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Subdivision Covenants and Restrictions

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE STONEGATE COMMUNITY

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE STONEGATE COMMUNITY

THIS DECLARATION, made and entered into this 30th day of December, 2002, by Reitz Group, Inc. ("Developer"),

WITNESSETH:

WHEREAS, Developer is the legal and/or beneficial titleholder of all the lands in Boone County, Indiana, contained in and fully described on Exhibit "A" attached hereto and made a part hereof (hereinafter the "Real Estate"); and

WHEREAS, Developer intends to develop the Real Estate in sections to create a community which is primarily residential, consisting of neighborhoods of single family homes and/or condominiums, a village, including retail and other commercial uses as well as residential uses, and an area for limited office, professional and other commercial uses, such development to be commonly known as "Stonegate" (the community hereinafter more particularly defined as the "Development"); and

WHEREAS, Developer desires to sell and convey lots and other parcels into which the Real Estate is subdivided as a part of the Development subject to the imposition of certain mutual and beneficial easements, restrictions, covenants, conditions and charges (hereinafter more particularly defined as the "Restrictions"), designed to preserve the
environment and the quality and aesthetic character of the Development and to protect (and for the benefit of) all lots and parcels into which the Real Estate is subdivided, and to promote the continued value and desirability thereof.

NOW, THEREFORE, Developer hereby declares that each lot into which the Real Estate is platted and all lands within the Development not otherwise dedicated for public use shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to the following covenants, conditions, reservations, charges, liens and restrictions, which shall run with the Real Estate and all subdivisions thereof, and which shall be binding on each party from time to time having any right, title or interest in any part of the Development, together with his, her or its heirs, beneficiaries, successors, assigns and personal and legal representatives, and which covenants, conditions, reservations, charges, liens and restrictions shall inure to the benefit of the Owners (as hereinafter defined) and each and every one of the Owners’ successors in title to any lot or lots into which the Real Estate is platted or is otherwise subdivided, or to any parcels or lands otherwise comprising a part of the Development, excepting only those from time to time dedicated to the public.

ARTICLE I

Definitions

Section 1.01. Annual Assessments. “Annual Assessments” shall mean those assessments levied in accordance with Article XIII, Section 8.09, Subsection A. of this Declaration.
Section 1.02. Approval(s). "Approval(s)" shall mean those permissions, consents, determinations or other authorizations required to be obtained by this Declaration from as applicable, (i) Developer, the Association, Architectural Approval Committee, Board of Directors of the Association, or an officer of other duly authorized representative thereof, as the case may be, and which shall only be effective if given in writing and duly signed by or on behalf of the proper authority who is given the right by this Declaration to issue any such Approval at the time requested; or, (ii) Boone County, Indiana, or any agency, department or subdivision thereof.

Section 1.03. Architectural Approval Committee. "Architectural Approval Committee", sometimes referred to as the "Architectural Approval Committee" or "Approval Committee", shall mean and include the committee to be created to review and evaluate Lot Development Plans, which and shall have the duties and authority set forth in this Declaration or otherwise from time to time delegated to it by the Board (as hereinafter defined).

Section 1.04. Articles of Incorporation. "Articles of Incorporation" shall mean the articles of incorporation of Stonegate Community Property Owners Association, Inc., as filed with the Indiana Secretary of State, as from time to time amended or restated.

Section 1.05. Association. "Association" shall mean and refer to Stonegate Community Property Owners Association, Inc., an Indiana not-for-profit corporation, its successors and assigns. Where the context either permits or requires, the term "Association" shall also refer to the Board.
Section 1.06. Board. "Board" shall mean the Board of Directors of the Association.

Section 1.07. Building. "Building" shall mean any structure, including, but not limited to, each Dwelling Unit, Commercial Unit, freestanding garage, gazebo, garden structures or other outbuilding permitted on a Lot or otherwise within the Development.

Section 1.08. By-Laws. "By-Laws" shall mean the by-laws of the Stonegate Community Property Owners Association, Inc. as from time to time adopted and/or amended.

