DECLARATORY STATEMENT OF COVENANTS TO RUN WITH LAND:

The undersigned, PAINTED HILLS DEVELOPMENT CO., an 
Indiana partnership, which is the successor in interest of 
NEDO PROPERTIES, INC. and is the owner of certain real property 
and interests therein of lands situated in Sections 7, 8, 17 
and 26 of Tp. 11 N., Range 7 E., in Morgan County, Indiana, a 
part of which real estate is now and will hereafter be platted 
as "PAINTED HILLS SUB-DIVISIONS," of Morgan County, Indiana, and 
plats of which will subsequently be recorded from time to time.

In the office of Recorder of Morgan County, and/or in the office 
of the Morgan County, Indiana, Plan Commission, hereby makes 
the following declarations as to limitations, restrictions and 
uses to which the lots and/or plats constituting said sub-
division may be put, hereby specifying that said declarations shall 
constitute covenants to run with all of the land as shall be shown 
and disclosed on the respective plats as filed, as provided by 
law, and shall be binding on all platted properties (except as to 
those areas which may be specifically exempted from the application 
hereof by appropriate notation on any such plat) and shall be 
forever binding on all persons claiming under the undersigned and for the 
benefits of and limitation upon all future lot owners in said 
sub-division. This declaration of restrictions is designed for 
the purpose of keeping said sub-division desirable, uniform and 
isolate esthetic, practical and architectural design and use, as herein specified.
COVENANTS AND RESTRICTIONS

In the following Covenants and Restrictions term "SELLER" shall appear or be used herein and construed to mean and include Painted Hills Development Co., its successors and assigns; and whenever the term "shall appear or be used herein, it shall be to mean and include all "Purchasers" and their legal representatives, administrators, executors, successors, or assigns, and assigns, and their legal representatives, administrators, executors, successors, and assigns; and whenever singular or masculine pronouns are used, they shall be construed to mean and include plural and feminine or neuter pronouns as the situation shall require.

The SELLER may, from time to time, grant to the Painted Hills Development Co. or its assigns, or to any of them, certain rights, privileges, duties, and obligations as are respectively applicable to and binding upon the lots or plats of land known as Painted Hills Development Co. or any subdivision thereof, or the school site, or any other property or property interests as are set forth in the records of the Recorder's Office or on file in the official records of the County of Jackson, State of Indiana, or in any other place where the same may be recorded.

The following restrictive covenants are applicable to and binding upon the lots or plats of land known as Painted Hills Development Co., or any subdivision thereof, or the school site, or any other property or property interests as are set forth in the records of the Recorder's Office or on file in the official records of the County of Jackson, State of Indiana, or in any other place where the same may be recorded.

UTILITIES COVENANT

The PURCHASER understands that, at the disposal of the property, or by means of individual disposal consideration for the conveyance of the property at the same time the PURCHASER agrees to purchase the property for such sum or sums as shall then be the sum or sums at which the PURCHASER is willing to purchase the property, and the PURCHASER agrees to pay such charges made by the SELLER, and the PURCHASER agrees to install in such a manner as shall be approved by the governing officers of the city or village, and the PURCHASER agrees to install the same in such a manner as shall be approved by the governing officers of the city or village.

It is further understood that, in the event of the installation of new lines, the PURCHASER agrees to pay such charges made by the SELLER, and the PURCHASER agrees to install in such a manner as shall be approved by the governing officers of the city or village.

In consideration of the aforesaid agreement of the PURCHASER, the SELLER agrees to provide the following services and facilities:

1. The provision of water service to the property.
2. The provision of electric service to the property.
3. The provision of sewer service to the property.

