directors during their respective terms, who shall have no voting rights. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

   a. When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

   b. on September 1, 2000.

C. **Board of Directors:** The members shall elect a Board of Directors of the Association as prescribed by the Association's By-Laws. The Board of Directors shall manage the affairs of the Association. The initial Board of Directors shall be appointed by Developer and shall manage the affairs of the Association until Developer transfers control of the Association to the Owners as required herein.

D. **Responsibilities of the Association:** The Association is hereby authorized to act and shall act on behalf of, and in the name, place, and stead of, the individual Owners in all matters pertaining to the determination of Common Expenses, the collection of annual and special Assessments, and the granting of any approvals whenever and to the extent called for by the Declaration for the common benefit of all such Owners. The Association shall also have the right, but not the obligation, to act on behalf of any Owner or Owners seeking enforcement of the Covenants contained in this Declaration. Neither the Association nor its officers or authorized agents shall have any liability whatsoever to any Owner for any action taken under color of authority of the Declaration or for any failure to take any action called for by the Declaration, unless such act or failure to act is in the nature of a willful or reckless disregard of the rights of the Owners or in the nature of willful, intentional, fraudulent, or reckless misconduct. The Association shall procure and maintain casualty insurance, liability insurance and such other insurance as it deems necessary or advisable. The Association by its Board of Directors may contract for
management services and such other services as the Association deems necessary or advisable.

E. **Transfer of Control of Association:** Developer shall transfer control of the Association to the Owners no later than the earlier of:

1. four (4) months after three-fourths (3/4) of the Lots in the Development have been conveyed to Owners; or
2. on September 1, 2000.

**ARTICLE XVII**
**INSURANCE**

A. **Public Liability Insurance for Common Property:** The Association shall maintain in force adequate public liability insurance protecting the Association against liability for property damage and personal injury occurring on or in connection with any and all of the Common Property, if any, as the Board of Directors shall deem appropriate.

B. **Comprehensive Public Liability Insurance:** The Association also shall maintain in force comprehensive public liability insurance and such other liability insurance, with such coverages and limits, as the Board of Directors shall deem appropriate. All such policies of insurance shall contain an endorsement or clause whereby the insurer waives any right to be subrogated to any claim against the Association, its officers, the Board of Directors, the Developer, any Managing Agent, their respective employees and agents, or the Owners, and shall further contain a clause whereby the insurer waives any defenses based on acts of individual Owners whose interests are insured thereunder, and shall cover claims of one or more insured parties against other insured parties. All such policies shall name the Association, for the use and benefit of the Owners, as the insured; shall provide that the coverage thereunder is primary even if an Owner has other insurance covering the same loss; shall show the Association or insurance trustee, in trust for each Owner and Mortgagee, as the party to which proceeds shall be payable; shall contain a standard mortgage clause and shall name Mortgagee as Mortgagee; and shall prohibit any cancellation or substantial modification to coverage without at least thirty (30) days prior written notice to the Association and to the Mortgagees. Such insurance shall inure to the benefit of each individual Owner, the Association, the Board of Directors and any managing agent or company acting on behalf of the Association. The individual Owners, as well as any lessees of any Owners, shall have the right to recover losses insured for their benefit.

C. **Professional Management Firm Insurance:** A professional management firm shall provide insurance coverage to the same extent as the Association would be required to provide if it were managing its own operation and shall submit evidence of such coverage to the Association.

D. **Owner's Responsibility for Loss:** Each Owner shall be solely responsible for loss of or damage to the improvements and his personal property located on his Lot, however caused. Each Owner shall be solely responsible for obtaining his own insurance to cover any such loss and risk.

**ARTICLE XVIII**
**COVENANT FOR ASSESSMENTS**

A. **Purpose of Assessments:** The Assessments levied by the Association shall be used exclusively for the purpose of improving, repairing, replacing and maintaining project
sign structures; maintaining the landscaping for said project signs and landscaping in the landscaping easements and in subsequent Sections, including utilities and maintenance for a sprinkler system and entrance street light; maintaining storm water retention areas; providing insurance coverage therefor; and paying for any other expenses related to the Association.

1. Each owner covenants and agrees to pay the Association:
   a. A Pro Rata Share (as hereinafter defined) of the annual Assessments established and determined from time to time as hereinafter provided.
   b. A Pro Rata Share (as hereinafter defined) of any special Assessments established and determined from time to time, as hereinafter provided.

B. Pro Rata Share: The proportion share for each Owner for purposes of this paragraph shall be the percentage obtained by the fraction of one over the total number of lots (1/Total no. of Lots) within the Plat.

C. Liability for Assessments: The Assessment on each Lot, together with any interest thereon and any costs for collection thereof, including attorneys' fees, shall be a charge on each Lot and shall constitute a lien upon each Lot from and after the due date thereof in favor of the Association. Each such Assessment, together with any interest thereon and any costs for collection thereof, including attorneys' fees, shall also be the personal obligation of the Owner of each Lot at the time the Assessment is due. 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 become due prior to such sale or transfer. The lien for any Assessment shall for all purposes be subordinate to the lien of any Mortgagor whose mortgage was recorded prior to the date such Assessment first became due and payable. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof, nor shall any sale or transfer relieve any Owner of the personal liability hereby imposed. The personal obligation for delinquent Assessments shall not pass to any successor in title unless such obligation is expressly assumed by such successor.

D. Basis of Annual Assessments: The Board of Directors of the Association shall establish an annual budget at the beginning of each fiscal year, setting forth all anticipated Common Expenses for the coming fiscal year, together with a reasonable allowance for contingencies and reserves for periodic repair and replacement of the Common Property. A copy of this budget shall be delivered to each Owner of the Association.

E. Basis of Special Assessments: Should the Board of Directors of the Association at any time during the fiscal year determine that the Assessments levied for such year may be insufficient to pay the Common Expenses for such year, the Board of Directors shall call a special meeting of the Association to consider imposing such special Assessments as may be necessary for meeting the Common Expenses for such year. A special Assessment shall be imposed only with the approval of the Owners in attendance at the special meeting convened under Clause K of this Article XVII, and shall be due and payable on the date(s) determined by such Owners, or if not so determined, then as may be determined by the Board of Directors.

F. Fiscal Year; Date of Commencement of Assessments; Due Date: The fiscal year of the Association shall be the calendar year and may be changed from time to time by action of the Association. The annual Assessments on each Lot in the Development shall commence no sooner than on the first day of the first month following the month in which Declarant first conveys ownership of any Lot to an Owner; provided, that if any Lot is first occupied for residential purposes prior to being conveyed by Declarant, full Assessments shall be payable with respect to such Lot commencing on the first day of the
first month following the date of such occupancy. The Declarant shall have the right, but
not the obligation, to make up any deficit in the budget for the Common Expenses for any
year in which Declarant controls the Association, subject to its right to be reimbursed
therefor as provided herein.

The first annual Assessment shall be made for the balance of the fiscal year of the
Association in which such Assessment is made and, with respect to particular Lots, shall
become due and payable on the date of initial transfer of title to a Lot to the Owner
thereof. The annual Assessment for each year after the first assessment year shall be due
and payable on the first day of each fiscal year of the Association. Annual Assessments
shall be due and payable, in full, as of the above date, except that the Board of Directors
may, from time to time by resolution, authorize the payment of such Assessments in
monthly, quarterly, or semi-annual installments. The Declarant shall not pay an
assessment on Lots which are not sold.

G. **Duties of the Association:**

1. **Books and Records:** The Board of Directors of the Association shall cause proper
books and records of the levy and collection of each annual and special
Assessment to be kept and maintained, including a roster setting forth the
identification of each Lot and each Assessment applicable thereto, which books
and records shall be kept by the Association and shall be available for the
inspection and copying by each Owner (or duly authorized representative of any
Owner) at all reasonable times. Except as may be otherwise provided in the
Association’s By-Laws, the Association shall cause financial statements to be
prepared at least annually for each fiscal year of the Association, and shall furnish
copies of the same to any Owner or Mortgagee upon request. The Board of
Directors of the Association shall cause written notice of all Assessments levied
by the Association upon the Lots and upon the Owners to be delivered to the
Owners or their designated representatives. Notices of the amount of Annual
Assessments and the days following the determination thereof and Notices of the
amounts of special Assessments shall be sent as promptly as practical and, in any
event, not less than thirty (30) days prior to the due date of such Assessment or
any installment thereof. In the event such notice is delivered less than thirty (30)
days prior to the due date of the Assessment to which such notice pertains,
payment of such Assessment shall not be deemed past due for any purpose if paid
by the Owner within thirty (30) days after the date of actual delivery of such
notice.

2. **Certificate of Assessments:** Upon request the Association shall promptly furnish
to any Owner, prospective purchaser, title insurance company, or Mortgagee, a
certificate in writing signed by an officer of the Association, setting forth the
extent to which Assessments have been levied and paid with respect to any Lot in
which the requesting party has a legitimate interest. For any person relying
thereon, such certificate shall be conclusive evidence that any Assessment
therein stated has been paid.

3. **Request for Notice from Mortgagee:** The Association shall notify any Mortgagee
from which it has received a request for notice:

a. of any default in the performance of any obligation under this Declaration
   by any Owner which is not remedied within sixty (60) days;

b. of any condemnation of casualty loss that affects either a material portion
   of the Development of the Lot securing its mortgage;

c. of any lapse, cancellation, or material modification of any insurance policy
d. of any proposed action which requires the consent of the Mortgagees or a specified percentage thereof, as set forth in the Declaration.

H. Association Remedies for Non-Payment of Assessments:

1. **Lien for Non-Payment of Assessment:** If any Assessment is not paid on the date when due, then such Assessment shall be deemed delinquent and shall, together with any interest thereon and any cost of collection thereof, including attorneys' fees, become a continuing lien on the Lot against which such Assessment was made, and such lien shall be binding upon and enforceable as a personal liability of the Owner of such Lot as of the date of levy of such Assessment, and shall be enforceable against the interest of such Owner and all future successors and assignees of such Owner in said Lot; provided however, that the lien of the Assessment provided for herein shall be subordinate to the lien of any first mortgage.

2. **Initiation of Action by Association for Non-Payment of Assessment:** If any Assessment upon any Lot is not paid within thirty (30) days after the due date, such Assessment and all cost of collection thereof, including attorneys' fees, shall bear interest from the date of delinquency until paid at a rate of eighteen percent (18%) per annum. The Association may bring an action against the delinquent Owner in any court having jurisdiction to enforce payment of the same and/or to foreclose the lien against Owner's Lot. There shall be added to the amount of such Assessment all costs of such action, including the Association's attorneys' fees, and in the event a judgment is obtained, such judgment shall include such interest, costs, and attorneys' fees.

I. **Adjustments:** In the event that the amounts actually expended by the Association for Common Expenses in any fiscal year exceed the amounts budgeted and assessed for Common Expenses for that fiscal year, the amount of such deficit shall be carried over and become an additional basis for Assessments for the following year, except that so long as the Declarant controls the Association, Declarant may, at its sole discretion, make up such deficit; provided, however, that Declarant shall be reimbursed by the Association for such funded deficits, together with interest at 18% per annum until so reimbursed, from available surpluses in later years or through a special assessment at the time of transfer of control of the Association to the Owners.

J. **Initial Assessments:** During the first year in which the date when the Declaration is recorded, the annual Assessment per Lot shall not exceed One Hundred Twenty-five Dollars ($125.00) for Class A members, payable annually. This amount shall not indicate amounts of future annual Assessments. Future Assessments shall be based on an annual budget and shall be for a full year.