Section 1.09. Commercial Unit. "Commercial Unit" shall mean any Unit located in Stonegate Village and/or the Professional Business District and which is intended to be used and occupied for a permitted non-residential commercial or retail purpose.

Section 1.10. Commitments. "Commitments" shall mean and include any commitments from time to time recorded (including any modifications or changes) in the Boone County Recorder's Office pursuant to Indiana Code Section 36-7-4-615, or any successor or similar statute concerning the use or development of all or any portion of the Real Estate.

Section 1.11. Common Areas. "Common Areas" shall mean those areas within the Real Estate and any improvements thereto or structures or facilities constructed thereon, which the Association or the Declarant owns and which have been specifically reserved for the non-exclusive common use and enjoyment of the Members of the Association for the purposes and in accordance with and subject to the restrictions
contained in this Declaration, the Plat of any section of the Development or any Supplemental Declaration.

Section 1.12. Common Expense. "Common Expense" shall mean and include the actual and estimated expenses of managing the Association and maintaining and operating the Common Areas (including reasonable reserves, which may from time to time be established) in the manner required by this Declaration, the Articles of Incorporation, the by-laws of the Association or by the Board pursuant thereto, or which are otherwise incurred by the Association for the non-exclusive benefit of the Members. Common Expenses shall include, without limitation, the actual and estimated cost to the Association for the maintenance, management, operation, repair, improvement and replacement of the Common Areas, including any landscaping or other improvements thereto or Buildings located thereon, snow removal from private streets, alleys, walkways and other portions of the Common Areas or Limited Common Areas to the extent from time to time authorized by the Board, real estate and/or personal property taxes assessed against any Common Areas, insurance premiums, and any other similar expenses. Common Expenses shall also include participation in meeting those expenses identified in Section 8.13 of this Declaration.

Section 1.13. Community-Wide Standards. "Community-Wide Standards" shall mean any standards established by this Declaration, any Supplemental Declaration, the Association or the Board on behalf of the Association, or by the Architectural Approval Committee, or the Developer, or which otherwise develop through custom, practice and
general usage, and which prevail (or are required to prevail) generally throughout the Development.

Section 1.14. Developer. "Developer", sometimes referred to as "Declarant", shall mean Reitz Group, Inc., an Indiana corporation, and its successors and assigns with regard to legal or beneficial ownership of all or any part of the Real Estate comprising the Development for the purpose of completing all or any part or section of the Development.

Section 1.15. Development. "Development" shall mean and refer to: (i) all the Real Estate described in Exhibit "A" attached hereto, excepting, however, any part thereof withdrawn prior to any development from the burdens imposed thereon by this Declaration upon recordation by Developer of a Notice of Withdrawal in the Office of the Boone County Recorder; and (ii) any additional real estate which may be hereafter acquired by Developer and subjected to the terms of this Declaration by recordation of a Supplemental Declaration duly recorded in the Office of the Boone County Recorder.

Section 1.16. Dwelling Unit. "Dwelling Unit", sometimes referred to as "Residential Unit", shall mean any single family dwelling, whether attached to or detached from any other single family dwelling or Commercial Unit, and intended to be used and occupied for single family residential purposes or as a single family household, which may include, notwithstanding the foregoing, separate in-law or parent quarters either in the same primary structure or a detached structure otherwise permitted on a Lot by this Declaration.
Section 1.17. Limited Common Areas. “Limited Common Areas” shall mean portions of the Common Areas intended for the exclusive or primary use and benefit of one or more, but less than all, of the Members or Neighborhoods, as provided in this Declaration or any Supplemental Declaration, or otherwise so designated from time to time by the Board.

