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DECLARATION OF HORIZONTAL
PROPERTY OWNERSHIP

King's Cove

Horizontal Property Regime

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DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP

King's Cove
Horizontal Property Regime

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DECLARATION OF HORIZONTAL
PROPERTY OWNERSHIP

King's Cove
Horizontal Property Regime

This Declaration, made this 24th day of October, 1972, by G.C. Templeton and Mary Pat Templeton, husband and wife, of Marion County, State of Indiana, (the "Declarant"),

W I T N E S S T H:

WHEREAS, the following facts are true:

A. Declarant is the sole owner of the fee simple title to the following described real estate, located in Marion County, Indiana to-wit:

A part of the Southwest Quarter of Section 15, Township 17 North Range 3 East, more particularly described as follows:

Commencing at the Southwest corner of the aforementioned Quarter Section; running thence North 01° 30' 00" East, on and along the West line thereof, a distance of 915 feet to the POINT OF BEGINNING of the real estate described herein, continuing thence along the same line a distance of 249.970 feet; running thence South 89° 00' 53" East a distance of 811.255 feet; running thence South 34° 56' 06" East a distance of 307.249 feet; running thence North 89° 04' 49" West parallel to the South line thereof a distance of 993.750 feet to the POINT OF BEGINNING, containing 5.166 acres, more or less.

The Property which is the subject of this Declaration consists of the first phase of development and consists of nine (9) Apartments in two (2) buildings, at the West end of the above described tract. However, the annexation of all or any part of the additional territory contained in the above-described 5.166 acres may be automatically included within the Declaration by a simple Supplemental Declaration and the Supplemental Declaration as to such portion executed and recorded by Declarant, and such action shall require no approvals or other action by either the Apartment Owners or the Declarant.

The Property which is the subject of this Declaration consists of 1.176 acres more particularly described as follows:

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A part of the Southwest Quarter of Section 15, Township 17 North Range 3 East in Marion County, Indiana, being more particularly described as follows to-wit:

Beginning at a point on the West line of the said Quarter Section North 01° 30' 00" East 915.00 feet from the Southwest corner of the said Quarter Section; thence South 89° 04' 49" East 205.00 feet to a point; thence North 01° 30' 00" East and parallel with the said West line 249.74 feet to the South line of"Pickwick II - Second Section" a subdivision in Marion County, Indiana, the plat of which is recorded as Instrument numbered 69-1064 in the Office of the Recorder of Marion County, Indiana; thence North 89° 00' 53" West upon and along the South line of said "Pickwick II - Second Section" 205.00 feet to a point in the said West line (said point also being the Southwest corner of said "Pickwick II - Second Section") thence South 01° 30' 00" West upon and along the said West line 249.97 feet to the POINT OF BEGINNING containing 1.176 acres more or less.

Subject, however, to a Sewer Easement from Walter M. and Edna Wire, to the City of Indianapolis, Indiana, by its Department of Public Sanitation and its Indianapolis Sanitary District, through its Board of Sanitary Commissioners, dated June 5, 1964, recorded June 10, 1964 as Instrument numbered 64-28143; subject also, to a 5 feet utility easement off the entire South side thereof, said Easement dated April 7, 1969, and re-recorded April 28, 1969 as Instrument numbered 69-21289; subject further, to the right-of-way of Ditch Road off the entire West side thereof.

Subject also, to easements in common with the 5.168 acre Parcel described above for ingress and egress and utility services.

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B. Declarant, by execution of this Declaration, hereby creates a Horizontal Property Regime upon the Tract, subject to the provisions of the Horizontal Property Act of the State of Indiana and the terms and conditions of this Declaration.

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

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

(a) "Act" means the Horizontal Property Act of the State of Indiana, Acts 1963, Chapter 349, Sections 1 through 31, as amended. The Act is incorporated herein by reference.

(b) "Apartment" means one of the nine (9) living units constituting the King's Cove, each individual unit being more particularly described and identified on the Plans and in paragraphs 4 and 5 of this Declaration.

(c) "Association" means the unincorporated association of Co-owners of the King's Cove, more particularly described in paragraph 12.

(d) "Board of Managers" means the governing body of the Association elected by the Co-owners in accordance with the By-Laws. The term "Board of Managers", as used herein and in the By-Laws, shall be synonymous with the term "Board of Directors" as used in the Act.

(e) "Building" means one of the two (2) buildings on the Tract in which Apartments are located. The Buildings are more particularly described and identified in the Plans and in paragraph 3 of this Declaration.

(f) "By-Laws" means the By-Laws of the Association providing for the administration and management of the Property as required by and in conformity with the provisions of the Act. A true copy of the By-Laws is attached to this Declaration and incorporated herein by reference.

(g) "Common Areas" means the common areas and facilities appurtenant to the Property as defined in paragraph 6 of this Declaration.

(h) "Common Expenses" means expenses of administration of the Association and expenses for the upkeep, maintenance, repair and replacement of the Common Areas and Limited Areas and all sums lawfully assessed against the Owners by the Association or as declared by the Act, this Declaration or the By-Laws.

(i) "Co-owners" means the Owners of all the Apartments.

(j) "Limited Areas" means the limited common areas and facilities as defined in paragraph 7 of this Declaration.

(k) "Mortgagee" means the holder of a first mortgage lien on an Apartment.

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

(m) "Percentage Interest" means the percentage of undivided interest in the fee simple title to the Common Areas and Limited Areas appertaining to each Apartment as specifically expressed in paragraph 4 of this Declaration.

(n) "Phases of Development" means that the Declarant contemplates the subject Declaration to be the first phase of a total condominium development named King's Cove which shall consist of not to exceed forty-seven (47) Apartment units, inclusive of the nine (9) Apartment units within this first phase of development. Therefore, the Percentage Interest of the Owner in the Common Areas and the facilities shall change as additional phases are diveloped. But each Owner of each Apartment in the total Association of Owners, not to exceed a total of forty-seven (47) Apartment units, in all matters pertaining to the Association, including the election of the Board of Managers, shall be entitled to one (1) vote.

(o) "Plans" means the floor and building plans of the Buildings and Apartments prepared by Schneider Engineering Corp. certified by John V. Schneider, a registered professional engineer, under date of September 27 1972, and a site plan and elevation survey of the Tract and Buildings prepared by Schneider Engineering Corp., certified by Schneider Engineering Corp., a registered land surveyor and engineer, under date of September 27, 1972, all of which are incorporated herein by reference.

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(p) "Property" means the Tract and appurtenant easements, the Apartments, the Buildings, garages, improvements, and property of every kind and nature whatsoever, real, personal or mixed, located upon the Tract and used in connection with the operation, use and enjoyment of the King's Cove.

(q) "King's Cove" means the name by which the Property and Horizontal Property Regime shall be known. The address of King's Cove is 8801 Ditch Road, Indianapolis, Indiana.

(r) "Tract" means the real estate described in paragraph A above.

2. Declaration. Declarant hereby expressly declares that the Property shall be a Horizontal Property Regime in accordance with the provisions of the Act.

3. Description of Buildings. There are two (2) Buildings containing nine (9) Apartments on the Tract, as shown on the Plans. The Buildings are identified and referred to in the Plans and in this Declaration as Buildings I and II, inclusive. Each Building is a combination one and two-story structure with partial basements and is constructed of brick and frame. All are built in accordance with the Plans.