The PURCHASER agrees to pay all charges for the service and facilities provided by the SELLER, and the PURCHASER agrees to pay all charges for the service and facilities provided by the SELLER, and the PURCHASER agrees to pay all charges for the service and facilities provided by the SELLER.
MEMBERSHIP COVENANT

The PURCHASER, in consideration of the presents and of like agreements and covenants by other Purchasers and Lot Owners, covenants and agrees to maintain his membership in Painted Hills Association, Inc., in good standing as long as he owns the above described premises and agrees to abide by the By-Laws of Painted Hills Association, Inc. and further agrees to pay to said Association an annual charge in the amount of $50.00 payable on the first day of May of the year following the date of this Contract, and a like sum on the first day of May of each succeeding year, so long as he shall own property in Painted Hills Development Co., Sub-Division. $5.00 of the first annual payment shall be a membership fee, the balance of $45.00 and the succeeding $50.00 annual payments being a reasonable, necessary and proportionate charge for the maintenance, upkeep and operation of various areas and facilities by Painted Hills Association, Inc., regardless of whether or not the privilege of using such areas or facilities are exercised. The above charge may not be increased except by vote of 2/3 of the Association's "Active" members. This covenant concerning said real estate and the enjoyment, use and benefit by SELLER, shall be deemed to run with the land and the non-payment of the annual charges shall, after the respective dates, become a lien thereon in favor of said Painted Hills Association, Inc. and shall be enforceable by said Association.

RESTRICTIONS

1. The lots shall be used exclusively for residential purposes, except those lots designated as business, commercial, or "special use" areas on the plat hereinafter mentioned.

2. All building plans and type of materials must be approved by SELLER and must comply with any existing local building codes in force at the time of construction.

3. No lots may be sub-divided and not more than one single family dwelling house may be erected or constructed on any one lot. However, lots may be divided to increase the size of adjoining lots, but each such enlarged lot shall be considered one lot only. No building may be erected on any lots prior to the erection of a dwelling house, except that a boat house on waterfront lots may be constructed upon receiving prior written permission from SELLER. No accessory, basement or temporary building, including a boat house, shall be used or occupied as living quarters. No building shall be constructed or erected on said lots unless built of solid or permanent material. No unpainted exteriors shall be permitted without permission. No house trailers, tents, or other similar structures shall be erected, moved onto, or placed upon, said premises except in those specific areas which may be designated for such use. No open basements or crawl spaces shall remain ungraded without permanent sub-flooring for more than 3 weeks. The exteriors of all buildings must be completed within 6 months from the date construction commences. Open pier foundation type construction shall not be permitted without prior permission and written plan approval of SELLER.

4. Minimum residence living space on ground or first floor, exclusive of porch area, shall be in conformity with the letter symbol on each lot as set forth on the plat or plans of Painted Hills Development Co., Sub-division so that the minimum area for lots classified "A" shall be 1200 square feet; the minimum for lots classified "B" shall be 1500 square feet; the minimum for lots classified "C" shall be 2000 square feet; the minimum for lots classified "D" or bearing no classified symbol shall be subject to individual determination. The minimum residence living space on ground or first floor may be diminished by established percentages for certain types of construction involving second floor plans such as "A," "B," "C," and "D," provided that before construction is commenced written permission and approval of plans is obtained from SELLER.
BOOK 27 PAGE 379

accordance with current reduction schedules then utilized. No porch or projection of any building shall extend nearer than twenty-five (25) feet from any road right-of-way; nor nearer than ten (10) feet from the rear line of any lot; nor within fifty (50) feet from the normal water line of any lake which the said respective lots abut as indicated on Plat or Plats of Painted Hills Development Co. Sub-division without written permission of SELLER. All conditions must comply with the Zoning Regulations of Morgan County, Indiana.

5. No outside toilets shall be allowed. No waste shall be permitted to enter any lakes, and all sanitary arrangements must comply with specifications and regulations of SELLER and local and state health officers, and all buildings having plumbing facilities shall be required to connect to central water and sewer systems upon availability or, in the event that such systems shall not be allowed nearer than fifty (50) feet from the normal water level of the respective abutting lakes.

6. No noxious or offensive activity shall be permitted on any lot, nor shall anything be done therein which shall be or become an annoyance or nuisance to the neighborhood, and SELLER shall determine what constitutes noxious or offensive activity and said determination shall be complete and final. No animals or fowl shall be kept or maintained on said lots except customary household pets in reasonable numbers. No sign of any kind shall be displayed on any lot without written permission of SELLER. Failure to maintain lots in a tidy manner will result in maintenance of the lots by SELLER or the Painted Hills Association, Inc., for which a reasonable charge may be levied against the proper owner.