Section 1.18. Lot. “Lot”, referred to in the plural as “Lots”, shall mean: (i) any of the separate parcels into which the Real Estate is subdivided for purposes of construction or maintenance thereon of; (ii) a Commercial Unit, (iii) a Dwelling Unit; or (iv) both a Commercial Unit and a Dwelling Unit, and which is identified as a “Lot” on a Plat of a section of the Development duly recorded in the Office of the Boone County Recorder. A “Lot” within the Development may be enlarged or diminished by Developer only and may be reconfigured within Developer’s sole discretion, subject only to compliance with applicable law. A Lot may be either “developed” (by construction of or issuance of a permit to construct improvements thereon) or “undeveloped” for purposes hereof, the distinction significant to the extent otherwise set forth in this Declaration. A Lot shall also represent part of a “Unit” (as defined in subsection 1.36 hereof) for certain purposes as set forth in this Declaration.

Section 1.19. Lot Development Plans. “Lot Development Plans” shall mean and consist of the following: (i) a site plan, prepared to required scale by a licensed land surveyor, engineer or architect approved by Developer, which includes a topographical study showing existing improvements, if any, and the location, type and trunk diameter
[measured 10 inches from above/ground] of any trees in excess of six inches in diameter, and including tree removal plans showing any trees proposed for removal, any proposed alteration of the topography, elevation or natural state of the Lot in connection with the improvement thereof or any construction thereon, and locating thereon all proposed improvements and Buildings, showing finished floor elevations, driveways, parking areas and details relating to drainage; (ii) all exterior elevations of improvements proposed for construction, with finished colors shown and paint chips provided; (iii) material plans and specifications; (iv) landscaping plans; (v) an erosion control plan; and, (vi) such other data or information as Developer may reasonably request, which may include (but is not necessarily limited to) samples of building materials proposed for use.

Section 1.20. Lot Standards. "Lot Standards" shall mean those standards from time to time published by Developer and applicable to the type of Lot proposed for development. Such Lot Standards shall be used as a guide in the preparation of Lot Development Plans and, unless a deviation is approved by the Architectural Approval Committee upon good cause shown with respect to the development of a particular Lot, shall be followed in all respects. Developer hereby reserves the right to modify Lot Standards from time to time within its sole discretion, which shall become effective upon publication, and shall be made available upon request of a Participating Builder or Owner proposing improvements upon a Lot. The edition of Lot Standards effective as of recordation of this Declaration was published December 10, 2002, as a part of the
Participating Builder's Manual, and shall remain valid and effective until modified or changed and published as required by this Declaration.

Section 1.21. Member. "Member" shall mean a person or persons entitled to membership in the Association. There shall be three classes of membership as follows:

"Class A" Members consisting of the owner or owners of each Dwelling Unit; "Class B" Members consisting of the owner or owners of each Commercial Unit; and "Class C" Members consisting (i) of a non-owner occupant of either a Commercial or a Dwelling Unit; or, (ii) the Owner or Owners of a Lot in Stonegate Proper, the fourteen (14) lot subdivision located generally east of the Development (hereinafter referred to as a "Proper Member").

Section 1.22. Neighborhood. "Neighborhood" shall mean an area within the Development designated separately in the manner otherwise required by this Declaration, in which the Owners of Units share interests which are common to them but different than those shared in common by all Units within the Development. For example, Stonegate Village may constitute a Neighborhood based upon the mixture of Commercial Units and Residential Units in close proximity to each other within a village setting or, by way of further example, the owners of condominiums might be designated as a separate Neighborhood based upon inherent differences in the nature of condominium ownership.

Section 1.23. Neighborhood Assessments. "Neighborhood Assessments" shall mean assessments levied against the Units in a particular Neighborhood or Neighborhoods to fund neighborhood expenses, as otherwise described in this Declaration.
Section 1.24. Neighborhood Oversight Committee. "Neighborhood Oversight Committee", sometimes referred to as "Neighborhood Committee" if any is established, shall refer to a committee established in accordance with this Declaration or the By-Laws to act in connection with matters particular to a given Neighborhood and delegated to it either by this Declaration or the Board.