The two (2) Buildings contain a total of nine (9) separate Apartments. These consist of the following:

Building I:

Building Type B - 5 Apartments

Apartment Units B-1 and B-4
Living Area - 1085 sq. ft.
Basement - 1094 sq. ft.
Garage - 248 sq. ft.
(2 bedrooms, 2 baths)

Apartment Unit B-2
Living Area - 1st floor - 651 sq. ft.
2nd floor - 700 sq. ft.
Total -1351 sq. ft.
Basement - 644 sq. ft.
Garage - 248 sq. ft.
(2 bedrooms, 2-1/2 baths)

Apartment Unit B-3
Living Area - 1st floor - 651 sq. ft.
2nd floor - 659 sq. ft.
Total -1310 sq. ft.
(2 bedrooms, 2-1/2 baths)

Apartment Unit B-5
Living Area - 1394 sq. ft.
Garage - 248 sq. ft.
Storage - 41 sq. ft.
(under stairs)
(3 bedrooms, 2 baths)

Building II:

Building Type A - 4 Apartments

Apartment Units A-1 and A-2
Living Area - 1062 sq. ft.
Basement - 562 sq. ft.
Garage - 275 sq. ft.
Covered
Porch - 134 sq. ft.
(2 bedrooms, 2 baths)

Apartment Unit A-3
Living Area - 1154 sq. ft.
Basement - 478 sq. ft.
Garage - 290 sq. ft.
Covered
Porch - 134 sq. ft.
(2 bedrooms, reading alcove & 2 baths)

Apartment Unit A-4
Living Area - 1089 sq. ft.
Basement - 478 sq. ft.
Garage - 290 sq. ft.
Covered
Porch - 134 sq. ft.
(2 bedrooms, 2 baths)

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4. The legal description for each Apartment shall consist first of the identifying Roman numeral of the Building in which the Apartment is located and second the Arabic numeraled designation of the particular Apartment in that Building. The percentage interest of each Apartment owner is the Common Areas as hereinafter defined shall be 11.111% in this first phase of development.

5. Description of Apartments.

(a) Appurtenances. Each Apartment shall consist of all space within the boundaries thereof as hereinafter defined and all portions of the Building situated within such boundaries, including but not limited to all fixtures, facilities, utilities, equipment, appliances, and structural components designed and intended solely and exclusively for the enjoyment, use and benefit of the Apartment wherein the same are located, or to which they are attached, but excluding therefrom that designed or intended for the use, benefit, support, safety or enjoyment of any other Apartment or which may be necessary for the safety, support, maintenance, use, and operation of any of the Buildings or which are normally designed for common use; provided, however, that all fixtures, equipment and appliances designed or intended for the exclusive enjoyment, use and benefit of an Apartment shall constitute a part of such Apartment, whether or not the same are located within or partly within the boundaries of such Apartment. The half basement under certain Apartments is considered a part of and for the exclusive use of such Apartment. Also, the interior surface of all doors and windows (excluding frames), in the perimeter walls of an Apartment, whether or not located within or partly within the boundaries of an Apartment, and all interior walls within the boundaries of an Apartment, are considered part of the Apartment.

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(b) Boundaries. The boundaries of each Apartment shall be as shown on the Plans without regard to the existing construction measured between the interior unfinished surface of the floors, ceilings and perimeter walls of each Apartment. In the event any horizontal or vertical boundary line as shown on the Plans does not coincide with the actual location of the respective wall, floor or ceiling surface of the Apartment because of inexactness of construction, settling after construction, or for any other reasons, the boundary lines of each Apartment shall be deemed to be and treated for purposes of occupancy, possessions, maintenance, decoration, use and enjoyment, as in accordance with the actual existing construction. In such case, permanent easements for exclusive use shall exist in favor of the Owner of each Apartment in and to such space lying outside of the actual boundary line of the Apartment, but within the appropriate wall, floor or ceiling surfaces of the Apartment.

6. Common Area and Facilities. Common Areas means and includes (1) the Tract, (2) the foundations, columns, girders, beams, supports and roofs of the Buildings, (3) the yards, gardens, driveways, sidewalks and parking areas, (4) central electricity, gas, water, air conditioning and sanitary sewer mains serving the Buildings, (5) exterior lighting fixtures and electrical service lighting the exterior of the Buildings, (6) master television antenna system with connecting outlets to each Apartment, (7) pipes, ducts, electrical wiring and conduits and public utilities lines, (8) floors, ceilings and perimeter walls, except the interior surface thereof (except interior walls of all Apartments and interior floors of Townhouse

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Apartments), and (9) all facilities and appurtenances located outside of the boundary lines of the Apartments, except those areas and facilities expressly defined as Limited Areas.

7. Limited Common Areas and Facilities. Limited Areas and those Apartments to which use thereof is limited are as follows:

(a) The halls, corridors, lobbies, stairs, stairways, entrances and exits of each Building (except the interior of Townhouse Apartments) shall be limited to the use of the Apartments of such Building.

(b) There are 9 garage units under roof. Each garage unit shall be limited for the exclusive use of a particular Apartment.

(c) The basement in each Building is limited to the use of the respective Apartments in the particular Building as designated on the floor plan.

(d) Patios, together with an area around such patio specifically shown and designated on the Plans, shall be limited to the exclusive use of the first floor Apartment or Townhouse Apartment to which they are attached.

(e) The exterior surface of doors and windows in the perimeter walls in each Apartment shall be limited to the exclusive use of the Apartment to which they appertain.

8. Ownership of Common Areas. The Percentage Interest appertaining to each Apartment is set forth in

Paragraph 4 of this Declaration. This Percentage shall for all purposes be deemed to be the percentage of value of each separate Apartment and appurtenances thereto in relation to the Property as a whole. The Percentage Interest appertaining to each separate Apartment in the Common Areas and Limited Areas shall remain constant in this first phase of development and shall not be altered without the unanimous constant of all the Co-owners and compliance with all requirements of the Act.

The Decalrant contemplates the subject Declaration to be the first phase of a total condominium development named King's Cove which shall consist of a total not to exceed forty-seven (47) Apartment units, inclusive of the nine (9) Apartment units within this first phase of development. Therefore, the Percentage Interest in the Common Area and Facilities allocable to the Owners of each Apartment in King's Cove shall change as additional phases are developed. It is contemplated by Declarant that the total condominium development shall consist of six phases developed in the following manner with then undivided owners percentage interest in the Common Areas and Facilities as each phase develops to change as follows:

Phases	No. Living Units	Percentage Interest
I	9	11.111%
II	9	5.555%
III	9	3.703%
IV	9	2.777%
V	9	2.222%
VI	2	2.127%

But each Owner of each Apartment in the total association of Owners in King's Cove, not to exceed a total of forty-seven (47) Apartment units, shall be entitled to one (1) vote in all matters appertaining hereto.

9. Encroachments and Easements for Common Areas. If, by reason of the location, construction, settling or shifting of a Building, any Common Area or Limited Area

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now encroaches or shall hereafter encroach upon any Apartment, then in such event, an easement shall be deemed to exist and run to the Co-owners and the Association for the maintenance, use and enjoyment of such Common Area or Limited Area.

Each Owner shall have an easement in common with each other Owner to use all pipes, wires, ducts, cables, conduits, utility lines and other common facilities located in any of the other Apartments and serving his Apartment.

10. Real Estate Taxes. Real estate taxes are to be separately taxed to each Apartment as provided in the Act. In the event that for any year real estate taxes are not separately assessed and taxed to each Apartment, but are assessed and taxed on the Property as a whole, then each Owner shall pay his proportionate share thereof in accordance with his respective Percentage Interest.

11. Utilities. Each Owner shall pay for his own utilities which are separately metered. Utilities which are not separately metered shall be treated as and paid as part of the Common Expenses, unless otherwise agreed by a majority of the Percentage Vote of the Co-owners.

12. Association of Owners. In order to provide for the maintenance, repair, replacement, administration and operation of the Property and in compliance with the provisions of the Act, there is hereby created an association of the Co-owners of the Apartments in King's Cove to be known as the King's Cove Association. Each Owner shall be a member of the Association, but membership shall

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terminate when such person ceases to be an Owner, and will be transferred to the new Owner.

The Association shall elect a Board of Managers annually in accordance with and as prescribed by the By-Laws. The Co-owners shall be entitled to cast one vote each for the election of the Board of Managers.

The Board of Managers shall be the governing body of the Association, representing all of the Co-owners in providing for the management, maintenance, repair, replacement and upkeep of the Property.