7. No boat docks, floats or other structures extending into the lake shall be constructed or placed into or on said lake without first written approval of SELLER. Use of the lake is limited to members of Painted Hills Association, Inc. and such use shall be in accordance with the rules and regulations of said Association. SELLER shall have the use of the lake for its corporate purpose.

8. SELLER, for itself and licensees, reserves a perpetual easement twenty (20) feet in width along the entire shoreline of all lakes, together with an easement fifteen (15) feet in width along both sides of all roads right-of-way and an easement ten (10) feet in width along the side and rear lines of each and every lot, with the right of ingress and egress thereto for the purpose of installing, operating, maintaining and servicing all types of utilities and drainage facilities, parking and appurtenances thereto, together with the right to trim, cut or remove trees, or brush necessary for the above purposes. Except, where an owner of one or more lots, the sides of which front on the lake, constructs a building which will cross over or through a common lot side line, said constructed lot shall not be subject to the above-mentioned side 10 foot easement along the line common to both lots. The owners of lots within the subdivision shall have the right of action against SELLER, or its licensees, either in law or in equity for reason of any damage caused said lots in the installation, operation or maintenance of above mentioned utilities except in cases of gross negligence.

9. As part of the consideration herein the PURCHASER, his heirs, devisees or assigns, further agrees that he will not sell, assign, design or convey any lot or lots to any person or persons not accepted for membership in Painted Hills Association, Inc. This restriction shall not apply to assignments given to savings and loan associations, credit unions or other bona fide lending or lending institutions, but shall apply to all conveyances of the equity of ownership in any lot.
10. These restrictions and covenants run with the land, and shall bind the PURCHASERS, their heirs, executors, administrators, personal representatives and assigns, and if any of them shall violate or attempt to violate any of the covenants or restrictions herein contained, it shall be lawful for any person(s) or corporation(s) owning any such lots in the sub-division to prosecute any proceedings at law or in equity against those violating or attempting to violate any such covenants or restrictions and, either to prevent them, them or it, from doing so, or to recover damages for such violation. All of the restrictions, conditions, covenants and agreements contained herein shall continue until January 1, 1989, except that they may be changed, altered, amended or revoked in whole or in part by the recorded owners of the lots in the subdivision whenever the individual and corporate record owners of at least two-thirds of said platted lots so agree in writing. Provided, however, that no changes shall be made which might violate the purposes set forth in Restrictions No. 1 and No. 8. Any invalidation of any one of these covenants and restrictions shall in no way affect any other of the provisions thereof which shall thereafter remain in full force and effect.

11. The filing and/or recording of these covenants and restrictions in the office of the Recorder of Morgan County, and/or the office of the Morgan County, Indiana Planning Commission, shall constitute a record of the restrictions and covenants herebefore so filed pertaining to this sub-division or development.
This declaratory statement of uses, limitations, restrictions and covenants to run with the land is hereby so declared and executed this 17th day of December, 1968.

PAINTER HILLS DEVELOPMENT CO.

By Nebo Properties, Inc Partner

By: John E. Hurt, President

STATE OF INDIANA
COUNTY OF MORGAN

On this 17th day of December, 1968, before me personally appeared John E. Hurt, to me personally known, who being by me duly sworn did say that he is the President of Nebo Properties, Inc., an Indiana Corporation, which Corporation is a partner in PAINTER HILLS DEVELOPMENT CO., a Partnership composed of Nebo Properties, Inc. and Indiana Lakes Land Company, Inc. and that such partner has the authority to execute the foregoing instrument in the Corporate seal of said Corporation and that said instrument was signed and sealed on behalf of said Corporation by Authority of the Board of Directors and is the free act and deed of said Corporation and of said Partnership.

In Testimony Whereof, I have hereunto set my hand and affixed my official seal at my office in Morgan County the day and year first above written.