Section 1.25. Neighborhood Expenses. "Neighborhood Expenses" shall mean the actual and estimated expenses incurred or anticipated to be incurred by the Association for the particular benefit of the owners and occupants of Units within a particular Neighborhood or Neighborhoods, which may include (if determined by the Board) a reasonable reserve for capital repairs and replacements with respect to Limited Common Areas and related facilities peculiar to a Neighborhood.

Section 1.26. Owner. "Owner", referred to in the plural as "Owners", shall mean and refer to the record Owner, whether one or more persons or entities, their respective heirs, beneficiaries, successors, assigns and personal and legal representatives, of the legal title to any Unit or Lot which is a part of the Development, including contract sellers (but not contract purchasers), but excluding those having such interest merely as security for the performance of an obligation. Developer shall also be considered an Owner for purposes of this Declaration for so long as, and to the extent that, Developer owns a Unit, Units, a Lot, Lots or other parcels of real estate in the Development.

Section 1.27. Participating Builder. "Participating Builder" shall mean any person or entity who at any time has entered into a Participating Builder Agreement in the form
required by Developer for the purpose of constructing Units or other improvements on Lots within the Development.

Section 1.28. Plat. "Plat" shall mean a plat of any portion or section of the Real Estate which is recorded from time to time with specific reference to this Declaration in the Office of the Recorder of Boone County, Indiana.

Section 1.29. Ponds. "Ponds" shall mean and include the manmade bodies of water to normal elevation (also referred to herein as water's edge and shoreline), the water level of which will vary from time to time on a seasonal basis and in the event of drought may become dry, which are created for water retention purposes only and not for recreational use (except to the extent specifically set forth herein to the contrary) as a part of the Development, together with any waterfalls, outlets, inlets, wells, pumps, pump stations, pipes, rip-rap or other similar structures, equipment or appurtenances, including utility service thereto, which are installed or required in connection therewith.

Section 1.30. Pond Lots. "Pond Lots" shall mean those Lots directly adjacent to a Common Area which includes a Pond.

Section 1.31. Private Streets. "Private Streets" shall mean those portion of the Common Areas improved by a private street constructed to applicable County standards, including curbs and gutters, for use in generally the same manner that a public street is available for use, limited only as set forth herein or in any Supplemental Declaration.

Section 1.32. Restrictions. "Restrictions" shall mean the restrictions, covenants, conditions, easements and charges either set forth in this Declaration or any Supplemental
Declaration, which shall be imposed from time to time upon Real Estate (or parts thereof) located within the Development, excepting only portions thereof withdrawn by Developer from the Real Estate burdened by this Declaration prior to the development thereof in the manner set forth in Section 1.15 of this Declaration.

Section 1.33. Shared Drives. "Shared Drives" shall mean those portions of the Real Estate designated on a Plat as a "Common Area", and otherwise further designated as a Limited Common Area either herein or in the future by Developer or the Board, but only to the extent improved by a hard or stone surfaced driveway (including any curbs and gutters) together with any culverts, drains, storm inlets and other related structures included as a part thereof, to provide vehicular ingress and egress for the benefit of owners and occupants, their guests and invitees, utility service vehicles, delivery vehicles, police, fire or any other emergency vehicles, and any other authorized vehicles requiring ingress and egress to and from a public street and to and from any of the Lots directly adjacent thereto. Shared Drives (including as a part thereof, culverts, drains, storm inlets and other related structures) shall not be maintained, nor shall any snow be removed therefrom, by Boone County, Indiana, or any agency or department thereof.

Section 1.34. Special Assessments. "Special Assessments" shall mean those assessments levied in accordance with Article XIII, Section 8.09, Subsection B, of this Declaration.
Section 1.35. Specific Assessments. "Specific Assessments" shall mean those assessments levied in accordance with Article XIII. Section 8.09, Subsection C, of this Declaration.

Section 1.36. Street Trees. "Street Trees" shall mean those trees (together with any replacements thereof) planted by either Developer or on authority of the Board as a part of the Initial Development or from time to time thereafter in those strips of ground located between any public street and the sidewalk on either (or both) side(s) thereof running generally parallel thereto.