13. Maintenance, Repairs and Replacements. Each Owner shall, at his expense, be responsible for the maintenance, repairs, decoration and replacement within his own Apartment, except as may otherwise be provided in the By-Laws. Each owner shall repair any defect occurring in his Apartment which, if not repaired, might adversely affect any Apartment, Common Area or Limited Area. Maintenance, repairs, replacements and upkeep of the Common Areas and Limited Areas shall be furnished by the Association as part of the Common Expenses.

The Board of Managers shall adopt rules and regulations concerning maintenance, repairs, use and enjoyment of the Common Areas and Limited Areas.

The Board of Managers or their designated agent shall have the right at reasonable times and upon reasonable prior notice (except in cases of emergency in which case no notice shall be required), to enter into each individual

Apartment for the purposes of inspection of the Common Areas and Limited Areas appurtenant thereto and replacement, repair and maintenance of the same.

14. Alterations, Additions and Improvements. No Owner shall make any alterations or additions to the Common Areas or Limited Areas without the prior written approval of the Board of Managers, nor shall any Owner make any alteration to his respective Apartment and within the boundaries thereof which would affect the safety or structural integrity of the Building in which the Apartment is located.

15. Insurance. The Association, acting through its Board of Managers, shall obtain fire and extended coverage insurance insuring the Property in an amount equal to the full insurable value thereof. Such insurance coverage shall be for the benefit of each Owner, and, if applicable, the Owner's Mortgagee. The proceeds shall be payable to the Association or the Board of Managers, who shall hold such proceeds as trustee for the individual Owners and Mortgagees. The interest of each Owner and his Mortgagee in such proceeds shall be equal to the Owner's Percentage Interest.

The Association shall also obtain comprehensive public liability insurance in such limits as the Board of Managers shall deem appropriate, together with Workmen's Compensation insurance and other liability insurance, if deemed necessary or appropriate by the Board of Managers.

Such insurance shall inure to the benefit of each individual Owner, the Association, the Board of Managers and any managing agent or company acting on behalf of the Association.

The premiums for all such insurance shall be paid by the Association as part of the Common Expenses.

Each Owner shall have the right to purchase any additional insurance he may deem necessary, and each Owner shall be solely responsible for insurance on the contents of his own Apartment, including all floor and wall coverings, and fixtures and betterments installed by the Owner, and his personal property stored elsewhere on the Property.

16. Casualty and Restoration. In the event of damage or destruction of the Property by fire or other casualty, the following provisions shall be applicable:

(a) Partial Destruction. In the event that less than two-thirds of the Apartments are destroyed by the occurrence of fire or other casualty, then the Association shall cause the Property to be promptly repaired and restored. The proceeds of the insurance carried by the Association shall be applied to the cost of such restoration. If the insurance proceeds are not adequate to cover the cost of reconstruction, or in the event there are no proceeds, the cost for restoring the damage shall be paid by all of the Owners of the Apartments directly affected by the damage in proportion to the value that each affected Apartment bears to all affected Apartments determined in

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accordance with each Apartment's Percentage Interest. An Apartment shall be deemed to be directly affected if, and only if, such Apartment is located within the Building in which the fire or other casualty occurs. If any Owner, or Owners, refuses or fails to make the required payments, the other Owners shall (or the Association, if such other Owners fail) complete the restoration and pay the cost thereof, and the costs attributable to the Owner or Owners who refuse or fail to make such payments at the time required by the Board of Managers shall become a lien on such defaulting Owners' Apartments and may be foreclosed in the same manner as provided for the lien for Common Expenses.

(b) Restoration in the Event of Two-Thirds Destruction. In the event that more than two-thirds of the Apartments are destroyed by fire or other casualty, then restoration of the Apartments must be approved within one hundred twenty (120) days from the date of damage or destruction by no less than fifty-one per cent (51%) in the aggregate of the total Percentage Vote. If such approval is not obtained, the Property shall be deemed owned in common by all of the Owners and the provisions of Section 21 of the Act shall apply.

(c) Restoration, for purposes of subparagraphs (a) and (b) above, shall mean construction or rebuilding of the Apartments to the same condition as they existed immediately prior to the destruction and with the same type of architecture.

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17. Covenants and Restrictions. The covenants and restrictions applicable to the use and enjoyment of the Apartments are set forth in Article VI of the By-Laws. These 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, the Co-owners or by the Association. Present or future Owners or the Association shall be entitled to injunctive relief against any violation or attempted violation of these provisions and shall be entitled to damages for any injuries resulting from any violations thereof, but there shall be no right of reversion or forfeiture of title resulting from such violation.

18. Sale or Lease of Apartment by Owner. For the purpose of maintaining the congenial and residential character of King's Cove, and for the protection of the Co-owners with regard to financially responsible residents, sale or lease of an Apartment by an Owner other than Declarant shall be subject to the following conditions and restrictions:

(a) Lease. It is in the best interest of all the Owners that those persons residing in King's Cove have similar proprietary interests in their Apartments and be Owners. Accordingly, no Owner shall lease his Apartment or enter into any other rental or letting arrangement for his Apartment without the prior written consent of the Board of Managers. Such consent shall not be unreasonably

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withheld. No lease for a term longer than one year, however, shall be approved. Any Owner desiring to enter into a lease for his Apartment shall make written application to the Board of Managers which application shall state the reasons why the applicant wishes to lease the Apartment, the name of the proposed tenant and family or other persons to reside within the Apartment, and financial references of the proposed tenant and arrange an appointment for the prospective tenant and family to reside within the Apartment to be personally interviewed by the Board of Managers. Within ten (10) days following the interview, the Board of Managers shall issue its written approval or disapproval to the Owner. In the event the Board fails to issue written approval or disapproval within such period, the application shall for all purposes be deemed approved. No Apartment shall be subleased or a change or addition to any existing tenancy be made without the written approval of the Board of Managers.

(b) Sale. The Association shall have the right of first refusal to purchase any Apartment which an Owner wishes to sell. Any Owner wishing to sell who receives a bona fide offer to purchase shall promptly give written notice to the Board of Managers of his desire to sell, together with the name and address of the intended purchaser, and the terms and conditions of such offer. Within fourteen (14) days after receipt of such notice, the Board of Managers shall determine if it should recommend exercise of the right to purchase or waive the right to purchase. In the event the Board of Managers elects to waive the right to purchase, a certificate in recordable form executed by the President or Secretary of the Association, certifying that the Association, through its Board

of Managers, has waived its right to purchase, shall be delivered to the Owner, who may then proceed to sell and convey his Apartment to that person and upon the same terms and conditions as set forth in the Owner's notice to the Board of Managers. In the event the sale is not completed within ninety (90) days following the date of such certificate, then the Apartment shall again become subject to the Association's right of first refusal as herein provided.

In the event the Board of Managers deem it advisable to exercise the Association's right to purchase the Apartment, then it shall give written notice thereof to the Owner and shall, within twenty-one (21) days following the receipt of such notice from the Owner wishing to sell, call a meeting of all the Co-owners for the purpose of voting upon the proposed purchase. If the recommendation of the Board of Managers to purchase such Apartment is approved by no less than seventy-five per cent (75%) in the aggregate of the total Vote, then the Association shall proceed to purchase the offered Apartment from the offering Owner upon the same terms and conditions contained in the offer. The purchase price for the Apartment shall be considered to be a Common Expense and borne by the remaining Co-owners; provided, however, that the Owner who has made the offer to sell his Apartment shall not be assessed for or required to pay his pro rata share of the expense incurred in the purchase of the Apartment.

Legal title to the Apartment shall be conveyed to the Association as an entity or to those persons then serving as Board of Managers, as trustees for the benefit of the Co-owners, whichever the Board of Managers, in their sole discretion, deem appropriate.

In the event that the proposed purchase is not approved by the required percentage of the Co-owners as set out above, then the Board of Managers, through the President or Secretary of the Association, shall promptly deliver a certificate in recordable form to the offering Owner who may proceed to sell his Apartment under the same terms and conditions as if the Board of Managers had not elected to recommend the exercise of the right of the Association to purchase.