[Signature]
Approved by the Morgan County Planning Commission at a meeting held this...
And, whereas, the lot numbers have been re-designated as follows: to-wit: 1-1A; 2-2A; 3-3A; 4-4A; 5-5A; 6-6A; 7-7A; 8-8A; 9-9A; 10-10A; 11-11A; 12-12A; 14-14A; 15-15A; 16-16A; 17-17A; 18-18A; 19-19A; 20-20A; 21-21A; 22-22A; 23-23A; 24-24A; 25-25A; 26-26A; 27-27A; 28-28A; 29-29A; 30-30A; 31-31A; 32-32A; 33-33A; 35-35A; 36-36A; 38-38A; 39-39A; 40-40A; 41-41A; 42-42A; 44-44A; 45-45A; 46-46A; 47-47A; 48-48A; 49-49A; 50-50A; 51-51A; 52-52A; 53-53A; 54-54A; 55-55A; 56-56A; 57-57A; 58-58A; 59-59A; 60-60A; 61-61A; 62-62A; 63-63A; 64-64A; 65-65A; 66-66A; 67-67A; 68-68A; 69-69A; 70-70A; 71-71A; 72-72A; 73-73A; 74-74A; 75-75A; 76-76A; 77-77A; 78-78A; 79-79A; 80-80A; 81-81A; 82-82A; 83-83A; 84-84A; 85-85A; 86-86A; 87-87A; 88-88A; 89-89A; 90-90A; 91-91A; 92-92A; 93-93A; 94-94A; 95-95A; 96-96A; 97-97A; 98-98A; 99-99A; 100-100A; 101-101A; 102-102A; 103-103A.
In witness whereof, said corporation acknowledges and affixes its seal this 27th day of December, 1966.

PAINTED HILLS DEVELOPMENT CO.
By Nebo Properties, Inc., Partner

[Signature]
By John E. Hurt, President

STATE OF INDIANA
COUNTY OF MORGAN

Before me, a notary public in and for said County and State, personally appeared John E. Hurt, to me personally known, who being by me duly sworn did say that he is the President of Nebo Properties, Inc., an Indiana Corporation, which Corporation is a partner in PAINTED HILLS DEVELOPMENT CO., a Partnership composed of Nebo Properties, Inc. and Indiana Lakes & Lumber Company, Inc. and that such partner has the authority to execute the foregoing instrument and to affix the Corporate seal of said Corporation and that said instrument was signed and sealed on behalf of said Corporation by Authority of the Board of Directors and in the name and deed of said Corporation and of said Partnership.

In Testimony Whereof, I have hereunto set my hand and affixed by official seal at my office in Morgan County the day and year first above written.

[Signature]
Notary Public

M. Jolico Russell
Commission Expires January 3, 1971

This instrument prepared by Sonn Blue.
LICENSE AND CONSENT
FOR DRIVEWAY ENCROACHMENT

THIS INDENTURE WITNESSETH:

WHEREAS, STANLEY L. HARRIS and PENNY HARRIS, Husband and Wife, of Morgan County, Indiana (herein Grantees) are the owners in fee simple of Lot 116 of Painted Hills Subdivision, Second Section, as per plat thereof in Deed Record 209, page 384 of the Recorder's Office of Morgan County, Indiana and,

WHEREAS, MARVIN R. CORNELL, of Morgan County, Indiana (herein Grantee) is the owner in fee simple of Lot 116 of Painted Hills Subdivision, Second Section, as per plat thereof recorded in Deed Record 209, page 384 of the Recorder's Office of Morgan County, Indiana and,

WHEREAS, a portion of Grantee's asphalt driveway encroaches upon Grantor's real estate without harm or inconvenience to Grantor.

NOW, THEREFORE, in consideration of One Dollar ($1.00) and other valuable consideration, the receipt of which is hereby acknowledged, Grantor hereby GRANT and CONVEY unto Grantee a license for and consent to the encroachment of Grantee's asphalt driveway upon Grantor's real estate as the same is presently located as a covenant to run with the lands of Grantee.

DATE: September 25, 1984

STANLEY HARRIS
PENNY HARRIS

Before me, Notary Public in and for said County and State, personally appeared Stanley L. Harris and Penny Harris, and acknowledged the execution of the foregoing License and Consent for Driveway Encroachment to be their voluntary act and deed for the use and purpose set forth therein.

WITNESS my hand and Notarial Seal this 25th day of September, 1984.