Section 1.37. Supplemental Declaration. "Supplemental Declaration" shall mean either: (i) a Declaration hereafter recorded with respect to a particular portion, but not all, of the Development which imposes additional restrictions or covers matters not otherwise covered by this Declaration; or (ii) an amendment to this Declaration adding additional real estate to or subtracting real estate from the Development.

Section 1.38. Unit. "Unit" shall mean a portion of the Development, whether improved or unimproved, which may be independently owned and conveyed, and which is intended for occupancy by a single unit or for development, use and occupancy (i) as a detached or attached residence or condominium for single family residential purposes or (ii) for a commercial purpose. The term shall refer to the land, including the Lot, which is part of the Unit, if any, as well as any improvements constituting a part of the property interest conveyed. The term shall not include Common Areas, Limited Common Areas, or any part of the Real Estate dedicated to the public. Where Buildings within a part of
the Development include more than one Unit (i.e., a building containing multiple
condominiums or a Building containing both a Commercial Unit and a Dwelling Unit),
each such Unit shall each be treated as a separate Unit for purposes of this Declaration.

ARTICLE II

Character of Development

Section 2.01. In General. The Development has been planned to incorporate a
variety of housing options in different Neighborhoods, some of which will include
commercial and retail uses limited in character and scale to insure compatibility with
neighboring residential areas. The Restrictions imposed and the Approvals required by
this Declaration are to promote consistency and coordination within the Development,
which is necessary to create Stonegate as a community reminiscent of an American small
town. Initially, the Development is planned to include the following Neighborhoods: The
Close; The English Village; Stonegate Village; and, the Professional Business District.

Section 2.02. Additional Neighborhoods. Additional Neighborhoods may be
added or created by Developer in the manner otherwise permitted by this Declaration.

Section 2.03. Supplemental Declarations. It is expected as sections of the
Development proceed, Supplemental Declarations may be required with respect to certain
of the Neighborhoods, particularly the Stonegate Village Neighborhood and the
Professional Business District Neighborhood, to impose additional Restrictions upon, and
to include provisions necessary to govern matters particular to, such Neighborhoods.
Section 2.04. Permitted Uses. Every Lot, group of Lots, Unit or parcel of land in the Development shall be used and developed exclusively for the use permitted (and in accordance with development standards required) by this Declaration, applicable zoning and any Commitments from time to time applicable thereto, whichever is the most limiting and restrictive as to a particular matter or standard.

Section 2.05. Improvement and Development of Lots. No Lot shall be further divided to create an additional parcel upon which improvements otherwise permitted hereunder may be constructed, nor shall any improvements be made thereto or construction commence, proceed or continue thereon, except in strict accordance with the terms and provisions of this Declaration and with, as the case may be, the written approval of Developer or the Architectural Approval Committee as herein required. To the extent otherwise permissible under applicable ordinances of Boone County, Indiana, parts of a Lot or other parcel within the Real Estate may be conveyed by metes and bounds description to the Owner of an adjoining Lot or parcel for inclusion as a part of such adjoining Lot or parcel, but only if such conveyance does not result in or create a violation of this Declaration, violate any development standards within applicable zoning ordinances of Boone County, Indiana, or violate any applicable Commitments, as from time to time amended or changed.

Section 2.06. Occupancy or Use of Partially Completed Improvements Prohibited. No Dwelling Unit shall be occupied or used for human habitation until substantially completed. The determination of "substantially completed" shall be made by Developer or
the Board as applicable, in its sole discretion, and such decision shall be binding on all
parties affected thereby, but in no event shall any decision so made be deemed effective
until a certificate of occupancy, if any is required by law, has been issued by the
applicable governmental authority having jurisdiction.