Regular Assessments may be increased up to 15% each year without a vote of the membership; provided that proper notice is given to the Owners not less than thirty (30) days in advance of the meeting to approve the annual budget.

The Declarant, at its sole discretion, may advance to the Association any of the first year deficit and may be reimbursed by subsequent assessments.

K. **Notice and Quorum for Any Action to Increase Assessments In Excess of 15% or to Amend the Declaration:** Written notice of any meeting called for the purpose of increasing the regular or special Assessments of the Association or an Amendment to the Declaration shall be sent to all Owners not less than thirty (30) days in advance of the meeting. At the first such meeting called, the presence of Owners or of proxies entitled to
cast sixty percent (60%) of all the votes 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 shall be those Owners who are present at this subsequent meeting. A majority of the lots represented in this Quorum must approve the assessment or amendment.

L. **Subordination of the Lien to Mortgages:** The Lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. Provided, however, the sale or transfer of any Lot pursuant to the foreclosure of any first mortgage on such Lot (without the necessity of joining the Association in any such foreclosure action) or any proceedings or deed in lieu thereof shall extinguish the lien of all assessments becoming due prior to the date of such sale or transfer. If and to the extent this Paragraph is inconsistent with any other paragraph in the Declaration, then this paragraph shall prevail.

ARTICLE XIX
ANNEXATION

A. **Effective Date for Assessments and Voting Rights:** The regular assessment provided for in the Declaration shall commence for each Lot within the annexed area on the first day of the first month following the conveyance of the Lot to the Owner by the Declarant. A Builder may delay the commencement of a Lot assessment during the construction period for a maximum of six (6) months and upon the approval of Declarant. Voting rights of the Owners of the Lots within the annexed property shall be effective upon the same date, except the Declarant shall have the voting rights provided for in Article XV, Section B.

B. **Improvements:** All improvements intended for future sections shall be substantially completed prior to annexation. Any future improvements shall be consistent with the initial improvements within the Real Estate in terms of quality of construction and shall be approved by the appropriate governmental agencies.

C. **Equality of Rights:** All Lot Owners within an annexed area shall have the same rights, liabilities and obligations as all Owners within the Real Estate, subject to the rights, liabilities and obligations specifically set forth as to the Declarant or a Builder in other sections of this Declaration.

D. **Annexation Document:** Annexation shall be by written document including, but not necessarily limited to, the following information:

1. A description of the property to be annexed;
2. The identity of the Declarant;
3. The effective date of annexation;
4. A description of the Common Area to be owned by the Association, if any;
5. A cross-reference to this Declaration, as amended; and
6. Any other information which the Declarant may deem necessary to identify the annexed area.
IN WITNESS WHEREOF, the undersigned officer of Declarant has hereunto caused his name to be subscribed this 13th day of November, 1996.

DECLARANT
CEDAR RUN LIMITED, INC.,
an Indiana Corporation

BY:
Timmy J. Shroul, Vice President

STATE OF INDIANA)
COUNTY OF MARION) SS:

Before me, a Notary Public in and for said County and State, personally appeared Timmy J. Shroul, Vice President of Cedar Run Limited, Inc., an Indiana Corporation, who acknowledged the execution of the foregoing Declaration of Covenants, Conditions, Commitments, Restrictions, Easements and Assessments as such Officer acting for and on behalf of said Corporation, and who, having been duly sworn, stated that any representations herein contained are true.

Witness my hand and Notarial Seal this 13th day of November, 1996.

County of Residence:

My Commission Expires:

This instrument prepared by:
William T. Rees, Attorney at Law
8355 Rockville Road
Indianapolis, IN 46234
LEGAL DESCRIPTION
CLEAR CREEK — SECTION 1

Part of the Northeast Quarter of Section 8, Township 15 N, Range 1 E, in Center Township, Hendricks County, Indiana, being more particularly described as follows:

Commencing at the Northeast Corner of said Northeast Quarter Section; thence South on and along the East lines of said Section South 00 degrees 41 minutes 10 seconds East 488.20 feet to the POINT OF BEGINNING; thence continuing on and along said East line South 00 degrees 41 minutes 10 seconds East 171.02 feet; thence North 75 degrees 28 minutes 50 seconds West 106.51 feet to a point on a non-tangent curve concave westerly having a central angle of 02 degrees 56 minutes 14 seconds and a radius of 270.00 feet; thence Northerly along said curve an arc distance of 14.34 feet (said arc being subtended by a chord bearing North 19 degrees 01 minutes 33 seconds East and having a length of 14.34 feet); thence North 78 degrees 26 minutes 04 seconds West 125.66 feet; thence North 11 degrees 34 minutes 56 seconds East 17.51 feet; thence North 75 degrees 06 minutes 50 seconds West 146.33 feet to a point on a non-tangent curve concave westerly having a central angle of 02 degrees 33 minutes 26 seconds and a radius of 278.00 feet; thence Northerly along said curve an arc distance of 12.23 feet (said arc being subtended by a chord bearing North 10 degrees 23 minutes 14 seconds East and having a length of 12.23 feet); thence North 70 degrees 03 minutes 39 seconds West 140.01 feet; thence North 23 degrees 34 minutes 36 seconds East 60.78 feet; thence North 09 degrees41 minutes 10 seconds West parallel with the East line of said Quarter Section 144.00 feet; thence South 09 degrees 18 minutes 50 seconds West 122.04 feet; thence North 05 degrees 41 minutes 14 seconds West 70.00 feet to a point on a non-tangent curve concave westerly having a central angle of 02 degrees 41 minutes 40 seconds and a radius of 460.00 feet; thence Northerly along said curve an arc distance of 21.87 feet (said arc being subtended by a chord bearing North 08 degrees 06 minutes 07 seconds West 56 minutes 50 seconds East and having a length of 21.87 feet); thence South 36 degrees 18 minutes 50 seconds West 23.22 feet; thence North 35 degrees 00 minutes 16 seconds West 16 minutes 16 seconds West 42.55 feet; thence North 26 degrees 00 minutes 00 seconds East 175.26 feet; thence South 70 degrees 00 minutes 00 seconds West 174.49 feet; thence North 20 degrees 00 minutes 00 seconds East 15.89 feet; thence South 05 degrees 15 minutes 00 seconds West 15.89 feet; thence North 35 degrees 45 minutes 32 seconds West 170.93 feet to a point on a non-tangent curve concave Southwesterly having a central angle of 03 degrees 28 minutes 25 seconds and a radius of 401.00 feet; thence Southwesterly along said curve an arc distance of 24.23 feet (said arc being subtended by a chord bearing South 49 degrees 22 minutes 16 seconds East and having a length of 24.23 feet); thence North 48 degrees 21 minutes 07 seconds West 226.17 feet; thence North 50 degrees 22 minutes 01 seconds East 149.63 feet; thence North 07 degrees 30 minutes 00 seconds West 75.03 feet; thence North 16 degrees 45 minutes 09 seconds West 190.31 feet; thence North 07 degrees 40 minutes 02 seconds East 94.49 feet; thence North 05 degrees 51 minutes 09 seconds East 125.97 feet to a point on a non-tangent curve concave Northwesterly having a central angle of 13 degrees 29 minutes 46 seconds and a radius of 325.00 feet; thence Northerly along said curve an arc distance of 76.66 feet (said arc being subtended by a chord bearing North 74 degrees 53 minutes 08 seconds West and having a length of 76.66 feet); thence North 06 degrees 05 minutes 16 seconds West 130.84 feet; thence North 21 degrees 51 minutes 06 seconds West 50.00 feet to a point on a non-tangent curve concave Northwesterly having a central angle of 24 degrees 45 minutes 55 seconds and a radius of 16.00 feet; thence Northerly and Southwesterly along said curve an arc distance of 22.23 feet (said arc being subtended by a chord bearing North 25 degrees 45 minutes 19 seconds East and having a length of 22.23 feet) to the point of reverse curvature of a curve concave Easterly having a central angle of 17 degrees 15 minutes 13 seconds and a radius of 355.00 feet; thence Northerly along said curve an arc distance of 99.42 feet (said arc being subtended by a chord bearing North 09 degrees 15 minutes 31 seconds West and having a length of 99.42 feet); thence North 00 degrees 14 minutes 36 seconds East 182.43 feet to the North line of said Section; thence South 45 degrees 48 minutes 24 seconds East on and along said North line 75.00 feet; thence South 00 degrees 14 minutes 36 seconds West 175.66 feet to a tangent curve concave Easterly having a central angle of 25 degrees 14 minutes 36 seconds and a radius of 58.50 feet; thence Southerly and Southwesterly along said curve an arc distance of 158.63 feet (said arc being subtended by a chord bearing North 13 degrees 02 minutes 42 seconds East and having a length of 158.63 feet); thence South 25 degrees 00 minutes 00 seconds East 115.74 feet; thence North 34 degrees 05 minutes 21 seconds East 255.75 feet; thence South 04 degrees 22 minutes 33 seconds East 249.30 feet; thence South 05 degrees 07 minutes 18 seconds East 518.95 feet to the POINT OF BEGINNING; containing 42.5 acres, more or less; subject, to all restrictions, easements, and Rights-of-Way of Record.

Exhibit "A"
300/COVE

BOOK 157 PAGE 07
# DECLARATIONS OF COVENANTS, CONDITIONS AND RESTRICTIONS OF CLEAR CREEK SUBDIVISION, SECTION I, VILLAGE HOMES DANVILLE, INDIANA

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DECLARATIONS OF COVENANTS, CONDITIONS 
AND RESTRICTIONS OF 
CLEAR CREEK SUBDIVISION, SECTION I, VILLAGE HOMES

This Declaration is made this 24th day of July, 1997, by Cedar Run Limited, Inc. (hereinafter, collectively, "Declarant"),

WITNESSETH:

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

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

WHEREAS, Declarant deems it desirable, for the efficient preservation of the values of the Real Estate, to create an agency to which shall be delegated and assigned the powers of administering and enforcing the covenants and restrictions contained in this Declaration, collecting and disbursing the assessments and charges imposed and created hereby and hereunder, and promoting the health, safety and welfare of the owners of the Real Estate, and all parts thereof; and

WHEREAS, Declarant has or will cause to be incorporated under the laws of the State of Indiana a not-for-profit corporation under the name of Cleer Creek Village Homes, Inc., or a similar name, as such agency for the purpose of exercising such functions;

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

ARTICLE I

Definitions

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

(a) "Act" shall mean and refer to the Indiana Not-For-Profit Corporation Act currently in
force;

(b) "Applicable Date" shall mean and refer to the date determined pursuant to Article IV,
Section 2(b) of this Declaration;

(c) "Articles" shall mean and refer to the Articles of Incorporation of the Corporation, as
the same may be amended from time to time;

(d) "Board" or "Board of Directors" shall mean and refer to the governing body of the
Corporation elected, selected or appointed as provided for in the Articles, By-Laws and
the Declaration;

(e) "Builder" shall mean and refer to the building contractor who purchases a Lot from the
Declarant and constructs the Dwelling Units.