If, for any reason, either the Board of Managers or the Co-owners shall fail to act on the Association's right of first refusal within the time periods herein provided, then the Association's right of first refusal shall be deemed to have been effectively waived.

If the Association shall purchase an Apartment in accordance with this paragraph 18, the Board of Managers shall have the authority at anytime thereafter to sell or lease the Apartment upon the terms and conditions as the Board of Managers shall, in their sole discretion, deem desirable, without application to or approval of the Co-owners. The proceeds of any such sale shall be returned

to the Co-owners in the same percentage as they had contributed to the purchase. In the event the Board of Managers elect to lease such Apartment, then the lease rental payments shall be applied against the Common Expenses.

The above provisions with respect to the Association's right to approve a lease of an Apartment or the right to purchase an Apartment shall remain in full force and effect until the Property is removed from the provisions of the Act or until the expiration of twenty (20) years from the date of this Declaration, whichever first occurs.

Any sale or attempted sale, or any lease or attempted lease by an Owner of his Apartment, except in accordance with the provisions of this paragraph 18, shall be void; provided, however, that any certificate waiving the Association's right to purchase executed by the Association and delivered to an Owner as provided by this paragraph may be relied upon by any purchaser or Mortgagee and shall, with respect to such purchaser or Mortgagee, be absolutely binding upon the Association and the Co-owners unless such purchaser or Mortgagee has actual knowledge that the certificate was procured fraudulently or by reason of a misrepresentation of a material fact.

(c) Limitations to Mortgagee. With respect to a Mortgagee that is a bank, life insurance company or savings and loan association, the provisions of subparagraphs (a) and (b) of this paragraph 18 shall be limited in their application as follows:

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(i) The provisions of subparagaph (b) shall not be applicable to a conveyance of an Apartment to such Mortgagee as a result of a foreclosure of its mortgage or a conveyance in lieu thereof or to the conveyance of an Apartment to any person at a public sale in the manner provided by law with respect to mortgage foreclosures. The provisions of subparagraph (b) shall be applicable to and binding upon such Mortgagee or other person so obtaining title to an Apartment with respect to any subsequent transfer or conveyance of the Apartment.

(ii) The provisions of subparagraph (a) shall not be applicable to such Mortgagee if such Mortgagee acquires possession of an Apartment during the period while a foreclosure proceeding is pending or to such Mortgagee who obtains title to an Apartment as a result of foreclosure of its mortgage or a conveyance in lieu thereof. The provisions of subparagraph (a) shall be binding upon any other perosn obtaining title to the Apartment from such Mortgagee or at any foreclosure or other judicial sale.

The provisions of this subparagraph (c) may not be amended without the consent of all of such Mortgagees.

19. Amendment of Declaration. Amendments to this Declaration shall be proposed and adopted in the following manner:

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

(b) Resolution. A resolution to adopt a proposed amendment may be proposed by the Board of Managers or the Owners of at least a majority of the Vote.

(c) Meeting. The resolution concerning a proposed amendment must be adopted by the designated vote

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at a meeting duly held in accordance with the provisions of the By-Laws.

(d) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less than seventy-five per cent (75%) in the aggregate of the total vote. In the event any Apartment 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 Managers in accordance with the provisions of the By-Laws.

(e) Special Amendments. No amendment to this Declaration shall be adopted which changes (1) the Percentage Interest with respect to any Apartment or the applicable share of an Owner's liability for the Common Expenses, without the approval of one hundred per cent (100%) of the Co-owners, or (2) the provisions of paragraph 16 of this Declaration with respect to reconstruction or repair in the event of fire or casualty, without the unanimous approval of all Mortgagees whose mortgage interests have been made known to the Board of Managers in accordance with the provisions of the By-Laws.

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

20. Acceptance and Ratification. All present and future Owners, Mortgagees, tenants and occupants of the Apartments shall be subject to and shall comply with the provisions of this Declaration, the Act, the By-Laws appended hereto, and the rules and regulations as adopted by the Board of Managers as each may be amended from time to time. The acceptance of a deed of conveyance or the act of occupancy of any Apartment shall constitute an agreement that the provisions of this Declaration, the Act, the By-Laws and rules and regulations as each may be amended 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 anytime any interest or estate in an Apartment or the Property as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. All persons, corporations, partnerships, trusts, associations, or other legal entities who may occupy, use, enjoy or control an Apartment or Apartments or any part of the Property in any manner shall be subject to the Declaration, the Act, the By-Laws, and the rules and regulations applicable thereto as each may be amended from time to time.

21. Negligence. Each Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees,

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to the extent that such expense is not covered by the proceeds of insurance carried by the Association. An Owner shall pay the amount of any increase in insurance premiums occasioned by his use, misuse, occupancy or abandonment of his Apartment or its appurtenances or of the Common Areas or Limited Areas.

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

23. Waiver. No Owner may exempt himself from liability for his contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Areas or Limited Areas or by abandonment of his Apartment.

24. Severability Clause. The invalidity of any covenant, restriction, condition, limitation or other provision of this Declaration or the By-Laws filed herewith shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration or the attached By-Laws.

25. Floor Plans. The Plans setting forth the layout, location, identification numbers, and dimensions

of all of the Apartments and the Property are incorporated into this Declaration by reference, and have been filed in the office of the Recorder of Marion County, Indiana, in Horizontal Property Plan File No. _____, as of _____, 19____, as Instrument Number _____.

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

G. C. Templeton, Jr.

Mary Pat Templeton

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared G. C. Templeton, Jr. and Mary Pat Templeton, who, having been duly sworn, acknowledged the execution of the foregoing Declaration.

Witness my hand and Notarial Seal this 24 day of OCTOBER, 1972.

Notary Public

My commission expires:
4-6-76

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This instrument prepared by William Lemond

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CODE OF BY-LAWS

OF

KING'S COVE

HORIZONTAL PROPERTY REGIME

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CODE OF BY-LAWS

OF

KING'S COVE

HORIZONTAL PROPERTY REGIME

ARTICLE I

Identification and Applicability

Section 1.01. Identification and Adoption. These By-Laws are adopted simultaneously with the execution of a certain Declaration creating King's Cove Horizontal Property Regime to which these By-Laws are attached and made a part thereof. The Declaration is incorporated herein by reference, and all of the covenants, rights, restrictions and liabilities therein contained shall apply to and govern the interpretation of these By-Laws. The definitions and terms as defined and used in the Declaration shall have the same meaning in these By-Laws and reference is specifically made to paragraph 1 of the Declaration containing definitions of terms. The provisions of these By-Laws shall apply to the Property and the administration and conduct of the affairs of the Association.

Section 1.02. Individual Application. All of the Co-owners, future Owners, tenants, future tenants, or their guests and invitees, or any other person that might use or occupy an Apartment or any part of the Property, shall be subject to the rules, restrictions, terms and conditions set forth in the Declaration, these By-Laws and the Act.

ARTICLE II

Meetings of Association

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

Section 2.02. Annual Meetings. The annual meeting of the members of the Association shall be held on the third Tuesday of January in each calendar year. At the annual meeting the Co-owners shall elect the Board of Managers of the Association in accordance with the provisions of these By-Laws and transact such other business as may properly come before the meeting.

Section 2.03. Special Meetings. A special meeting of the members of the Association may be called by resolution of the Board of Managers or upon a written petition of the Co-owners who have not less than a majority of the Percentage Vote. The resolution or petition shall be presented to the President or Secretary of the Association and shall state the purpose for which the meeting is to be called. No business shall be transacted at a special meeting except as stated in the petition or resolution.

Section 2.04. Notice and Place of Meetings. All meetings of the members of the Association shall be held at any suitable place in Marion County, Indiana, as may be

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designated by the Board of Managers. Written notice stating the date, time and place of any meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered or mailed by the Secretary of the Association to each Co-owner and, if applicable, to any Mortgagee not less than fourteen (14) days prior to the date of such meeting. The notice shall be mailed or delivered to the Co-owners at their address as it appears upon the records of the Association and to the Mortgagee at the address as it appears on the records of the Association. Attendance at any meeting in person or by proxy shall constitute a waiver of notice of such meeting.