ARTICLE III

Common Areas

Section 3.01. Use. Developer and each Member shall have a non-exclusive right
to use and enjoy the Common Areas in common with all other Members, together with a
right of ingress and egress to and from the Common Areas. The rights of each Member to
use and enjoy the Common Areas shall be appurtenant to and pass with the title to each
Unit within the Development or each Lot within Stonegate Proper, as the case may be,
subject to the following:

A. The provisions of this Declaration, any Supplemental Declaration,
any Plat of all or any part of the Development, the Commitments, Articles of
Incorporation and By-Laws of the Association, limitations as to use otherwise
resulting from the further designation thereof (in the manner required herein) as a
“Limited Common Area”, and any rules or regulations from time to time adopted
by the Association governing the use and enjoyment of the Common Areas.

B. The Association’s right to take such steps as may be reasonably
necessary to protect Common Areas (or any part thereof) against foreclosure.
C. Easements reserved, granted or otherwise created and running on, under, over or through the Common Areas for drainage, driveways, other means of ingress and egress, pipelines, transmission towers, utilities or which otherwise from time to time may burden any part of the Common Areas, either on a temporary or permanent basis. Within such easements, no structures, landscaping, activities or use shall be placed, permitted or shall occur which materially interferes with any such easement rights created or reserved. The topography within any such easements created or reserved in the Common Areas shall also not be altered or changed in a manner which would interfere with, impede or change the direction or flow of surface water drainage in a manner inconsistent with drainage plans for the Development approved by applicable governmental authorities, unless such alterations or changes are first submitted to and approved by Developer and all applicable governmental authorities.

The Board shall have the right to determine for what purpose or purposes the Common Areas, or a particular part thereof, may be used, and shall have the right to promulgate rules and regulations regulating the use thereof.

Proper Members use of the Common Areas shall be subject to the payment of dues in the amount and at the times otherwise provided in this Declaration or from time to time determined by the Board.

Section 3.02 Maintenance. The Association shall maintain the Common Areas and any and all Buildings (as well as any furnishings, fixtures, rugs, equipment,
appliances and other personal property located therein and owned by the Association) and/or improvements located within the Common Areas, including, but without limitation, driveways, parking lots, walkways, decorative adornments, benches, monuments, recreational facilities, fences, lighting, landscaping and other similar improvements thereto made by either Developer or the Association, excepting and excluding, however, any public or private utility lines, mains, wires, fire hydrants or other equipment or facilities installed or placed therein and required to be maintained by public or private utility companies, or by applicable governmental authorities.

Section 3.03. Ownership. The Developer may retain legal title to the Common Areas, or such part thereof as it may determine within its sole discretion, so long as it owns (in addition to the Common Areas) at least one Unit, Lot or other parcel of real estate within the Development. At the time of (or before) Developer’s conveyance of the last Unit, Lot or parcel owned by Developer within the Development, Developer shall convey the Common Areas to the Association, subject to taxes for the year of conveyance and to restrictions, conditions, limitations, reservations and easements of record, reserving, however, to itself and its successors and assigns, the non-exclusive right to use and enjoy any utility, drainage and/or ingress and egress easements created on, under, over or through any part of the Common Areas for the benefit of real estate, if any, owned or to be owned by the Developer which is contiguous to the Development.

Section 3.04. Limited Common Areas. Certain portions of the Common Areas may be designated as “Limited Common Areas” and reserved for the exclusive use or
primary benefit of owners, occupants and invitees of Units within a particular Neighborhood or Neighborhoods. Limited Common Areas may, for example, include Shared Driveways, recreational facilities, Ponds and other features located within a particular Neighborhood or Neighborhoods. All costs associated with maintenance, repair, and replacement of, or taxes and insurance premiums with respect to, Limited Common Areas may be assessed in whole or in part (as determined by the Board) as a Neighborhood Assessment, depending upon whether the Board determines the benefit to the Neighborhood assessed is exclusive or simply primary.