(f) "Building" shall mean and refer to the structure consisting of the "Dwelling Units";

(g) "By-Laws" shall mean and refer to the Code of By-Laws of the Corporation, as the
same may be amended from time to time;

(h) "Common Expenses" shall mean and refer to expenses of administration of the
Corporation, and expenses for the upkeep, maintenance, repair and replacement of the
Common Properties, all sums lawfully assessed against the Owners by the Corporation,
and all sums, costs and expenses declared by this Declaration to be Common Expenses;

(i) "Common Properties" shall mean and refer to (i) improvements located, installed or established in, to, on, under, across, or through the Real Estate or on Lots; and (ii) items deemed Common Properties for purposes of maintenance, but not the Dwelling Unit for Real Estate tax purposes;

(j) "Community Declaration" shall mean and refer to the Declaration recorded November 22, 1996 under Instrument No. 96-24666, Book 157, Pages 483-507 in the records of the Office of the Recorder of Hendricks County, Indiana.

(k) "Corporation" shall mean and refer to Clear Creek Village Homes, Inc., an Indiana not-for-profit corporation which Declarant has or will cause to be incorporated under such name or a similar name, its successors and assigns;

(l) "Declarant" shall mean and refer to Cedar Run Limited, Inc. and any successors or assigns whom they designate in one or more written recorded instruments to have the rights of Declarant hereunder, including, but not limited to, any mortgagee acquiring title to any portion of the Real Estate pursuant to the exercise of rights under, or foreclosure of, mortgage executed by Declarant;

(m) "Dwelling Unit" shall mean and refer to any building, structure or portion thereof situated on the Real Estate designed and intended for use and occupancy as a residence by one (1) single family, whether such dwelling is detached or attached to another Dwelling Unit and shall include that portion of the Lot upon which it resides and shall be deeded to an Owner;

(n) "Lot" shall mean and refer to any and each portion of the Real Estate designed and intended for use as a building site for, or developed and improved for use as a two (2) family Dwelling Unit;

(o) "Mortgagee" shall mean and refer to the holder of a recorded first mortgage lien on a Lot or Dwelling Unit;

(p) "Owner" shall mean and refer to the record owner, whether one or more persons of the fee simple title to any Dwelling Unit, but in any event shall not include or mean to refer to a mortgagee or tenant unless and until such mortgagee or tenant has acquired title to any Dwelling Unit but upon so acquiring title to any Dwelling Unit a mortgagee or tenant shall be owner;

(q) "Person" shall mean and refer to an individual, firm, corporation, partnership, association, trust, or other legal entity, or combination thereof;

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

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

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

(u) "Village Home" shall mean and refer to Dwelling Units which are a part of the Building.

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

ARTICLE II

Declaration; Common Properties and Rights Therein; Easements

Section 1. Declaration. Declarant hereby expressly declares that the Real Estate shall be held, transferred, and occupied subject to the Restrictions. Subsequent owners or contract purchasers of any Dwelling Unit (i) by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Declarant or a subsequent Owner of such Dwelling Unit, or (ii) by the act of occupancy of any Dwelling Unit, shall accept such deed or execute such contract subject to each Restriction and agreement herein contained. By acceptance of such deed or execution of such contract, each Owner or contract purchaser acknowledges the rights and powers of Declarant and of the Corporation with respect to these Restrictions, and also for itself, its heirs, personal representatives, successors and assigns, covenants, agrees and consents to and with Declarant, the Corporation, and the Owners and subsequent Owner of each of the Dwelling Units affected by these Restrictions to keep, observe, comply with and perform such Restrictions and agreement.
Section 2. Easement to Owner. Declarant hereby grants a non-exclusive easement in favor of each Owner for the use, enjoyment and benefit of the Common Properties, subject to all of the Restrictions of this Declaration, and such easement shall be an easement running with and appurtenant to each Dwelling Unit.

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

Section 4. Encroachment Easements. If any portion of any Dwelling Unit encroaches upon the Common Properties or another Dwelling Unit or Lot as a result of construction, reconstruction, repair, shifting, settlement or movement of any portion of the improvements, a valid easement shall be deemed to exist and run to the Corporation or to the Owner of the encroaching Lot or improvement for the encroachment and for the maintenance thereof so long as such encroachment exists.

ARTICLE III

Obligations of Declarant

as to Common Properties; Dedication

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

(a) installation of utility equipment, facilities and systems to serve the Village Homes and the Common Properties,

(b) perimeter treatment of the Real Estate, including landscaping.

Upon final construction or provision of the Common Properties described in this Section 1, and prior to the closing of the first sale of a Lot subject to this Declaration, Declarant covenants to convey all of its right, title and interest in and to such Common Properties to the Corporation and all such right, title and interest in and to such items (whether owned in fee, by leasehold or in the nature of an easement or license) shall then be the property of the Corporation, whether or not the same may be located entirely or partially on any one or more of the Lots. As to any of such items of and constituting the Common Properties located entirely or partially on any one or more of the Lots, the Owners of such Lots shall have only non-exclusive easement rights therein, as described in Article II, Section 2 of this Declaration.

ARTICLE IV

Corporation; Membership; Voting; Functions

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

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

(a) Class A. Class A members shall be all Owners except Class B members. Each Class A member shall be entitled to one (1) vote for each Dwelling Unit of which such member is the Owner with respect to each matter submitted to a vote of members upon which the Class A members are entitled to vote. When more than one (1) Person constitutes the Owner of a particular Dwelling Unit, all such persons shall have only one (1) vote for such Dwelling Unit, which vote shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Dwelling Unit.

(b) Class B. Class B members shall be Declarant and all successors and assigns of Declarant designated by Declarant as Class B members in a written notice mailed or delivered to the resident agent of the Corporation. Each Class B member shall be entitled to three (3) votes for each Lot or Dwelling Unit of which it is the Owner on all matters requiring a vote of the members of the Corporation. The Class B membership shall cease and terminate upon the first to occur of (i) the total votes outstanding in the Class A membership equal eighty percent of the total votes of Class A and Class B members or (ii) December 30, 2000 ("Applicable Date").

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

ARTICLE V

Board of Directors

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

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

Section 3. Additional Qualifications. Where an Owner consists of more than one Person or is a partnership, corporation, trust or other legal entity, then one of the Persons constituting the multiple Owner, or a partner or an officer or trustee shall be eligible to serve on the Board of Directors, except that no single Dwelling Unit may be represented on the Board of Directors by more than one Person at a time.

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

Section 5. Removal of Directors. A Director or Directors, except the members of the Initial Board, may be removed with or without cause by vote of a majority of the votes entitled to be cast at a special meeting of the Owners duly called and constituted for such purpose. In such case, his successor shall be elected at the same meeting from eligible Owners nominated at the meeting. If no eligible Owner is available, the Directors may choose to operate as a Board despite the vacancy, until a new Owner becomes eligible. A Director so elected shall serve until the next annual meeting of the Owners and until his successor is duly elected and qualified.

Section 6. Duties of the Board of Directors. The Board of Directors shall be the governing body of the Corporation representing all of the Owners and being responsible for the functions and duties of the Corporation, including but not limited to, providing for the administration of the Real Estate, the management, maintenance, repair, upkeep and replacement of the Common Properties (unless the same are otherwise the responsibility or duty of Owners), and the collection and disbursement of the Common Expenses. After the Applicable Date, the Board may, on behalf of the
Corporation, employ a reputable property management agent ("Managing Agent") upon such terms as the Board shall find, in its discretion, reasonable and customary. The Managing Agent, if one is employed, shall assist the board in carrying out its duties, which include, but are not limited to:

(a) maintenance, repair, replacement and upkeep of the Common Properties (or items deemed Common Properties for purposes of maintenance).

(b) protection, surveillance and replacement of the Common Properties, unless the same are otherwise the responsibility or duty of Owners of Dwelling Units; provided, however, that this duty shall not include or be deemed or interpreted as a requirement that the Corporation, the Board or any Managing Agent must provide any on-site or roving guards, security service or security system for protection or surveillance, and the same may, but need not be, furnished;

(c) maintenance of utilities used in connection with the Lots and Dwelling Units in the Village Home Area;

(d) removal of trash and waste from the Real Estate as the same may be needed;

(e) snow removal from the Common Properties and from streets dedicated to the public;

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

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

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

(i) keeping a current, accurate and detailed record of receipts and expenditures affecting the Common Properties and the business and affairs of the Corporation, specifying and itemizing the Common Expenses; all records and vouchers shall be available for examination by an Owner at any time during normal business hours;

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

(k) paying taxes assessed against and payable with respect to the Common Properties and paying any other necessary expenses and costs in connection with the Common
Properties;

(l) making available to Owners and Mortgagees, and to holders, insurers or guarantors of any first mortgage, current copies of this Declaration, the By-Laws or other rules concerning the Subdivision and the books, records and financial statements of the Corporation. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances;

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

Section 7. Powers of the Board of Directors. The Board of Directors shall have such powers as are reasonable and necessary to accomplish the performance of their duties. These powers include, but are not limited to, the power:

(a) to employ a Managing Agent to assist the Board in performing its duties; provided that no employment agreement with the Declarant (or any entity affiliated with the Declarant) as Managing Agent or for any other service shall be for more than three (3) years after the Applicable Date and further provided that after the Applicable Date any such agreement shall be subject to termination by either party without cause and without payment of termination fee upon ninety (90) days written notice to the other party;

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

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

(d) to employ, designate, discharge and remove such personnel as in the judgment of the Board of Directors may be necessary for the maintenance, upkeep, repair and replacement of the Common Properties;

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

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

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

Section 8. Limitation on Board Action. The Board's powers are subject to the following limitations.

(a) After the Applicable date, the authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than $2,500.00 without obtaining the prior approval of a majority of the Owners, except that in the following cases such approval shall not be necessary.

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

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

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

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

(i) by act or omission abandon, partition, subdivide, encumber, sell or transfer the Common Properties owned by the Corporation (provided, the granting of easement for public utilities or for other public purposes shall not be deemed a transfer within the meaning of this clause);
(ii) by act or omission change, waive or abandon any scheme or regulations, or enforcement thereof, pertaining to the architectural design of the exterior appearance of Dwellings, the exterior maintenance of Dwellings, the maintenance of sidewalks in the Common Properties or common fences, or the upkeep of lawns;

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

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

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

Section 10. Non-Liability of Directors. The Directors shall not be liable to the Owners or any other Persons for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith or gross negligence. The Corporation shall indemnify and hold harmless and defend each of the Directors against any and all liability to any person, firm or corporation arising out of contracts made by the Board on behalf of the Corporation, unless any such contract shall have been made in bad faith. Directors shall not have personal liability with respect to any contract made by them on behalf of the Corporation.

Section 11. Additional Indemnity of Directors. The Corporation shall indemnify, hold harmless and defend any Person, his heirs, assigns and legal representatives, made a part to any action, suit or proceeding by reason of the fact that such person is or was a Director of the Corporation, against the reasonable expenses, including attorneys' fees, actually and necessarily
incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal thereof, except as otherwise specifically provided herein. The Corporation shall also reimburse to any such Director the reasonable costs of settlement of or judgment rendered in any action, suit or proceeding, if it shall be found by a majority vote of the Owners that such Director was not guilty of gross negligence or misconduct. In making such findings and notwithstanding the adjudication in any action, suit or proceeding against a Director, no Director shall be considered guilty of or liable for negligence or misconduct in the performance of his duties where, acting in good faith, such Director relied on the books and records of the Corporation or statements or advice made by or prepared by the Managing Agent (if any) or any officer or employee thereof, or any accountant, attorney or other person, firm or corporation employed by the Corporation to render advice or service unless such Director had actual knowledge of the falsity or incorrectness thereof, nor shall a Director be deemed guilty of or liable for negligence or misconduct by virtue of the fact that he failed or neglected to attend a meeting or meetings of the Board of Directors.