Section 2.05. Voting.

(a) Number of Votes. Each Owner shall be entitled to cast one Vote on each matter coming before the meeting.

(b) Mutiple Owner. Where the Owner of an Apartment constitutes more than one person, or is a partnership, there shall only be one voting representative entitled to all the Vote allocable to that Apartment. At the time of acquisition of title to an Apartment by a

multiple Owner or a partnership, those persons constituting such Owner or the partners shall file with the Secretary of the Association an irrevocable proxy appointing one of such persons or partners as the voting representative for such Apartment, which shall remain in effect until such appointed representative relinquishes such appointment in writing, becomes incompetent, dies or such appointment is otherwise rescinded by order of a court of competent jurisdiction. Such appointed voting representative may grant a proxy to another to vote in his place at a particular meeting or meetings pursuant to paragraph (d) of this Section 2.05, which shall not constitute a permanent relinquishment of his right to act as voting representative for the Apartment.

(c) Voting by Corporation or Trust. Where a corporation or trust is an Owner or is otherwise entitled to vote, the trustee may cast the vote on behalf of the trust and the agent or other representative of the corporation duly empowered by the board of directors of such corporation shall cast the Vote to which the corporation is entitled.

(d) Proxy. An Owner may vote either in person or by his duly authorized and designated attorney-in-fact. Where voting is by proxy, the Owner shall duly designate his attorney-in-fact in writing, delivered to the Association prior to the commencement of the meeting.

(e) Quorum. Except where otherwise expressly provided in the Declaration, these By-Laws or the Indiana Horizontal Property Act, the Owners representing a

majority of the Vote shall constitute a quorum at all meetings. The term majority of Owners or majority of Vote, as used in these By-Laws, shall mean the Owners entitled to not less than fifty-one per cent (51%) of the total Votes entitled to be cast.

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

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

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

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

(4) Election of Board of Managers. Nominations for the Board of Managers may be made by any Owner from those persons eligible to serve. Such nominations must be in writing and presented to the Secretary of the Association at least ten (10) days prior to the date of the annual meeting. Voting for the Board of Managers will be by paper ballot. The ballot shall contain the name of each person nominated to serve as a Board member. Each Owneer may cast the total number of votes to which he is entitled for as many nominees as are to be elected; however, he shall not be entitled to cumulate his votes. Those persons receiving the highest number of votes shall be elected. Each voting Owner shall sign his ballot.

(5) Other Business. Other business may be brought before the meeting only upon a written

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request submitted to the Secretary of the Association at least ten (10) days prior to the date of the meeting; provided, however, that such written request may be waived at the meeting if agreed by a majority of the Precentage Vote.

(6) Adjournment.

ARTICLE III

Board of Managers

Section 3.01. The affairs of the Association and King's Cove shall be governed and managed by the Board of Managers (herein collectively called "Board" or Managers" and individually called "Manager"). The Board of Managers shall be composed of three persons. No person shall be eligible to serve as a Manager unless he is an Owner or is an attorney, agent or employee of Declarant.

Section 3.02. Initial Board of Managers. The initial Board of Managers shall be G. C. Templeton, Jr., Mary Pat Templeton and William F. LeMond, all of whom are representatives of Declarant. The initial Board shall hold their office until the first annual meeting of the Co-owners to be held in January of 1973; provided, however, the initial Board of Managers shall replace William F. LeMond with an Owner at the earliest practicable date.

Section 3.03. 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 Managers, except that no single Apartment may be represented on the Board of Managers by more than one person at a time.

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Section 3.04. Term of Office and Vacancy. The Board of Managers shall be elected at each annual meeting of the Association. Managers shall hold office for a term of one (1) year or until their successors have been duly elected and qualified.

Any vacancy or vacancies occurring in the Board shall be filled by a vote of a majority of the remaining Managers or by vote of the Co-owners if a Manager is removed in accordance with Section 3.05 of this Article III.

Section 3.05. Removal of Managers. A Manager or Managers may be removed with or without cause by vote of a majority of the vote at a special meeting of the Co-owners duly called and constituted. In such case, his successor shall be elected at the same meeting from eligible Owners nominated at the meeting. A Manager so elected shall serve until the next annual meeting of the Co-owners or until his successor is duly elected and qualified.

Section 3.06. Duties of the Board of Managers. The Board of Managers shall provide for the administration of the King's Cove Horizontal Property Regime, the maintenance, upkeep and replacement of the Common Areas and Limited Areas, and the collection and disbursement of the Common Expenses. These duties include, but are not limited to:

(a) protection, surveillance and replacement of the Common Areas and Limited Areas;

(b) procuring of utilities used in connection with King's Cove, removal of garbage and waste, and snow removal from the Common Areas;

(c) landscaping, painting, decorating and furnishing of the Common Areas and Limited Areas, the exterior of the Buildings, garages and walls;

(d) surfacing, paving and maintaining streets, parking areas, garages and sidewalks;

(e) washing and cleaning of exterior window surfaces of the Apartments;

(f) assessment and collection from the Owners of the Owner's pro rata 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 Co-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 annual budget;

(i) keeping a current, accurate and detailed record of receipts and expenditures affecting the Property, 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.

Section 3.07. Powers of the Board of Managers. The Board of Managers 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 or a real estate management company (either being hereinafter referred to as "Managing Agent") to assist the Board in performing its duties;

(b) to purchase for the benefit of the Co-owners such equipment, materials, labor and services as may be necessary in the judgment of the Board of Managers;

(c) to procure for the benefit of the Owners fire and extended coverage insurance covering the Buildings and the Property to the full insurable value thereof and to procure public liability and property damage insurance and Workmen's Compensation insurance, if necessary, for the benefit of the Owners and the Association;

(d) to employ legal counsel, architects, contractors, accountants and others as in the judgment of the Board of Managers may be necessary or desirable in connection with the business and affairs of King's Cove;

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

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

(g) to adopt, revise, amend and alter from time to time reasonable rules and regulations with respect to use, occupancy, operation and enjoyment of the Property.

Section 3.08. Limitation on Board Action. The authority of the Board of Managers 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 Owners, except in the following cases:

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

(b) proposed contracts and proposed expenditures expressly set forth in the proposed annual budget as approved by the Co-owners at the annual meeting.

Section 3.09. Compensation. No Manager shall receive any compensation for his services as such except to such extent as may be expressly authorized by a majority of the Owners.

Section 3.10. Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of Managers. The Secretary shall give notice of regular meetings of the Board to each Manager personally or by United States mail at least five (5) days prior to the date of such meeting.

Special meetings of the Board may be called by the President or any two members of the Board. The person or persons calling such meeting shall give written notice thereof to the Secretary who shall either personally or by mail and at least three (3) days prior to the date of such special meeting, give notice to the Board members. The notice of the meeting shall contain a statement of the purpose for which the meeting is called. Such meeting shall be held at such place and at such time within Marion County, Indiana, as shall be designated in the notice.

Section 3.11. Waiver of Notice. Before any meeting of the Board, any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. The presence of any Manager at a meeting shall, as to such Manager, constitute a waiver of notice of the time, place and purpose thereof. If all Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 3.12. Quorum. At all meetings of the Board a majority of the Managers shall constitute a quorum for the transaction of business and the votes of the majority

of the Managers present at a meeting at which a quorum is present shall be the decision of the Board.