Section 3.05. Initially Designated Limited Common Areas. The following Common Areas within Section II (as shown on the Plat recorded in the Boone County, Indiana, Recorder’s Office and identified as “Stonegate Section II”) of the Development are hereby designated “Limited Common Areas” for exclusive use by those persons and classes of persons (including the Owners of the Lots hereinafter identified) and for those purposes hereinafter set forth:

A. **Common Area A** is hereby designated a Limited Common Area reserved for the use and benefit of each Lot to which it is directly adjacent within the Development, and more particularly the following Lots: 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50 and 51. Within the side lot lines of each such Lot extended, the Owner of such Lot, at such Owner’s sole cost and expense, may supplement the landscaping otherwise existing within Common Area A, provide for maintenance
thereof, and shall have the right to treat such part of Common Area A as a landscaped rear yard extension, subject to drainage easements and applicable requirements to maintain Common Area A as open space. In no event shall any fences or other structures be erected, placed or permitted within Common Area A, nor shall the Owner of any Lot benefited thereby have the right to remove any existing trees without Approval from the Approval Committee. To the extent not otherwise maintained to the contrary as manicured landscaped area, Common Area A shall be left in a natural state or otherwise maintained in a manner determined by the Board.

B. Common Area C is hereby designated as a Limited Common Area reserved for the use and benefit of the following Lots: 11, 12, 13, 14, 15, 16, 17, 18 and 19. A common mailbox (hereinafter “Common Mailbox” meaning for purposes hereof a structure designed and built to include the mailboxes of location identified Lots in a single location) shall be placed in Common Area C by Developer to provide a central location for mail delivery to all of the Lots directly adjacent to Common Area C. A Shared Driveway shall also be included by Developer as a part of Common Area “C” for use by the Lots adjacent thereto as the sole means of vehicular ingress and egress to garages on each such Lot. Individual driveways (to be installed and maintained at
the cost and expense of each Lot Owner) connecting each Lot to the
Shared Driveway shall be permitted, the location subject to Approval
by the Approval Committee as a part of the review of Lot
Development Plans. The parking of motor vehicles otherwise
permitted on a Lot shall be permitted on that portion of each individual
driveway extending into Common Area C. The parking of motor
vehicles shall not be permitted on or along the Shared Driveway within
Common Area C except under circumstances necessitating a temporary
need for parking, such as a party, wedding, bar mitzvah, confirmation,
baptism or other similar affair limited in duration to a few hours. To
the extent not improved by a Common Mailbox and a Shared
Driveway, Common Area “C” shall be reserved as landscaped open
space, and the landscaping initially designed and installed by
Developer shall be preserved and maintained unless changes thereto or
other improvements or uses within Common Area C are approved in
advance by at least the Owners of five (5) of the Lots adjacent to
Common Area C and the Board. No changes to or improvements
proposed or made shall interfere with the use of the Shared Driveway
as a means of vehicular ingress and egress.

C. Common Area D is hereby designated as a Limited Common Area
reserved for the use and benefit of the Lots to which it is adjacent, that
being Lots 4, 5, 6 and 7. Although the benefits are primarily aesthetic, any facilities or improvements located therein by Developer shall be available for the common use and enjoyment of each such designated Lot Owner and the occupants, their guests and invitees, of each such Lot, subject to limitations, if any, imposed by the Board. No changes to any such improvements or additions thereto shall be made without Approval of at least a majority of the benefited Lot Owners and the Board. Any use of the Pond, sometimes referred to as a “Lake”, located in Common Area D shall be subject to the limitations otherwise included in this Declaration.

D. Common Area F is hereby designated a Limited Common Area reserved for the use and benefit of those Lots directly adjacent thereto, consisting of Lots 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 250 and 251. A Shared Driveway shall be constructed by Developer within Common Area F to provide the sole means of vehicular ingress and egress to garages on the Lots adjacent thereto. Individual driveways (to be installed and maintained at the cost and expense of each Lot Owner) connecting each Lot to the Shared Driveway shall be permitted, the location subject to approval by the Approval Committee as a part of the review of Lot Development Plans. The parking of motor vehicles otherwise permitted on a Lot shall be permitted on that.
portion of each individual driveway extending into Common Area F. A Common Mailbox shall also be placed in Common Area F to provide a central location for mail delivery to all of the Lots directly adjacent to Common Area F. Otherwise, Common Area F shall initially be preserved as open space and landscaped by Developer. Any further improvements within, or changes to, Common Area F must be Approved by at least nine (9) of the adjacent Lot Owners and the Board. Notwithstanding the foregoing, no improvements or changes proposed or made shall interfere with the use of the Shared Driveway by any Lot Owner as a means of vehicular ingress and egress. The parking of motor vehicles shall not be permitted on or along the Shared Driveway within Common Area F, except under circumstances necessitating the temporary need for parking, such as a party, wedding, bar mitzvah, confirmation, baptism or other similar affair limited in duration to a few hours.