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

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

ARTICLE VI

Real Estate Taxes, Utilities

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

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

Maintenance, Repairs and Replacements

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

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

(a) Maintenance, repairs, replacements and upkeep of the Common Properties shall be furnished by the Corporation, as a part of its duties, and the cost thereof shall constitute a part of the Common Expenses.
(b) In addition to maintenance of Common Properties, the Corporation, as part of its duties, and as part of the Common Expenses, shall provide for:

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

(ii) maintenance of the lawns, which shall be considered part of the Common Properties for purposes of maintenance only. Maintenance of lawns shall include but shall not be limited to the fertilizing, mowing and re-planting when necessary of the grass; and the care, fertilizing, trimming, removal and replacement of trees planted by the Declarant. It shall not include the care and maintenance of shrubs, trees which were not planted by Declarant, flowers or other plants on any Lot. It is the responsibility of each Owner to water his own lawn. If the Owner fails to water his own lawn, the Corporation has the right, but not the obligation, to water his lawn by using the water bibs of the noncomplying Owner and charge the Owner for the labor cost to perform the watering. Firewood may not be stored on the grass nor placed against siding. Also, the Owner shall keep his/her garage coach lites on from dusk to dawn as part of the security plan for the Community. The Association shall provide replacement bulbs.

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

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

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

ARTICLE VIII

Architectural Control

Section 1. The Architectural Review Board. All plans shall be submitted to the Committee established under the Community Declaration for approval.

ARTICLE IX

Party Walls

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

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

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

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

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

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator from among disinterested Owners, and such arbitrators shall choose an additional arbitrator, who need not be an Owner, and the decision shall be by a majority of all the arbitrators. (Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor from another party, the Board of Directors of the Corporation shall select an arbitrator for the refusing party.)
ARTICLE X

Assessments

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

Section 2. Proposed Annual Budget. Annually, on or before the date of the annual meeting of the Corporation, the Board of Directors shall cause to be prepared a proposed annual budget for the current fiscal year estimating the total amount of the Common Expenses for the current fiscal year and shall furnish a copy of such proposed budget to each Owner at or prior to the time the notice of such annual meeting is mailed or delivered to such Owners. The proposed Budget shall be presented at the annual meeting of the Corporation for adoption and, if so adopted, shall be the basis for the Regular Assessments (herein defined) for the current fiscal year. At the annual meeting of the Owners, the budget may be approved in whole or in part or may be amended in whole or in part by a majority vote of the Owners present at the annual meeting; provided that any increase of more than fifteen percent (15%) must be approved by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy; provided further, however, that in no event shall the annual meeting of the Owners be adjourned until an annual budget is approved and adopted at such meeting, either the proposed annual budget or the proposed annual budget as amended. The annual budget, the Regular Assessments and all other sums assessed by the Corporation shall be established by using generally accepted accounting principles applied on a consistent basis. The annual budget and the
Regular Assessments shall be drawn to include the establishment and maintenance of a replacement reserve fund for capital expenditures and replacement and repair of the Common Properties and capital expenditures and replacement and repair of those items deemed Common Properties for purposes of maintenance only as defined in Article VII, Section 2(b), which replacement reserve fund shall be used for those purposes and not for usual and ordinary repair expenses of the Common Properties. Such replacement reserve fund for capital expenditures and replacement and repair of the Common Properties shall be maintained by the Corporation in a separate interest-bearing account with one or more banks, savings and loan associations, or other financial institution or brokerage house authorized to conduct business in Hendricks or Marion County, Indiana, as may be selected from time to time by the Board. The failure or delay of the Board of Directors to prepare a proposed annual budget and to furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner of the obligations of the Owners to pay the Common Expenses as provided, whenever determined. Whenever, whether before or after the annual meeting of the Corporation, there is no annual budget approved by the Owners as herein provided for such current fiscal year, the Owners shall continue to pay Regular Assessments based upon the last approved budget or, at the option of the Board, based upon one hundred and fifteen percent (115%) of such last approved budget, as a temporary budget.

Section 3. Regular Assessments. The annual budget adopted by the Owners shall contain a proposed assessment against each Dwelling Unit, which shall be computed as follows: all estimated Common Expenses plus (i) the estimated cost of the master casualty insurance policy provided for in Article XII Section 1 and (ii) the estimated cost of maintenance to be performed by the Corporation pursuant to Article VII, Section 2(b), shall be divided by the total number of Dwelling
Units and the quotient shall be the Regular Assessment for each Dwelling Unit. The portions of the
Regular Assessment attributable to the replacement reserve funds shall be computed as a part of the
estimated Common Expenses. Nothing contained herein shall make Declarant, as to Lots without
Dwelling Units, responsible for the expenses described in (i) and (ii) above.

Immediately following the adoption of the annual budget, each Owner shall be given written
notice of the assessment against his respective Dwelling Unit (herein called the "Regular
Assessment"). In the event the Regular Assessment for a particular fiscal year is initially based upon
a temporary budget, such Regular Assessment shall be revised, within fifteen (15) days following
adoption of the final annual budget by the Owners, to reflect the assessment against each Dwelling
Unit based upon the annual budget finally adopted. The Regular Assessment against each Dwelling
Unit shall be paid in advance in equal quarterly installments commencing on the first day of the first
month of each fiscal year and quarterly thereafter through and including the first day of the last month
of such fiscal year. Payment of the Regular Assessment shall be made to the Board of Directors;
provided, however, Owners may elect to pay their assessments semi-annually or annually, in advance.
In the event the Regular Assessment for a particular fiscal year of the Corporation was initially based
upon a temporary budget,

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

(b) if the Regular Assessment based upon the temporary budget exceeds the Regular
Assessment based upon the final annual budget adopted by the Owners, such excess
shall be credited against the next payment or payments of the Regular Assessment
coming due until the entire amount of such excess has been credited; provided,
however, that if an Owner paid his Regular Assessment either semi-annually or annually
in advance, then the adjustments set forth under (a) or (b) above shall be made by a cash payment by, or refund to, the Owner on the first day of the second month following the determination of the Regular Assessment based upon the annual budget finally adopted by the Owners.

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

Each Owner of a Dwelling Unit shall prepay to the Corporation at the time his Dwelling Unit is conveyed to such Owner an amount equal to three (3) monthly installments of the amount required
to pay for the Dwelling Unit Owner's pro-rata portion of the master casualty insurance policy based upon the budget for the current fiscal year and the Owner shall maintain such prepayment account at all times. The Corporation shall hold such pre-paid funds in a separate escrow account for the purchase of insurance as provided in Article XII, Section 1. This prepayment of the master casualty insurance is in addition to the insurance cost included in the monthly assessment because insurance is paid in advance of the coverage period.

Section 4. Special Assessments. From time to time Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time, unless otherwise provided in this Declaration, the Articles, the By-Laws or the Act, the Board of Directors shall have the full right, power and authority to make special assessments which, upon resolution of the Board, shall become a lien on each Dwelling Unit, pro-rated in equal shares ("Special Assessment"); provided, that any such assessment shall have the assent of sixty-seven percent (67%) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose. Without limiting the generality of the foregoing, Special Assessments may be made by the Board of Directors from time to time to pay for capital expenditures and to pay for the cost of any repair or reconstruction of damage caused by fire or other casualty or disaster to the extent insurance proceeds are insufficient therefor under the circumstances described in this Declaration.

Section 5. Failure of Owner to Pay Assessment.

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

(b) The lien provided for herein shall be subordinate to the lien of any first mortgage. Notwithstanding anything contained in this Section or elsewhere in this Declaration, the Articles or the By-Laws, any sale or transfer of a Dwelling Unit to a Mortgagee pursuant to a foreclosure on its mortgage or conveyance in lieu thereof, or a conveyance to any person at a public sale in the manner provided by law with respect to mortgage foreclosures, shall extinguish the lien of any unpaid installment of any Regular or Special Assessment as to such installments which became due prior to such sale, transfer or conveyance; provided, however, that the extinguishment of such lien shall not relieve the prior owner from personal liability therefor. No such sale, transfer or conveyance shall relieve the Dwelling Unit or the purchaser at such foreclosure sale, or grantee in the event of conveyance in lieu thereof, from liability for any installments of Regular or Special Assessments thereafter becoming due or from the lien therefor. Such unpaid share, the lien for which has been divested as provided above, shall be deemed to be a Common Expense, collectible from all Owners (including the party acquiring the subject Dwelling Unit from which it arose).

Section 6. Initial and Annual Budgets and Assessments. Notwithstanding anything to the contrary contained herein, in the Articles, in the By-Laws, in the Act or otherwise, until the Applicable Date the annual budget and all Regular and Special Assessments shall be established by the Initial Board without meeting of or concurrence of the Owners.
Further, until the Applicable Date, the Regular Assessments are and shall be established as follows:

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

(i) the Regular Assessment shall be pro-rated on a daily basis for any period of time less than a month (the amount required to fund the insurance escrow shall be in addition to the Regular Assessment), and

(ii) the Regular Assessment shall be one-half (50%) of the amount of the Regular Assessment set forth in Subparagraph (i) for each Dwelling Unit owned by Declarant and not rented. Should Declarant own and rent a Unit for a period exceeding one year, such assessment shall be the regular assessment.

Section 7. Payment of Assessments. The following policies shall govern regarding the payment of Regular and Special Assessments.

1. All assessments are due the first day of each Quarter.

2. Any assessment payment not received in the office of the management company by the 15th day of the month in which it is due shall be termed delinquent.

3. At the time an assessment becomes delinquent, a late charge of $40.00 will be added to the account. A notice of delinquency shall be mailed to the Owner, which notice shall include the amount of the delinquent payment, the late charge and the total amount remaining unpaid.

4. If a delinquent account remains unpaid on the last day of any quarterly calendar month, interest will be charged to the account at the rate of 1.25% per month (15% APR).

5. The interest will be calculated on the total account balance (including assessment fees, late fees, interest, fines, legal costs, and any other amounts which have been properly added to the homeowner's account) as of the first day of the quarter less any payments received during the quarter. Charges posted to the account after the first of the quarter will not be subject to interest during the quarter in which the charges are posted.

6. Minimum charge: A minimum charge of $.50 will be assessed to the account in any quarter in which an interest charge of less than $.50 would otherwise be imposed.

7. If within fifteen (15) days of the mailing of notification, the account still remains delinquent, a list of the property(ies) in question and the names of the Owners shall be
turned over to counsel for the Association who shall send notice of non-payment and intent to file a lien. The charge for this procedure shall be added to the delinquent account.

8. If within fifteen (15) days of the attorney's notice the account still remains delinquent, counsel shall cause the lien(s) to be recorded and shall take other appropriate legal action. All legal fees will be added to the delinquent account and will be payable by Owner.

9. If after one hundred five (105) days from the due date the account remains unpaid, foreclosure proceedings shall be undertaken. All legal fees incurred will be charged back to the Owner for payment.

10. At the same time as the delinquent account is turned over to counsel, the right of the delinquent Owner to vote, to serve on the Board of Directors or to serve on any committee established by the Board shall be suspended until delinquent assessments have been paid, unless relief is granted by special resolution of the Board of Directors.