Section 3.13. Non-Liability of Managers. The Managers shall not be liable to the Co-owners for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Managers, except for their own individual willful misconduct, bad faith or gross negligence. The Co-owners shall indemnify and hold harmless each of the Managers against any and all liability to any person, firm or corporation arising out of contracts made by the Board on behalf of King's Cove, unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or By-Laws. It is intended that the Managers shall have no personal liability with respect to any contract made by them on behalf of King's Cove or the Association and that in all matters the Board is acting for and on behalf of the Co-owners and as their agent. The liability of any Owner arising out of any contract made by the Board or out of the aforesaid indemnity in favor of the Managers shall be limited to such percentage of the total liability or obligation thereunder as is equal to his Percentage Interest. Every contract made by the Board or the Managing Agent on behalf of King's Cove shall provide that the Board of Managers and the Managing Agent, as the case may be, is acting as agent for the Co-owners and shall have no personal liability thereunder, except in their capacity as Owners and then only to the extent of their Percentage Interest.

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Section 3.14. Additional Indemnity of Managers. The Co-owners shall indemnify any person, his heirs, assigns and legal representatives, made a part to any action, suit or proceeding by reason of the fact that he is or was a Manager of the Association, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except as otherwise specifically provided herein in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Manager is liable for gross negligence or misconduct in the performance of his duties. The Co-owners shall also reimburse to any such Manager the reasonable costs of settlement of or judgment rendered in any action, suit or proceeding, if it shall be found by a majority of the Co-owners that such Manager was not guilty of gross negligence or misconduct. In making such findings and notwithstanding the adjudication in any action, suit or proceeding against a Manager, no Manager shall be considered or deemed to be guilty of or liable for negligence or misconduct in the performance of his duties where, acting in good faith, such Manager relied on the books and records of the Association or statements or advice made by or prepared by the Managing Agent of King's Cove or any officer or employee thereof, or any accountant, attorney or other person, firm or corporation employed by the Association to render advice or service unless such Manager had actual knowledge of the falsity or incorrectness thereof; nor shall a Manager be

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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 Managers.

ARTICLE IV

Officers

Section 4.01. Officers of the Association. The principal officers of the Association shall be the President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board. The Managers may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary. Any two or more offices may be held by the same person, except that the duties of the President and Secretary shall not be performed by the same person.

Section 4.02. Election of Officers. The officers of the Association shall be elected annually by the Board at the initial meeting of each new Board. Upon an affirmative vote of a majority of all members of the Board, any officer may be removed either with or without cause and his successor elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

Section 4.03. The President. The President shall be elected from among the Managers and shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board, shall have and discharge all the general powers and duties usually vested in the office of president or chief executive officer

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of an association or a stock corporation organized under the laws of Indiana, including but not limited to the power to appoint committees from among the Co-owners as he may deem necessary to assist in the affairs of the Association and to perform such other duties as the Board may from time to time prescribe.

Section 4.04. The Vice President. The Vice President shall be elected from among the Managers and shall perform all duties incumbent upon the President during the absence or disability of the President. The Vice President shall also perform such other duties as these By-Laws may prescribe or as shall, from time to time, be imposed upon him by the Board or by the President.

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

Section 4.06. The Treasurer. The Board shall elect from among the Managers a Treasurer who shall maintain a correct and complete record of account showing accurately at all times the financial condition of the Association

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and such other duties incident to the office of Treasurer. He shall be the legal custodian of all monies, notes, securities and other valuables which may from time to time come into possession of the Association. He shall immediately deposit all funds of the Association coming into his hands in some reliable bank or other depository to be designated by the Board and shall keep such bank account in the name of the Association.

Section 4.07. Assistant Officers. The Board of Managers may, from time to time, designate and elect from among the Co-owners an Assistant Secretary and Assistant Treasurer who shall have such powers and duties as the officers whom they are elected to assist shall delegate to them and such other powers and duties as these By-Laws or the Board of Managers may prescribe.

ARTICLE V

Assessments

Section 5.01. Annual Accounting. Annually, after the close of each calendar year and prior to the date of the annual meeting of the Association, the Board shall cause to be prepared and furnished to each Owner a financial statement prepared by a recognized accounting firm then serving the Association, which statement shall show all receipts and expenses received, incurred and paid during the preceding calendar year.

Section 5.02. Proposed Annual Budget. Annually, on or before the date of the annual meeting of the

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Association, the Board of Managers shall cause to be prepared a proposed annual budget for the ensuing calendar year estimating the total amount of the Common Expenses for the ensuing year and furnish a copy of such proposed budget to each Owner prior to the annual meeting. The annual budget shall be submitted to the Co-owners at the annual meeting of the Association for adoption and, if so adopted, shall be the basis for the Regular Assessments (hereinafter defined) for the ensuing calendar year. At the annual meeting of the Co-owners, the budget may be approved in whole or in part or may be amended in whole or in part by a majority of the Vote; provided, however, that in no event shall the annual meeting of the Co-owners be adjourned until an annual budget is approved at such meeting, either the proposed annual budget or the proposed annual budget as amended.

Section 5.03. Regular Assessments. The annual budget as adopted shall, based on the estimated cash requirement for the Common Expenses in the ensuing year as set forth in said budget, contain a proposed assessment against each Apartment based on the Percentage Interest of each Apartment. Immediately following the adoption of the annual budget, each Owner shall be given written notice of such assessment against each respective Apartment (herein called the "Regular Assessment"). The Regular Assessment against each Apartment shall be paid in equal monthly installments, commencing on the first day of February of such calendar year and on the first day of each calendar month thereafter through and including the following January 1. Payment of the monthly

installments of the Regular Assessment shall be made to the Board of Managers or the Managing Agent, as directed by the Board of Managers; provided, however, Owners may elect to pay monthly assessments semi-annualy or annually, in advance. The Regular Assessment for the year shall become a lien on each separate Apartment as of February 1 of each calendar year.

Section 5.04. Special Assessments. From time to time Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time and without the approval of the Co-owners, unless otherwise provided in these By-Laws, the Declaration or the Indiana Horizontal Property Act, the Board of Managers shall have the full right, power and authority to make special assessments which, upon resolution of the Board, shall become a lien on each Apartment, prorated in accordance with the Percentage Interest of each Apartment (herein called "Special Assessment").

Section 5.05. Failure of Owner to Pay Assessments. Each Owner shall be personally liable for the payment of all Regular and Special Assessments. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several. If any Owner shall fail, refuse or neglect to make any payment of any Regular or Special Assessment when due, the lien for such Assessment on the Owner's Apartment may be filed and foreclosed by the Board for and on behalf of the Association as provided by law. In any action to foreclose the lien for Assessments, the Owner and occupant shall be jointly and severally liable for the payment to the Association of reasonable rental for such Apartment, and the Board shall be entitled to the appointment of a

receiver for the purpose of preserving the Apartment and to collect the rentals and other profits therefrom for the benefit of the Association to be applied to the unpaid Regular or Special Assessment. The Board may, at its option, bring a suit to recover a money judgment for any unpaid Regular 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 Association, shall be entitled to recover costs and expenses of such action incurred, including but not limited to reasonable attorneys' fees, from the Owner of the respective Apartment.

Section 5.06. Maintenance and Repairs. Every Owner shall promptly perform all maintenance and repair within his own Apartment, which, if neglected, would affect the value of the Property and is the responsibility of the Owner to make personally. Such maintenance and repairs include, but are not limited to, internal water lines, plumbing, electric lines, appliances, gas lines, telephones, air conditioning, doors, windows, lamps and all other accessories belonging to the Owner and appurtenant to the Apartment.

ARTICLE VI

Restrictions on Use

Section 6.01. The following restrictions on the use and enjoyment of the Apartment, Common Areas, Limited Areas and the Property shall be applicable to King's Cove and in addition to those set forth in the Declaration.

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These are as follows:

(a) All Apartments shall be used exclusively for residential purposes and the occupancy for a single family.

(b) No additional buildings shall be erected or located on the Tract other than the Buildings desiganted in the Declaration and shown on the Plans.

(c) Nothing shall be done or kept in any Apartment or in the Common Areas or Limited Areas which will cause an increase in the rate of insurance on any Building or the contents thereof. No Owner shall permit anything to be done or kept in his Apartment or in the Common Areas or Limited Areas which will result in a cancellation of insurance on any Building or contents thereof, or which would be in violation of any law or ordinance.