Notary Public

Residing in

Commission expires:

This instrument prepared by Ralph M. Foley, Attorney at Law.
Lot Numbered: 116 in Painбед Hill Subdivision, Section 2 as per plat filed and recorded in Deed Record 2947, page 384, amended in Deed Record 2948, page 437, in the office of the Recorder of Knox County, Illinois.

Subject to covenants of record.

The undersigned hereby certify that this plat was prepared for mortgage purposes and is not intended to be sufficient for the location of corner stakes or the establishment of property lines. This plat was prepared for mortgage purposes and is not intended or represented to the property line survey and does not purport to be sufficient for the location of corner stakes or the establishment of property lines. No corners were set on the above-described real estate.

Given under my hand and seal the 19 day of August 1932.

[Signature]

Buyer: Damar L. B. & Pamela J. Cohn

Mortgage Co: Home Info

Drawn By: C.T.J

Scale: 1" = 32

Ordered By: Aztec Title

Drawing Number 2-73
PARTIAL WAIVER OF EASEMENT

WHEREAS, NEBO PROPERTIES, INC. and/or PAINTED HILLS UTILITIES CORPORATION is the owner of certain set-back easements in Painted Hills Subdivision per plat thereof recorded in the office of the Recorder of Morgan County, State of Indiana; and

WHEREAS, DAVID W. CHANDLER is the legal owner of Lot No. 69 in Painted Hills Subdivision, Morgan County, State of Indiana; and

WHEREAS, Lot No. 69 is subject to the applicable covenants and restrictions, to include the set-back lines and utility easements running in favor of NEBO PROPERTIES, INC. and/or PAINTED HILLS UTILITIES CORPORATION, and

WHEREAS, DAVID W. CHANDLER is desirous of building on said Lot No. 69, such building to encroach upon said easements and set-backs running in favor of NEBO PROPERTIES, INC. and/or PAINTED HILLS UTILITIES CORPORATION,

IT IS THEREFORE MUTUALLY AGREED AS FOLLOWS:

1. That DAVID W. CHANDLER is allowed to encroach on such side easements and set-back lines as is necessary to complete construction of a domicile, copies of such plans having previously been submitted to NEBO PROPERTIES, INC. and/or PAINTED HILLS UTILITIES CORPORATION.

2. That should NEBO PROPERTIES, INC. and/or PAINTED HILLS UTILITIES CORPORATION, or any related enterprise need to make use of such easements, DAVID W. CHANDLER agrees to remove, at his expense, any and all impediments to the usage of such easements or set-back lines.

3. That DAVID W. CHANDLER agrees to protect, and indemnify NEBO PROPERTIES, INC. and/or PAINTED HILLS UTILITIES CORPORATION, or any other entity claiming an interest in such easement, for any affluence or other water flowage into the water box located on such property as a result of his construction of a residence as provided in the plans submitted to NEBO PROPERTIES, INC. and/or PAINTED HILLS UTILITIES CORPORATION.
That this covenant and agreement shall be considered to run with the land, and shall be binding on the successors in interest of DAVID W. CHANDLER.

PAINTED HILLS UTILITIES CORPORATION

David W. Chandler         John E. Hurt
DAVID W. CHANDLER         PRESIDENT     John E. Hurt

STATE OF INDIANA
COUNTY OF MORGAN

Before me, the undersigned Notary Public, this 26th day of September, 1988, personally appeared before me DAVID W. CHANDLER and HERO PROPERTIES INC. and PAINTED HILLS UTILITIES CORPORATION by John E. Hurt, President, and acknowledged the above and foregoing to be their voluntary act and deed.

My Commission Expires:

[Signature]

[Signature]

Resident of Morgan County, IN

This instrument prepared by:

John E. Hurt
McNUTT, HURT & BLUE
239 North Jefferson Street
P.O. Box 1436
Martinsville, Indiana 46151
317-342-3378 or 831-0477
Lot 69 in Painted Hills Subdivision, Section One, as per plat thereof as recorded in Deed Record 202, Page 373, in the office of the Recorder of Morgan County, Indiana.

I hereby certify the above plot represents a survey performed

[Signature]

September 11, 1988