ARTICLE XI
Mortgages

Section 1. Notice to Corporation. Any Owner who places a first mortgage lien upon his Dwelling Unit, or the Mortgagee, shall notify the Secretary of the Corporation thereof and provide the name and address of the Mortgagee. A record of such Mortgagee's name and address shall be maintained by the Secretary and any notice required to be given to the Mortgagee pursuant to the terms of this Declaration, the By-Laws or otherwise, shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record. Unless notification of any such mortgage and the name and address of Mortgagee are furnished to the Secretary, either by the Owner or the Mortgagee, no notice to which such Mortgagee as may be otherwise required by this Declaration, the By-Laws or otherwise shall be required and no Mortgagee shall be entitled by virtue of this Declaration, the By-Laws, a proxy granted to such Mortgagee in connection with the mortgage, or effectively given to the Mortgagee pursuant to the terms of this Declaration, the By-Laws or
otherwise shall be deemed effectively given if mailed to such Mortgagee at the address shown in such
record in the time provided. Unless notification of any such mortgage and the name and address of
Mortgagee are furnished to the Secretary, either by the Owner or the Mortgagee, no notice to which
such Mortgagee may otherwise be entitled shall be required.

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

(i) any condemnation loss or any casualty loss which affects a material portion of the
subdivision or any Dwelling Unit on which there is a first mortgage;

(ii) any default in the performance by its borrower of any obligations of such
borrower under this Declaration or the By-Laws which is not cured within sixty
(60) days;

(iii) any lapse, cancellation or material modification of any insurance policy or fidelity
bond maintained by the Corporation; and

(iv) any proposed action which would require the consent or approval of Mortgagees
under the terms of this Declaration or the regulations of either FNMA or
FNMLC.

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

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

ARTICLE XII

Insurance

Section 1. Casualty Insurance.

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

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

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

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

Section 2. Public Liability Insurance. The Corporation shall also purchase a master
comprehensive public liability insurance policy in such amount or amounts as the Board of Directors
shall deem appropriate from time to time; provided, such coverage shall be at least One Hundred
Thousand Dollars ($100,000.00) for bodily injury, including deaths of persons and property damage
arising out of a single occurrence. Such comprehensive public liability insurance policy shall cover all of the Common Properties and shall insure the Corporation, the Board of Directors, any committee or organ of the Corporation or Board, and Managing Agent appointed or employed by the Corporation, all persons acting or who may act as agents or employees of any of the foregoing with respect to the Real Estate, all Owners of Dwelling Units and all other persons entitled to occupy any Lot or Dwelling Unit. Such public liability insurance policy shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Corporation or other Owners.

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

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

In no event shall any distribution of insurance proceeds be made by the Board of Directors directly to an Owner where there is a mortgagee endorsement on the certificate of insurance or insurance policy or the Board has notice of a Mortgagee as it applies to such Owner's share of such proceeds. In such event any remittances shall be to the Owner and his Mortgagee jointly. The same restriction on distribution shall apply to the distribution of any condemnation awards in connection with any taking of any of the Common Properties. Notwithstanding the foregoing, under no circumstances shall any distribution of insurance proceeds in excess of amounts needed to repair damage or pay off any first mortgage or any condemnation awards to be made by the Corporation to any Owners or Mortgagees if to do so would be in violation of the Act or if the same would constitute a distribution of earnings, profits or pecuniary gain to the members of the Corporation; in any event, any such insurance proceeds or condemnation awards shall be retained by the Corporation for use in the payment of its expenses of operation.

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

**ARTICLE XIII**

**Casualty and Restoration; Condemnation; Termination**

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

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

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

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

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

Section 2. Total or Partial Condemnation.

(a) In the event of the condemnation of all or any part of the Common Properties or all or any part of any Building, Dwelling Unit or Lot, the Board is hereby authorized to negotiate with the condemning authority and/or to contest an award made for the appropriation of such Common Properties, Building or Dwelling Units. For the purpose of such negotiation and/or of contest of such award to the Board as to Building and Dwelling Units and Lots, the Board is hereby declared to be the agent and attorney-in-fact of any Owner affected by the condemnation. This appointment of the Board shall be deemed coupled with an interest and shall be irrevocable. Nothing contained herein, however, shall preclude any Owner from asserting any rights or claims to compensation which cannot be legally asserted by the Board.
(b) Awards for the taking of all or part of a Building, Dwelling Unit or Lot shall be
collected by the Board and distributed to the affected Owners. To the extent possible,
negotiated awards or awards resulting from a contest shall specify the allocation of the
award among Owners affected. In the event that an Owner does not agree with the
distribution of an award, such Owner shall be entitled to have the dispute settled by
arbitration. The protesting Owner shall appoint one arbitrator, the Board acting as
agent for all other affected Owners shall appoint one arbitrator and the two appointed
arbitrators shall appoint a third arbitrator. A majority decision of the arbitrators shall
be binding on all Owners and shall be enforceable.

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

ARTICLE XIV

Restrictions, Covenants and Regulations

Section 1. Restrictions on Use. The following covenants and restrictions on use and
enjoyment of the Lots, Dwelling Units and Common Properties shall be in addition to any other
covenants or restrictions contained herein or in any plat of any part of the Real Estate heretofore or
hereafter recorded, and all such covenants and restrictions are for the mutual benefit and protection
of the present and future Owners and shall run with the land and inure to the benefit of and be
enforceable by any Owner, or by the Corporation. Present or future Owners or the Corporation shall
be entitled to injunctive relief against any violations thereof, but there shall be no right of reversion
or forfeiture resulting from such violation. These covenants and restrictions are as follows:

(a) All Lots and Dwelling Units shall be used exclusively for residential purposes.

(b) Nothing shall be done or kept in any Dwelling Unit, or on any Lot, or on the Common Properties which will cause an increase in the rate of insurance on any Dwelling Unit or the contents thereof or on any Common Properties. No Owner shall permit anything to be done or kept in his Dwelling Unit or on his Lot or on any of the Common Properties which will result in a cancellation of insurance on any Dwelling Unit or any part of the Common Properties, or which would be in violation of any law or ordinance or the requirements of any insurance underwriting or rating bureau.

(c) No nuisance shall be permitted and no waste shall be committed in any Dwelling Unit or on any Lot.

(d) No Owner shall cause or permit anything to be hung or displayed on the outside of the windows of his Dwelling Unit or placed on the outside walls of any building, and no sign, awning, canopy, shutter or radio or television antenna or other attachment or thing shall be affixed to or placed upon the exterior walls or roofs or any other parts of the Dwelling Unit without the prior consent of the Architectural Review Board.

(e) No animals, livestock or poultry of any kind shall be raised, bred or kept in any Dwelling Unit or on any Lot or any of the Common Properties, except that pet dogs, cats or customary household pets may be kept in a Dwelling Unit, provided that such pet is not kept, bred or maintained for any commercial purpose, and does not create a nuisance. Pets shall be taken outdoors only under leash or other restraint and while attended by its Owner and an Owner shall be fully liable for any injury or damage to persons or property, including the Common Properties, caused by his pet. The tethering of pets in any area outside an Owner’s Dwelling Unit does not constitute “attended”. The Board may adopt such other rules and regulations regarding pets as it may deem necessary from time to time including, but not limited to, a requirement that an Owner desiring to bring or maintain a pet on the Real Estate shall deposit with the Board a security deposit in an amount to be determined by the Board to cover any damage that may be caused by such pet to the Common Properties. Any such security deposit shall be returned to the Owner when the pet is permanently removed from the Real Estate, except to the extent said deposit has been used or is needed to repair damage caused by such pet. Any requirement for the depositing of such security deposit shall not be deemed to relieve or in any way limit an Owner’s responsibility and liability for injury and damage caused by his pets. Any pet which, in the judgment of the Board, is causing or creating a nuisance or unreasonable disturbance or noise, shall be permanently removed from the Real Estate within ten (10) days after written notice from the Board to the respective Owner to do so.

(f) Nothing shall be done or permitted in any Dwelling Unit or on any Lot which will
impair the structural integrity of any of the Common Properties or which would structurally change any of the Common Properties. No Dwelling Unit or Lot shall be used in any unlawful manner or in any manner which might cause injury to the reputation of the Village Homes developed on the Real Estate, or which might be a nuisance, annoyance, inconvenience or damage to other Owners and occupants of Dwelling Units or neighboring property, including without limiting the generality of the foregoing, noise by the use of any musical instruments, radio, television, loud speakers, electrical equipment, amplifiers or other equipment or machines or loud persons.

(g) No clothes, sheets, blankets, rugs, laundry or other things shall be hung out or exposed on, or so as to be visible from, any part of the Common Properties or any public street. The Common Properties shall be kept free and clear of rubbish, debris and other unsightly materials.

(h) No industry, trade, or other commercial or religious activity, educational or otherwise, designed for profit, altruism or otherwise, shall be conducted, practiced or permitted on the Real Estate. No soliciting is permitted within the Village Home Community.

(i) No "for sale", "for rent" or "for lease" signs, or other signs, or other window or advertising display shall be maintained or permitted on any part of the Real Estate, any Lot or any Dwelling Unit without the prior consent of the Board; provided, however, that the right is reserved by the Declarant and the Board to place or allow to be placed "for sale" or "for lease" signs on or about the Real Estate in connection with any unsold or unoccupied Lots and Dwelling Units and nothing contained herein shall be construed or interpreted to affect or restrict the activities of Declarant in the marketing, advertising or sale of Lots or Dwelling Units as a part of the development of this Village Home Community.

(j) All Owners and members of their families, their guests, or invitees, and all occupants of any same and to use and enjoy the Common Properties or any part thereof, shall observe and be governed by such rules and regulations as may from time to time be promulgated and issued by the Board governing the operation, use and enjoyment of the common Properties.

(k) No boats, campers, trailers of any kind, buses, mobile homes, trucks, motorcycles, mini bikes, mopeds, or any other vehicles of any description other than normal passenger automobiles, shall be permitted, parked or stored anywhere within the Real Estate; provided, however, that nothing herein shall prevent the parking or storage of such vehicles completely enclosed within a garage. No repair work shall be done on the Real Estate on any vehicles, including passenger vehicles, outside of the Owner's garage. No overnight parking of any vehicles on the streets is allowed. At no time shall vehicles of any type be parked on the grass. The above restriction does not prohibit the temporary parking of such vehicles for loading and unloading purposes either on the street or in the driveway, as long as, it is removed from the Real Estate within twenty-four (24)
hours of its being parked on the Real Estate.

(l) No Owner shall be allowed to plant trees, landscape or do any gardening in any of the Common Properties (excluding lawns which are deemed Common Properties for maintenance only), except with express permission from the Board.

(m) No Owner shall remove any tree without the written approval of the Board.

(n) Each Owner shall keep his Dwelling Unit in good order, condition and repair and free of debris, all in a manner and with such frequency as is consistent with good property management. In the event an Owner of any Dwelling Unit shall fail to so maintain his Dwelling Unit, the Corporation after notice to the Owner and approval by majority vote of all Owners, shall have the right to enter upon said Dwelling Unit to correct, repair, maintain and restore the Dwelling Unit. All costs incurred by the Corporation related to such correction, repair, maintenance or restoration shall be and constitute a Special Assessment against such Dwelling Unit, payable by the Owner upon demand by the Corporation.

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

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

(q) Fences: Except for landscape walls to be built by the Developer, no fences shall be permitted, excepting a single divider fence as a common wall extension and no more than six (6) feet in height and twelve (12) feet in length. Style to be selected by Committee.