(d) No waste shall be committed in the Apartment, Common Areas or Limited Areas.

(e) No Owner shall cause or permit anything to be hung or displayed on the outside of the windows or placed on the outside walls of a Building, and no sign, awning, canopy, shutter or radio or television antenna or other attachment or thing shall be affixed to or placed upon the exterior walls or roofs or any other parts of any Building without the prior consent of the Board. All windowglass exposed to the exterior view shall be appropriately covered or draped with white facing or lining only exposed to view.

(f) No animals, livestock or poultry of any kind shall be raised, bred or kept in any Apartment or in the Common Areas or Limited Areas, except that small pet

dogs, cats or customary household pets may be kept in an Apartment, provided that the Owner having such pet deposits with the Board a security deposit in the amount of $250.00 to cover any damage that may be caused by such pet to the Common Areas or Limited Areas, and 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 and an Owner shall be fully liable for any damage to the Common Areas or Limited Areas caused by his pet. The Board may adopt such other rules and regulations regarding pets as it may deem necessary from time to time. Any pet which, in the judgment of the Board, is causing or creating a nuisance or unreasonable disturbance or noise, shall be permanently removed from the Property upon three (3) days' written notice from the Board to the respective Owner. The security deposit shall be returned to the Owner when the pet is permanently removed from the Property unless it has been used to repair damage.

(g) Nothing shall be done or permitted in any Apartment which will impair the structural integrity of any Building or which would structurally change any Building, except as otherwise provided in the Declaration or these By-Laws; nor shall the premises be used in any unlawful manner or in any manner to cause injury to the reputation of the Apartment or to be a nuisance, annoyance, inconvenience or damage to other tenants of the Building or neighborhood, including without limiting the generality of the foregoing, noise by the use of any musical instruments, radio, T-V, loud speakers, electrical equipment, amplifiers or other equipment or machines.

(h) No clothes, sheets, blankets, rugs, laundry or other things shall be hung out or exposed on any part of the Common Areas. The Common Areas shall be kept free and clear of rubbish, debris and other unsightly materials.

(i) 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 Property.

(j) No "for sale", "for rent" or "for lease" signs or other window or advertising display shall be maintained or permitted on any part of the Property or any Apartment 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 any unsold or unoccupied Apartments.

(k) All Owners and members of their families, their guests, or invitees, and all occupants of any Apartment or other persons entitled to use the same and to use and enjoy the Common Areas 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 Areas and Limited Areas.

(l) No boats, campers, trailers of any kind, buses, mobile homes, trucks, motor cycles, mini-bikes, or any other unconventional vehicles of any description, shall be permitted, parked or stored anywhere within the Property; provided, however, that nothing herein shall prevent the parking or storage of such vehicles completely enclosed within a garage.

(m) No Owner shall be allowed to plant trees, landscape or do any gardening in any of the Common Areas or Limited Areas, except with express permission from the Board.

(n) No Owner shall be allowed to place or cause to be placed in the lobbies, vestibules, stairways, hallways

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or areas of a similar nature and used for a similar purpose, both Common and Limited, any furniture, packages or objects of any kind, without the consent of the Board of Managers.

(o) The Owner of each Apartment located on the second floor of a Building shall maintain wall to wall carpeting in all rooms in such Apartment.

(p) All trash or refuse shall be stored in appropriate containers inside the Apartment (including garage) and made accessible for the programmed trash collection system established by the Board of Managers.

Section 6.02. Right of Entry. An owner or occupant of an Apartment shall grant the right of entry to the Managing Agent or any other person authorized by the Board in case of any emergency originating in or threatening his Apartment or the Building in which it is located, whether the Owner is present at the time or not. Any Owner shall permit other persons, or their representatives, when so required, to enter his Apartment for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, or to make structural repairs, provided that requests for entry are made in advance and that such entry is at a time convenient to the Owner. In case of emergencies, such right of entry shall be immediate.

Section 6.03. Right of Board to Adopt Rules and Regulations. The Board may promulgate such additional rules and regulations regarding the operation of the Property, including but not limited to the use of the Common Areas and Limited Areas, as it may deem necessary from time to time and such rules as are adopted may be amended by a vote of a majority of the Board, and the Board shall cause copies of such rules to be delivered or mailed promptly to all Owners.

ARTICLE VII

Amendment to By-Laws

Section 7.01. These By-Laws may be amended by a vote of not less than seventy-five per cent (75%) of the Vote of the Co-owners in a duly constituted meeting called for such purpose.

ARTICLE VIII

Mortgages

Section 8.01. Notice to Association. Any Owner who places a first mortgage lien upon his Apartment or the Mortgagee shall notify the Secretary of the Association and provide the name and address of the Mortgagee. A record of such Mortgagee and name and address shall be maintained by the Secretary and any notice required to be given to the Mortgagee pursuant to the terms of the Declaration or these By-Laws 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 any Mortgagee as may be otherwise required by the Declaration or these By-Laws shall be required and no Mortgagee shall be entitled to vote on any matter to which he otherwise may be entitled by virtue of the Declaration or By-Laws or proxy granted to such Mortgagee in connection with the mortgage.

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Section 8.02. Notice of Unpaid Assessments. The Association shall, upon request of a Mortgagee, a proposed Mortgagee or purchaser who has a contractual right to purchase an Apartment, furnish to such Mortgagee or purchaser a statement setting forth the amount of the unpaid Regular or Special Assessments against the Apartment, which statement shall be binding upon the Association and the Co-Owners, and any Mortgagee or grantee of the Apartment shall not be liable for nor shall the Apartment conveyed be subject to a lien for any unpaid assessments in excess of the amount set forth in such statement.

* * *

This instrument prepared by William Lemond

73- 26765

54 70 SP

CROSS REFERENCE

CROSS REFERENCE

SUPPLEMENTAL DECLARATION OF
KING'S COVE HORIZONTAL PROPERTY REGIME

This Supplemental Declaration, made this 25th day of April, 1973, by G. C. Templeton, Jr. and Mary Pat Templeton, husband and wife, ("Declarant"),

WITNESSETH:

WHEREAS, the following facts are true:

A. Declarant is the sole owner of the fee simple title to the following described real estate located in Marion County, Indiana, to-wit:

A part of the Southwest Quarter of Section 15, Township 17 North, Range 3 East in Marion County, Indiana, being more particularly described as follows, to-wit:

Commencing at the Southwest corner of said Quarter Section; thence North 01° 30' 00" East upon and along the West line of said Quarter Section 915.00 feet to a point; thence South 89° 04' 49" East 205.00 feet to the beginning point of this description; thence South 89° 04' 49" East 155.00 feet to a point; thence North 01° 30' 00" East and parallel with the said West line 249.56 feet to the South line of "Pickwick II-Second Section", a subdivision in Marion County, Indiana, the plat of which is recorded as Instrument Number 69-1064 in the Office of Recorder of Marion County, Indiana; thence North 89° 00' 53" West upon and along said South line of "Pickwick II-Second Section" 155.00 feet to a point; thence South 01° 30' 00" West and parallel to the said West line of said Quarter Section 249.74 feet to the point of beginning, containing 0.888 acres, more or less.

Subject, however, to a 5 foot utility easement off the entire South side thereof, said easement dated April 7, 1969 and recorded April 28, 1969, as Instrument Number 69-21289.

Subject also to utility, water, sanitary sewer and ingress and egress easements as shown on the within plat.

Subject further to all other legal easements and rights-of-way.

(hereinafter referred to as the "Real Estate").

Exhibit cond.

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RECORDER
OF MARION CO.

B. Declarant, on the 24th day of October , 1972, executed a Declaration of Horizontal Property Ownership for the King's Cove Horizontal Property Regime which was recorded in the office of the Recorder of Marion County, Indiana, on the 24th day of October , 1972, as Instrument Number 72-64856 (hereinafter referred to as the "Declaration").