(r) Landscaping: Landscaping shall be per the Declaration of Covenants, Conditions, Commitments, Restrictions, Easements, and Assessments of Clear Creek Subdivision, Section I.

(s) Mailboxes: Mailboxes shall be per the Declaration of Covenants, Conditions, Commitments, Restrictions, Easements, and Assessments of Clear Creek Subdivision, Section I.

(t) Storage Sheds: Committee approval shall be required for storage sheds or similar type structures. All siding of such buildings is to be of the same or similar materials as the
house.

(u) **Required Masonry**: All dwellings shall have a minimum of 50% masonry front, exclusive of doors, windows, and gables.

The side elevation of all corner lot homes shall have a minimum masonry height of three (3) feet exclusive of doors, windows, and gables.

(v) **Type, Size, and Nature of Construction Permitted and Approvals Required**: No Dwelling Units, porch, garage, basketball goals, or other recreational facility shall be erected, placed or altered on any Lot without the prior written approval of the Committee. Such approval shall be obtained prior to the commencement of construction and shall take into account restrictions as to the type of materials, exterior facade, design, layout, location, landscaping and finished grade elevations. Builders shall be permitted to submit sets of Master Plans of typical homes to the Committee, and when approved by the Committee, these Master Plans shall not require subsequent approval unless there are changes thereto.

Notwithstanding anything to the contrary contained herein or in the Articles or By-Laws, including but not limited to any covenants and restrictions set forth herein or otherwise, Declarant shall have, until the Applicable Date, the right to use and maintain the Common Properties and any Lots and Dwelling Units owned by Declarant and other portions of the Real Estate (other than individual Dwelling Units and Lots owned by Persons other than Declarant), all of such number and size and at such locations as Declarant in its sole discretion may determine, as Declarant may deem advisable or necessary in its sole discretion to aid in the construction and sale of Lots and Dwelling Units or for the conducting of any business or activity attendant thereto, including, but not limited to, model Dwelling Units, storage areas, construction yards, signs, construction offices, sales offices, management offices and business offices. Declarant shall have the right to relocate any or all of the same from time to time as it desires. At no time shall any of such facilities so used or maintained by Declarant be or become part of the Common Properties, unless so designated by Declarant, and Declarant shall have the right to remove the same from the Real Estate at any time.
Section 2. Violations and Fines. If any resident or Owner continues to violate any of the Declaration, Covenants, Conditions and Restrictions, Articles of Incorporation, Rules and Regulations or By-Laws of Clear Creek Subdivision, Section I, Village Homes and said violations continue five (5) days after receiving written notice of said violation, the Board of Directors is empowered to levy a fine against said Owner at the rate of $20.00 per day for each day the violation continues. Collection of all fines will be handled in the same manner as the collection of Association dues, including filing a lien and/or claim in court of proper jurisdiction. All costs to collect will be assessed against said Owner.

Section 3. Maintenance Responsibilities. The following is a list of maintenance responsibilities which apply to Clear Creek Subdivision, Section I, Village Homes, by Owners and the Corporation. This list may be amended as per Article XV of these Documents.

<table>
<thead>
<tr>
<th>Owner</th>
<th>Corp.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>1.</td>
<td>Balconies, decks, exterior handrails, and steps - unless extended area</td>
</tr>
<tr>
<td>X</td>
<td>2.</td>
<td>Chimney, siding, exposed flu, and flashing</td>
</tr>
<tr>
<td>X</td>
<td>3.</td>
<td>Doors (entry, sliding, and garage) exterior hardware</td>
</tr>
<tr>
<td>X</td>
<td>4.</td>
<td>Door frames (exterior) painting and caulking (when entire building is painted)</td>
</tr>
<tr>
<td>X</td>
<td>5.</td>
<td>Window frames (exterior) painting and caulking (when entire building is painted)</td>
</tr>
<tr>
<td>X</td>
<td>6.</td>
<td>Glass surfaces</td>
</tr>
<tr>
<td>X</td>
<td>7.</td>
<td>Fences - dividers</td>
</tr>
<tr>
<td>X</td>
<td>8.</td>
<td>Foundation walls, footings</td>
</tr>
<tr>
<td>X</td>
<td>9.</td>
<td>Exterior - structure, siding, paint</td>
</tr>
<tr>
<td>Owner</td>
<td>Corp.</td>
<td>Description</td>
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<tr>
<td>-------</td>
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<tr>
<td>X</td>
<td>10.</td>
<td>Roof - shingles, flashing, gutters, downspouts</td>
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<tr>
<td>X</td>
<td>11.</td>
<td>Painting - exterior</td>
</tr>
<tr>
<td>X</td>
<td>12.</td>
<td>Gutter cleaning</td>
</tr>
<tr>
<td>X</td>
<td>13.</td>
<td>Lights</td>
</tr>
<tr>
<td></td>
<td>(a)</td>
<td>Exterior - attached to unit</td>
</tr>
<tr>
<td>X</td>
<td></td>
<td>(b) Exterior - entrance</td>
</tr>
<tr>
<td>X</td>
<td></td>
<td>(c) Exterior - free standing posts</td>
</tr>
<tr>
<td>X</td>
<td>14.</td>
<td>Water pipes</td>
</tr>
<tr>
<td></td>
<td>(a)</td>
<td>Within structure; including hose bibs</td>
</tr>
<tr>
<td>X</td>
<td></td>
<td>(b) Outside structure; leading to Water Co.'s main</td>
</tr>
<tr>
<td>X</td>
<td>15.</td>
<td>Wiring - electrical, telephone, etc.</td>
</tr>
<tr>
<td></td>
<td>(a)</td>
<td>Interior</td>
</tr>
<tr>
<td>X</td>
<td></td>
<td>(b) Exterior connected to Owner's meter</td>
</tr>
<tr>
<td>X</td>
<td>16.</td>
<td>Garage door openers</td>
</tr>
<tr>
<td>X</td>
<td>17.</td>
<td>Patio area - concrete</td>
</tr>
<tr>
<td>X</td>
<td>18.</td>
<td>Driveway repairs</td>
</tr>
<tr>
<td>X</td>
<td>19.</td>
<td>Steps and stoops</td>
</tr>
<tr>
<td>X</td>
<td>20.</td>
<td>Mailboxes - cluster boxes (Post Office property)</td>
</tr>
<tr>
<td>X</td>
<td>21.</td>
<td>Road signs</td>
</tr>
<tr>
<td>X</td>
<td>22.</td>
<td>Trees - pruning, fertilization, removal, replacing</td>
</tr>
<tr>
<td>X</td>
<td>23.</td>
<td>Lawn - cutting, trimming, fertilization, etc.</td>
</tr>
<tr>
<td>X</td>
<td>24.</td>
<td>Snow removal - drives, walks, and streets</td>
</tr>
<tr>
<td>X</td>
<td>25.</td>
<td>Shrubbery - pruning, mulching, spraying, replacement, etc.</td>
</tr>
<tr>
<td>X</td>
<td>26.</td>
<td>Heating and air-conditioning equipment</td>
</tr>
<tr>
<td>X</td>
<td>27.</td>
<td>Sealing of concrete, decks, balconies, and drives except extensions</td>
</tr>
</tbody>
</table>
ARTICLE XV

Amendment of Declaration

Section 1. Generally. Except as otherwise provided in this Declaration, amendments to this Declaration shall be proposed and adopted in the following manner:

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

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

(c) Adoption. Any proposed amendment to this Declaration must be approved by seventy-five percent (75%) of all Owners attending the meeting. In the event any Lot or Dwelling Unit is subject to a first mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the same manner as an Owner if the Mortgagee has given prior notice of its mortgage interest to the Board of Directors in accordance with provisions hereof.

(d) Special Amendments. Sixty-Seven percent of Mortgagees required. No amendment to this Declaration shall be adopted which changes the provisions hereof which establish, provide for, govern or regulate (1) the applicable share of an Owner's liability for the common Expenses, or the method of determining the same, (2) Article XII of this Declaration with respect to casualty insurance to be maintained by the Corporation, (3) Article XIII of this Declaration with respect to reconstruction or repair of the Common Properties or Dwelling Units in the event of fire or any other casualty or disaster, (4) establishment of the Architectural Review Board and its functions, (5) voting rights, (6) assessments, assessment liens or subordination of such liens, (7) reserves for maintenance, repair and replacement of the Common Properties, (8) insurance and fidelity bonds, (9) rights to use of the Common Properties and the Dwelling Units, (10) boundaries of any Dwelling Unit, Lot or of the Common Properties, (11) the leasing of Dwelling Units, (12) imposition of any right of first refusal or similar restriction on the right of a Dwelling Unit Owner to sell, transfer or otherwise convey such Dwelling Unit or (13) the rights of mortgagees or insurers or guarantors of first mortgages on Dwelling Units or Lots; without, in each and any of such circumstances the approval of mortgagees (whose mortgage interests have been known to the Board of Directors) holding mortgages on Dwelling Units or Lots which
have at least sixty-seven percent (67%) of the votes of Dwelling Units and Lots which
are subject to mortgages, provided, a Mortgagee who receives written notice of a
proposed amendment and does not deliver or mail a negative response to the Secretary
of the Board of Directors within thirty (30) days of said notice shall be deemed to have
approved the proposed amendment.

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

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

**ARTICLE XVI**

**Acceptance and Ratification**

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

ARTICLE XVII

Negligence

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

ARTICLE XVIII

Benefit and Enforcement

The Declaration and the Restrictions shall run with and bind the Real Estate for a term commencing on the date this Declaration is recorded in the office of the Recorder of Hendricks
County, Indiana, and expiring December 31, 2016, after which time they shall be automatically extended for successive periods of ten (10) years each unless by vote of a majority of the then Owners of the Lots it is agreed to change this Declaration or the Restrictions in whole or in part, or to terminate the same.

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

**ARTICLE XIX**

**Additions**

Declarant anticipates that it will develop additional Lots or construct additional Dwelling Units on additional sections by expansion within the properties all or part of which may be added in the manner set forth hereinafter. Added real estate may become subject to this Declaration in the following manner:
(a) Additions by the Declarant: Declarant shall have the right to subject to the Declaration by expansion any additional real estate which lies within the area described in Exhibit "B" as it may be amended from time to time.

(b) Other Additions: Additional real estate, other than that described above, may be annexed to the properties upon approval of two-thirds (2/3) of the votes of all of each class.

The additions authorized under subsection A and B shall be made by filing of record one or more supplementary declarations of covenants, conditions and restrictions with respect to the additional property.

ARTICLE XX

Miscellaneous

Section 1. Costs and Attorneys' Fees. In any proceeding arising because of failure of an Owner to make any payments required by this Declaration, the Articles or the By-Laws, or to comply with any provision of this Declaration, the Articles, the By-Laws, or the rules and regulations adopted pursuant thereto, as each may be amended from time to time, the Corporation shall be entitled to recover its costs and reasonable attorneys' fees incurred in connection with such default or failure.

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

Section 3. Pronouns. Any reference to the masculine, feminine or neuter gender herein shall, unless the context clearly requires the contrary, be deemed to refer to and include all genders. Words in the singular shall refer to and include all genders. Words in the singular shall include and refer to the plural, and vice versa, as appropriate.
Section 4. Interpretation. The captions and titles of the various articles, sections, sub-sections, paragraphs and subparagraphs of this Declaration are inserted herein for ease and convenience of reference only and shall not be used as an aid in interpreting or construing this Declaration or any provision hereof.