C. The Real Estate constitutes Phase II of the Phases of Development defined in the Declaration at pages 4 and 10 which is subject to automatic inclusion in the Declaration by this Supplemental Declaration as defined at page 1 thereof.

D. All conditions relating to the annexation of Phase II in the Phases of Development of King's Cove Horizontal Property Regime have been met, and Declarant, by execution of this Supplemental Declaration, hereby incorporates the Real Estate into the King's Cove Horizontal Property Regime.

NOW, THEREFORE, Declarant makes this Supplemental Declaration as follows:

1. Definitions. The definitions used in the Declaration shall be applicable to the Real Estate and this Supplemental Declaration; provided, however, the Real Estate shall for all purposes now be included in Phase II in the definition of "Phases of Development" in the Declaration, and the definition of "Plans" in the Declaration where appropriate will now include the Plans defined in this Supplemental Declaration.

"Plans" as used in this Supplemental Declaration means the floor and building plans of the Buildings and Apartments on the Real Estate, prepared by a registered architect under date of January 10, 1973 and the height and elevation survey of the Real Estate and the Buildings thereon prepared by Schneider Engineering Corp., certified by John V. Schneider,

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registered land surveyor and engineer, under date of January 10, 1973, all of which is incorporated herein by reference.

2. Declaration. Declarant hereby expressly declares that the Real Estate and all appurtenant easements, Apartments, Buildings, garages, improvements and property of every kind and nature whatsoever, real, personal and mixed, located thereon shall be annexed to and become part of the King's Cove Horizontal Property Regime as if such had originally been included in the Declaration, and hereafter held, transferred, sold, conveyed, and occupied subject to the covenants, restrictions and provisions of this Declaration, the Act, and By-laws, and the rules and regulations as adopted by the Board of Managers, as each may be amended from time to time, the Declaration being incorporated herein and made a part hereof by refarence.

3. Description of Buildings. There shall be two (2) Buildings containing nine (9) Apartments on the Real Estate as shown on the Plans. The Buildings are identified and referred to in the Plans and in this Supplemental Declaration as Buildings III and IV, inclusive. The two (2) buildings contain a total of nine (9) separate apartments, consisting of the following:

(See Exhibit A, attached hereto and by this reference incorporated herein.)

4. Percentage Interest. The Percentage Interest of each Apartment in Phase I is hereby reduced to the Percentage Interest set forth in paragraph 8, page 10 of the Declaration and the balance hereby reverts to the Declarant, its successors or assigns, and Declarant hereby mortgages to the mortgagee of the Owner of each Apartment in Phase I, if any, and grants and conveys to the Owner of each Apartment in Phase I, subject to the mortgage, if any, an undivided interest in the Common Areas and Limited Areas of Phase II, corresponding to such Apartment's Percentage Interest as designated in paragraph 8, page 10 of the Declaration.

The Percentage Interest of each Apartment in the Tract (as

POOR ORIGINAL

now defined) is 5.555%, which is the same as the Percentage Interests in paragraph 8, page 10 of the Declaration.

5. Acceptance and Ratification. The acceptance of a deed of conveyance or the act of occupancy of any Apartment shall constitute an agreement that the provisions of this Supplemental Declaration, the Declaration, the Act, the By-Laws and any rules and regulations adopted pursuant thereto, as each may be amended from time to time, 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 an Apartment or the Property as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

6. Floor Plans. The Plans setting forth the layout, location, identification and dimensions of the Apartments and Property identified in this Supplemental Declaration are incorporated into the Declaration, added to the Plans filed with the Declaration, and have been filed in the office of the Recorder of Marion County, Indiana, in Horizontal Property Plan File No. _____ as of May 3, 1973, as Instrument No. 73-26765.

Executed the day and year first above written.

G. C. Templeton, Jr., and

Mary Pat Templeton, husband and wife

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared the above named G. C. Templeton, Jr. and Mary Pat Templeton, husband and wife, who, acknowledged the

POOR ORIGINAL

execution of this Declaration of Horizontal Property Ownership.

Janet L. Simmons
Notary Public

My commission expires:

March 5, 1977

This instrument prepared by:
William F. LeMond, Attorney
412 Union Federal Building
Indianapolis, Indiana 46204
(317) 635-4500

EXHIBIT A

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Building III.

Building Type A - 4 Apartments

Apartment Units A-1 and A-2
Living Area - 1062 sq. ft.
Garage - 275 sq. ft.
Covered
Porch - 134 sq. ft.
(2 bedrooms, 2 baths)

Apartment Unit A-3
Living Area - 1154 sq. ft.
Garage - 290 sq. ft.
Covered
Porch - 134 sq. ft.
(2 bedrooms, reading alcove & 2 baths)

Apartment Unit A-4
Living Area - 1089 sq. ft.
Garage - 290 sq. ft.
Covered
Porch - 134 sq. ft.
(2 bedrooms, 2 baths)

Building IV.

Building Type B - 5 Apartments

Apartment Units B-1 and B-4
Living Area - 1085 sq. ft.
Basement - 1094 sq. ft.
Garage - 248 sq. ft.
(2 bedrooms, 2 baths)

Apartment Unit B-2
Living Area - 1st floor - 651 sq. ft.
2nd floor - 700 sq. ft.
Total -1351 sq. ft.
Basement - 644 sq. ft.
Garage - 248 sq. ft.
(2 bedrooms, 2-1/2 baths)

Apartment Unit B-3
Living Area - 1st floor - 651 sq. ft.
2nd floor - 659 sq. ft.
Total -1310 sq. ft.
(2 bedrooms, 2-1/2 baths)

Apartment Unit B-5
Living Area - 1394 sq. ft.
Garage - 248 sq. ft.
Storage - 41 sq. ft.
(under stairs)
(3 bedrooms, 2 baths)

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for and on behalf of said corporation.

WITNESS my hand and Notarial Seal this 25th day of April, 1973.

M. A. Mahins Notary Public

My commission expires:

June 30, 1976

Prepared by:
William F. LeMond, Attorney
412 Union Federal Building
Indianapolis, Indiana 46204
(317) 635-4500

73 26765

F 2878

CROSS REFERENCE CROSS REFERENCE 880115707 CROSS REFERENCE

AMENDMENT

THE BOARD OF MANAGERS OF KING'S COVE ASSOCIATION HEREBY WAIVE AND RELEASE THEIR RIGHTS UNDER PARAGRAPH NO. 18(B) OF THE DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP FOR KING'S COVE RECORDED OCTOBER 26, 1972 AS INSTRUMENT NO. 72-64856 AND NO APPROVAL BY THIS BOARD WILL BE REQUIRED FOR TRANSFER OF ANY UNIT NOW OR IN THE FUTURE.

THE BOARD OF MANAGERS OF KING'S COVE ASSOCIATION:

BY: Lloyd Jacobs, Pres. BY: _____

PRINTED: LLOYD JACOBS PRINTED: _____

BY: Diane M. Hibbeln BY: _____

PRINTED: DIANE M. HIBBELN PRINTED: _____

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BETH GLADDEN
MARION COUNTY RECORDER

CURTIS L. COONROD
MARION COUNTY AUDITOR
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TRANSFERRED FOR TAXATION
SUBJECT TO FINAL ACCEPTANCE FOR TRANSFER

STATE OF Indiana)
) SS:
COUNTY OF Marion)

Before me, a Notary Public in and for said County and State, personally appeared Lloyd Jacobs, President, and Diane M. Hibbeln

as BOARD OF DIRECTORS OF KING'S COVE ASSOCIATION, who acknowledged the execution of the foregoing AMENDMENT, and who, being duly sworn, stated that any representations therein contained are true.

WITNESS my hand and Notarial Seal this 9 day of November, 1988.

My commission expires:

9-17-91

Signature Nancy Maddox
Printed NANCY MADDOX
NOTARY PUBLIC

THIS DOCUMENT WAS PREPARED BY STEPHEN D. MEARS, ATTORNEY AT LAW.

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