ARTICLE XXI

In addition to this Declaration, each Lot Owner shall be a member of the Clear Creek Homeowner’s Association and their Dwelling Unit shall be subject to the Community Declaration which includes an assessment in addition to the assessment provided in this Declaration.

IN WITNESS WHEREOF, Cedar Run Limited, Inc., Declarant, has executed this Declaration on the day and year first hereinabove set forth.

CEDAR RUN LIMITED, INC.

By:

Timmy J. Shrout,
Vice President/Secretary
STATE OF INDIANA  
)  
) SS:  
COUNTY OF MARION  
)

Before me, a Notary Public, in and for said County and State, personally appeared Cedar Run Limited, Inc by Timmy J. Shroul, Vice President/Secretary, who acknowledged execution of the foregoing Declaration of Covenants, Conditions and Restrictions of Clear Creek Subdivision, Section I, Village Homes, and who, having been duly sworn, stated that the representations therein contained are true.

Witness my hand and Notarial Seal this 4th day of July, 1997.

[Notary Seal]

JO E. ROACH, Notary Public
My Commission Expires: 6-3-99
Residing in Marion County

Notary Public
Printed Name

My Commission Expires:

County of Residence:

This instrument was prepared by: William T. Rees, Attorney at Law, 8355 Rockville Road, Indianapolis, IN 46234.
EXHIBIT “A”

Lots numbered 1 - 28 in Clear Creek Subdivision, Section I, an addition to the Town of Danville, Hendricks County, State of Indiana, as per Final Plat (hereinafter the “Plat”) thereof recorded on November 22, 1996, under Instrument No. 9600024660, Plat Cabinet 4, Slide 37, Pages 1 and 2, and Slide 38, Page 1, in the records of the Recorder of Hendricks County, State of Indiana.

Clear Creek Subdivision Section I Declaration of Covenants, Conditions, Commitments, Restrictions, Easements, and Assessments of the Development (hereinafter the “Declaration”) was recorded on December 13, 1997, under Instrument No. 9600024666, Book 157, Pages 483 through 507, in the records of the Recorder of Hendricks County, State of Indiana, and designates Lots 1 - 28 as R-3 zoning “Village Homes” i.e. 2 family residence, including attached garages.
FIRST AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS, COMMITMENTS, RESTRICTIONS,
EASEMENTS, AND ASSESSMENTS
OF CLEAR CREEK SUBDIVISION, SECTION 1,
AND SUBSEQUENT SECTIONS THERETO
DANVILLE, INDIANA

WITNESSETH that the undersigned, CEDAR RUN LIMITED, INC., an Indiana
Corporation, is the Owner and Developer (hereinafter the “Developer”) of CLEAR CREEK
SUBDIVISION, SECTION 1 (hereinafter the “Development”), an addition to the Town of
Danville, Hendricks County, State of Indiana, as per Final Plat (hereinafter the “Plat”) thereof
recorded on November 22, 1996, under Instrument No. 9600024660, Plat Cabinet 4, Slide 37,
Pages 1 and 2, and Slide 38, Page 1, in the records of the Recorder of Hendricks County, State of
Indiana; and

WHEREAS, the Declaration of Covenants, Conditions, Commitments, Restrictions,
Easements, and Assessments of the Development (hereinafter the "Declaration") was recorded
on December 13, 1997, under Instrument No. 9600024666, Book 157, Pages 483 through 507, in
the records of the Recorder of Hendricks County, State of Indiana; and

WHEREAS, the Plat incorporates by reference the contents of the Declaration which
govern and control the development process for the buildable Lots in the Plat for the R-2, single-
family zoning classification (i.e., Lots numbered 129 through 146, inclusive); and

WHEREAS, the Developer has received a variance from the Danville Board of Zoning
Appeals on November 19, 1996, for reduction of the minimum first floor living area of a two-
story dwelling in the R-2, single family zoning classification;

NOW THEREFORE, the Developer make the following amendment to the Declaration:

Article III, A.1.a.2. shall be amended to read: “shall be 750 square feet of main
floor area if higher than one-story, with any dwelling unit higher than one story
having a minimum of 1,500 square feet of finished living space.”

Page 1
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IN WITNESS WHEREOF, the undersigned officer of Declarant has hereunto caused his name to be subscribed this 1st day of April, 1997.

DECLARANT
CEDAR RUN LIMITED, INC.,
an Indiana Corporation

BY: [Signature]
Roy L. Prock, President

STATE OF INDIANA) ) SS:
COUNTY OF MARION) )

Before me, a Notary Public in and for said County and State, personally appeared Roy L. Prock, President of Cedar Run Limited, Inc., an Indiana Corporation, who acknowledged the execution of the foregoing First Amendment of Declaration of Covenants, Conditions, Commitments, Restrictions, Easements and Assessments as such Officer acting for and on behalf of said Corporation, and who, having been duly sworn, stated that any representations herein contained are true.

Witness my hand and Notarial Seal this 1st day of April, 1997.

JO E. ROACH, Notary Public
My Commission Expires: 8-3-99
Residing In Marion County

Notary Public - Signature
Notary Public - Printed

County of Residence:

My Commission Expires:

This instrument prepared by:
William T. Rees, Attorney at Law
8355 Rockville Road
Indianapolis, IN 46234
SECOND AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS, COMMITMENTS,
RESTRICTIONS, EASEMENTS AND ASSESSMENTS ("RESTRICTIVE COVENANTS") OF
CLEAR CREEK SUBDIVISION, SECTIONS I AND II
DANVILLE, INDIANA

WITNESSETH that the undersigned Cedar Run Limited, Inc. is the Owner and Developer
(hereinafter the “Developer”) of Clear Creek Subdivision, Sections I and II;

WHEREAS, a Final Plat of Clear Creek, Section I, dated November 12, 1996, was
recorded November 22, 1996 (hereinafter the "Plat Section I"), under Document No. 9600024660,
Plat Cabinet 4, Slide 37, Pages 1 & 2 and Slide 38, Page 1, in the Office of Recorder, Hendricks
County, Indiana;

WHEREAS, Restrictive Covenants of Clear Creek Subdivision, Section I, dated
November 13, 1996, were recorded November 26, 1996, under Document No. 96-00024666 and
amended on April 1, 1997, and were recorded on April 2, 1997, under Document No. 9700006026,
in the Office of Recorder, Hendricks County, Indiana (hereinafter the "Restrictive Covenants");

WHEREAS, the Plat Section I incorporates said Restrictive Covenants as applicable to all
the platted lots of said Clear Creek Subdivision, Section I and subsequent Sections thereto;

WHEREAS, a Final Plat of Clear Creek, Section II, dated March 12, 2001
(hereinafter the "Plat Section II"), was recorded 3-29-02 under Document No. 200220624059
Plat Cabinet 4, Slide 173, in the Office of Recorder, Hendricks County, Indiana incorporated said
Restrictive Covenants;

WHEREAS, the Developer has reserved the right per Article XI, B, to amend these
Restrictive Covenants as long as the amendment "does not have a materially adverse effect on the
rights of any Mortgagee, nor which will substantially impair the benefits of the Covenants to any
Owner or substantially increase the obligations imposed by the Covenants on any Owner."

NOW THEREFORE, in consideration of the premises, the Developer classifies specific
Section II Lots under Article III of the Restrictive Covenants to a R-2 or R-3 classification:

1. Lots 147-161, inclusive, are hereby designated as zoning classification R-2, and are
subject to all requirements of R-2 lots as shown in the Restrictive Covenants,
Article III, and;

2. Lots 162-164, 173-178, and 400, inclusive, are hereby designated as zoning
classification R-3, and are subject to all requirements of R-3 lots as shown in the
Restrictive Covenants, Article III.
IN WITNESS WHEREOF, the undersigned Officer of Declarant has hereunto caused his name to be subscribed this 26th day of January, 2002.

OWNER/DEVELOPER:
CEDAR RUN LIMITED, INC.

By: ____________________________
Timmy J. ShROUT, President

STATE OF INDIANA  )
COUNTY OF MARION  ) SS:

Before me, a Notary Public in and for said County and State, personally appeared Timmy J. Shroud, President of Cedar Run Limited, Inc. who acknowledged the execution of the foregoing First Amendment to the Declaration of Covenants and Restrictions acting for and on behalf of said Cedar Run Limited, Inc., and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this 26th day of January, 2002.

JO E. ROACH, Notary Public
My Commission Expires: 8-3-07
Residing in Marion County

Residing in: ____________________________
My Commission expires: __________

This instrument prepared by: William T. Rees, Attorney at Law, 8355 Rockville Road, Indianapolis, Indiana 46234.
THIRD AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS, COMMITMENTS,
RESTRICTIONS, EASEMENTS AND ASSESSMENTS ("RESTRICTIVE COVENANTS") OF
CLEAR CREEK SUBDIVISION, SECTIONS I AND II
DANVILLE, INDIANA

WITNESSETH that the undersigned Cedar Run Limited, Inc. is the Owner and Developer
(hereinafter the "Developer") of Clear Creek Subdivision, Sections I and II;

WHEREAS, a Final Plat of Clear Creek, Section I, dated November 12, 1996, was
recorded November 22, 1996 (hereinafter the "Plat Section I"), under Document No. 9600024660,
Plat Cabinet 4, Slide 37, Pages 1 & 2 and Slide 38, Page 1, in the Office of Recorder, Hendricks
County, Indiana;

WHEREAS, Restrictive Covenants of Clear Creek Subdivision, Section I, dated
November 13, 1996, were recorded November 26, 1996, under Document No. 96-00024666 and
amended on April 1, 1997, and were recorded on April 2, 1997, under Document No. 9700006026
(First Amendment), and amended on January 28, 2000, and were recorded on January 29, 2002,
under Document No 200200004060 (Second Amendment) in the Office of Recorder, Hendricks
County, Indiana (hereinafter the "Restrictive Covenants");

WHEREAS, the Plat Section I incorporates said Restrictive Covenants as applicable to all
the platted lots of said Clear Creek Subdivision, Section I and subsequent Sections thereto;

WHEREAS, a Final Plat of Clear Creek, Section II, dated March 12, 2001 (hereinafter the
"Plat Section II"), was recorded January 29, 2002 under Document No. 200200004059, Plat
Cabinet 4, Slide 173, Page 1AB, in the Office of Recorder, Hendricks County, Indiana incorporated
said Restrictive Covenants;

WHEREAS, the Developer has reserved the right per Article XI, B. to amend these
Restrictive Covenants as long as the amendment "does not have a materially adverse effect on the
rights of any Mortgagor, nor which will substantially impair the benefits of the Covenants to any
Owner or substantially increase the obligations imposed by the Covenants on any Owner."

NOW THEREFORE, in consideration of the premises, the Developer hereby deletes
Paragraph 2 under Section II, Article III and replaces it with the following:

2. Lots 162-164, 173-178, and 179, inclusive, are hereby designated as zoning
classification R-3, and are subject to all requirements of R-3 lots as shown in the
Restrictive Covenants, Article III.
IN WITNESS WHEREOF, the undersigned Officer of Declarant has hereunto caused his name to be subscribed this 18th day of September, 2002.

OWNER/DEVELOPER:
CEDAR RUN LIMITED, INC.

By:  
Timmy J. Shrou, President

STATE OF INDIANA    )
COUNTY OF MARION    ) SS:

Before me, a Notary Public in and for said County and State, personally appeared Timmy J. Shrou, President of Cedar Run Limited, Inc. who acknowledged the execution of the foregoing First Amendment to the Declaration of Covenants and Restrictions acting for and on behalf of said Cedar Run Limited, Inc., and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this 18th day of September, 2002.

Residing in:  
My Commission expires:  

This instrument prepared by: William T. Rees, Attorney at Law, 8355 Rockville Road, Indianapolis, Indiana 46234.
FOURTH AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS, COMMITMENTS,
RESTRICTIONS, EASEMENTS AND ASSESSMENTS ("RESTRICTIVE COVENANTS") OF
CLEAR CREEK SUBDIVISION, SECTIONS I AND II
DANVILLE, INDIANA

WITNESSETH that the undersigned Cedar Run Limited, Inc. is the Owner and Developer (hereinafter the "Developer") of Clear Creek Subdivision, Sections I and II;

WHEREAS, a Final Plat of Clear Creek, Section I, dated November 12, 1996, was recorded November 22, 1996 (hereinafter the "Plat Section I"), under Document No. 9600024660, Plat Cabinet 4, Slide 37, Pages 1 & 2 and Slide 38, Page 1, in the Office of Recorder, Hendricks County, Indiana;

WHEREAS, Restrictive Covenants of Clear Creek Subdivision, Section I, dated November 13, 1996, were recorded November 26, 1996, under Document No. 96-00024666 and amended on April 1, 1997, and were recorded on April 2, 1997, under Document No. 9700006026 (First Amendment), and amended on January 28, 2000, and were recorded on January 29, 2002, under Document No 200200004060 (Second Amendment), and amended on September 18, 2002, and were recorded on September 19, 2002, under Document No. 200200031205 (Third Amendment) in the Office of Recorder, Hendricks County, Indiana (hereinafter the "Restrictive Covenants");

WHEREAS, the Plat Section I incorporates said Restrictive Covenants as applicable to all the platted lots of said Clear Creek Subdivision, Section I and subsequent Sections thereto;

WHEREAS, a Final Plat of Clear Creek, Section II, dated March 12, 2001 (hereinafter the "Plat Section II"), was recorded January 29, 2002 under Document No. 200200004059, Plat Cabinet 4, Slide 173, Page 1AB, in the Office of Recorder, Hendricks County, Indiana incorporated said Restrictive Covenants;

WHEREAS, a Final Plat of Clear Creek, Section III, dated October 7, 2002 (hereinafter the "Plat Section III"), was recorded October 31, 2002, under Document No. 200200037102, Plat Cabinet 5, Slide 36, Page 1AB, in the Office of Recorder, Hendricks County, Indiana;

WHEREAS, the Developer has reserved the right per Article XI, B. to amend these Restrictive Covenants as long as the amendment "does not have a materially adverse effect on the rights of any Mortgagee, nor which will substantially impair the benefits of the Covenants to any Owner or substantially increase the obligations imposed by the Covenants on any Owner."

NOW THEREFORE, in consideration of the premises, the Developer hereby classifies specific Section III Lots under Article III of the Restrictive Covenants to an R-3 classification:

Lots 307-310, inclusive, are hereby designated as zoning classification R-3, and are subject to all requirements of R-3 lots as shown in the Restrictive Covenants, Article III.
IN WITNESS WHEREOF, the undersigned Officer of Declarant has hereunto caused his name to be subscribed this 26th day of November, 2002.

OWNER/DEVELOPER:
CEDAR RUN LIMITED, INC.

By: ___________________________
Timmy J. Shrou, President

STATE OF INDIANA )
) SS:
COUNTY OF MARION )

Before me, a Notary Public in and for said County and State, personally appeared Timmy J. Shrou, President of Cedar Run Limited, Inc. who acknowledged the execution of the foregoing First Amendment to the Declaration of Covenants and Restrictions acting for and on behalf of said Cedar Run Limited, Inc., and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this 26th day of November, 2002.

JO E. ROACH, Notary Public
My Commission Expires: 8-3-07
Residing in Marion County

My Commission expires: __________________

Residing in: __________________________

This instrument prepared by: William T. Rees, Attorney at Law, 8355 Rockville Road, Indianapolis, Indiana 46234.
SEVENTH AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS, COMMITMENTS,
RESTRICTIONS, EASEMENTS AND ASSESSMENTS ("RESTRICTIVE COVENANTS") OF
CLEAR CREEK SUBDIVISION, SECTIONS VI and VII
DANVILLE, INDIANA

WITNESSETH that the undersigned Cedar Run Limited, Inc. is the Developer (hereinafter
the "Developer") of Clear Creek Subdivision, Sections I, II, III, and IV;

WITNESSETH that the undersigned C. P. Morgan Communities, L.P. is the
Owner/Developer (hereinafter the "Owner") of Clear Creek Subdivision, Sections V, VI, and VII;

WHEREAS, a Final Plat of Clear Creek, Section I, dated November 12, 1996, was
recorded November 22, 1996 (hereinafter the "Plat Section I"), under Document No. 9600024660,
Plat Cabinet 4, Slide 37, Pages 1 & 2 and Slide 38, Page 1, in the Office of Recorder, Hendricks
County, Indiana;

WHEREAS, Restrictive Covenants of Clear Creek Subdivision, Section I, dated
November 13, 1996, were recorded November 26, 1996, under Document No. 96-00024666 and
amended on April 1, 1997, and were recorded on April 2, 1997, under Document No. 9700006026
(First Amendment), in the Office of Recorder, Hendricks County, Indiana (hereinafter the
"Restrictive Covenants");

WHEREAS, the Plat Section I incorporates said Restrictive Covenants as applicable to all
the platted lots of said Clear Creek Subdivision, Section I and subsequent Sections thereto;

WHEREAS, a Final Plat of Clear Creek, Section II, dated March 12, 2001 (hereinafter the
"Plat Section II"), was recorded January 29, 2002 under Document No. 200200004059, Plat
Cabinet 4, Slide 173, Page 1AB, in the Office of Recorder, Hendricks County, Indiana incorporated
said Restrictive Covenants;

WHEREAS, a Final Plat of Clear Creek, Section III, dated October 7, 2002 (hereinafter the
"Plat Section III"), was recorded October 31, 2002, under Document No. 200200037102, Plat
Cabinet 5, Slide 36, Page 1AB, in the Office of Recorder, Hendricks County, Indiana incorporated
said Restrictive Covenants;

WHEREAS, a Final Plat of Clear Creek, Section IV, dated May 29, 2003 (hereinafter the
"Plat Section IV"), was recorded July 9, 2003, under Document No. 200300028327, Plat Cabinet 5,
WHEREAS, a Final Plat of Clear Creek, Section V, dated November 10, 2003, (hereinafter the "Plat Section V"), was recorded November 20, 2003, under Document No. 2003000050786, Plat Cabinet 5, Slide 112, Page 1ABCDE, in the Office of Recorder, Hendricks County, Indiana incorporated said Restrictive Covenants;

WHEREAS, a Final Plat of Clear Creek, Section VI, dated June 22, 2004, (hereinafter the "Plat Section V"), was recorded August 18, 2004, under Document No. 200400026185 Plat Cabinet 5, Slide 183, Page 2ABC, in the Office of Recorder, Hendricks County, Indiana incorporated said Restrictive Covenants;

WHEREAS, a Final Plat of Clear Creek, Section VII, dated June 22, 2004, (hereinafter the "Plat Section V"), was recorded August 18, 2004, under Document No. 200400026204 Plat Cabinet 5, Slide 184, Page 2, in the Office of Recorder, Hendricks County, Indiana incorporated said Restrictive Covenants;

WHEREAS, the Developer has reserved the right per Article XII, B. to amend these Restrictive Covenants as long as the amendment "does not have a materially adverse effect on the rights of any Mortgagee, nor which will substantially impair the benefits of the Covenants to any Owner or substantially increase the obligations imposed by the Covenants on any Owner."

NOW THEREFORE, in consideration of the premises, the Developer and Owner hereby classifies specific Lots under Article III.A.1. of the Restrictive Covenants to the required zoning classifications

Section VI:

R-2: Lots 253 through 267 and Lots 269 through 272, all inclusive, are hereby designated as zoning classification R-2, and are subject to all requirements of R-2 lots as shown in the Restrictive Covenants, Article III.

R-3: Lots 273 through 286, Lots 288 through 306, Lots 313 through 328, Lots 331 through 354, and Lots 395 through 400, all inclusive, are hereby designated as zoning classification R-2, and are subject to all requirements of R-2 lots as shown in the Restrictive Covenants, Article III.

Section VII:

R-2: Lots 206 through 240, all inclusive, are hereby designated as zoning classification R-2, and are subject to all requirements of R-2 lots as shown in the Restrictive Covenants, Article III.
NOW THEREFORE, a Landscape, Drainage, and Utility Easement exists along U.S. 36. The following paragraph is added to Article III, Paragraph A., Item 9:

k. LANDSCAPE EASEMENT ALONG PERIMETER ROADS: A 60’ wide landscape easement exists along the perimeter lots adjacent to U.S. 36 (Lots 273-286, all inclusive) and is shown on the Plat, Section VI. An irregular landscape easement exists in the rear of lots 271 and 272 and is shown on the Plat, Section VI. These areas are solely intended for the purpose of landscaping, drainage, and utilities and “Declarant” or “Developer” installed perimeter fencing. No other improvements shall be permitted within this area including playgrounds, pools, etc. Privacy fencing, six (6) foot in height is permitted on these lots; however, the fencing at the six (6) foot height shall be installed at a sixty (60) foot distance from the right-of-way line along U.S. 36 for Lots 273-286, all inclusive and outside of the irregular landscape easement at the rear of Lots 271 and 272. No four (4) foot fences in height may be installed on Lots 271 through 286, all inclusive.

NOW THEREFORE, a Limited Access Easement exists along U.S. 36. The following paragraph is added to Article III, Paragraph A., Item 4:

Lots 272 through 286, all inclusive, shall have no driveway or access onto U.S. 36.
IN WITNESS WHEREOF, the undersigned Officer of Declarant and Owner have hereunto caused their names to be subscribed this 15th day of August, 2004.

DEVELOPER:

CEDAR RUN LIMITED, INC.

By: Timmy J. Shrout, President

OWNER:

C. P. MORGAN COMMUNITIES, LLC

By: 

Printed Name: MARK W. BOICE
Title: VICE PRESIDENT
STATE OF INDIANA   )
COUNTY OF MARION   ) SS:

Before me, a Notary Public in and for said County and State, personally appeared Timmy J. Shrout, President of Cedar Run Limited, Inc. who acknowledged the execution of the foregoing Seventh Amendment to the Declaration of Covenants and Restrictions acting for and on behalf of said Cedar Run Limited, Inc., and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this 18th day of August 2004.

[Signature]
Notary Public

Residing in: ___________________________ My Commission expires: __________________

STATE OF INDIANA   )
COUNTY OF MARION   ) SS:

Before me, a Notary Public in and for said County and State, personally appeared __________________ of C. P. Morgan Communities, L.P. who acknowledged the execution of the foregoing Seventh Amendment to the Declaration of Covenants and Restrictions acting for and on behalf of said C. P. Morgan Communities, L.P., and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this 18th day of August 2004.

[Signature]
Notary Public

Residing in: Marion County My Commission expires: 1/29/08

This instrument prepared by: William T. Rees, Attorney at Law, 8355 Rockville Road, Indianapolis, Indiana 46234.