E. Common Area G is hereby designated as a Limited Common Area reserved for the use and benefit of the Lots adjacent thereto consisting of Lots 181, 182, 183, 184, 185, 187, 252, 253, 257, 258 and 259. A Common Mailbox shall be placed in Common Area G to provide a central location for mail delivery to all of the Lots directly adjacent to Common Area G. A Shared Driveway shall also be constructed by
Developer within Common Area G to provide the sole means of vehicular ingress and egress to garages on the Lots adjacent thereto. Otherwise, Common Area G shall initially be reserved as open space and landscaped, and/or grass or ground cover shall be planted therein by Developer. Any changes or additions to Common Area G following initial improvement by Developer must be approved in advance by at least six (6) of the adjacent Lot Owners and the Board. Individual driveways (to be installed and maintained at the cost and expense of each Lot Owner) connecting each Lot to the Shared Driveway shall be permitted, the location subject to approval by the Approval Committee as a part of the review of Lot Development Plans. The parking of motor vehicles otherwise permitted or a Lot shall be permitted on that portion of each individual driveway extending into Common Area G. Otherwise, the parking of motor vehicles shall not be permitted on or along the Shared Driveway within Common Area G except under circumstances necessitating the temporary need for parking such as a party, wedding, bar mitzvah, confirmation, baptism or other similar affair limited in duration to a few hours.

F. Common Area I is hereby designated as a Limited Common Area for the benefit of the Lots adjacent thereto. A Private Street shall be
constructed within Common Area I by Developer to provide vehicular and pedestrian access to and from Lots 34, 35, 36 and 38 as numbered on the Plat of Stonegate Section II for use by the Owners and occupants of such Lots, their guests and invitees. Public and quasi-public vehicles (including, but not limited to, police, fire, ambulance and other emergency vehicles), trash and garbage collection, postal and utility vehicles and personnel, privately owned delivery vehicles making deliveries and others providing services to one or more of the adjacent Lots are hereby granted a common, non-exclusive easement over, on and across such Private Street for the purpose of reasonable ingress and egress to and from Lots adjacent thereto. Otherwise, Common Area I shall initially be reserved as a green area and landscaped, and/or grass or ground cover planted by Developer. Any changes or additions to Common Area I must be approved in advance by at least three (3) of the Owners of the Lots (Lots 34, 35, 36, 37 and 38) adjacent thereto and the Board. The temporary parking (not to include in any event overnight parking) of motor vehicles shall be permitted on the Private Street in Common Area I, but only in a manner which does not interfere with the use thereof for vehicular ingress and egress.
Section 3.06. Designation of Other Limited Common Areas. Developer shall have the right to designate any Common Area as a Limited Common Area, and to assign the exclusive use thereof in the deed conveying the Common Areas to the Association, or as to make such designation a part of any Plat recorded or Supplemental Declaration, provided, however, that any such determination by Developer shall not preclude Developer from later: (i) expanding the use of a Limited Common Area to include additional Units and/or Neighborhoods; or (ii) removing such designation and eliminating the consequences and/or benefits associated therewith, as long as Developer continues to have the right to subject additional property to this Declaration as otherwise provided herein. Following the deeding of the Common Areas to the Association, a portion of the Common Area may be designated as a Limited Common Area of a particular Neighborhood or Neighborhoods (or, in the alternative, such designation may be removed) by a vote as follows: (i) the affirmative aggregate vote of BOTH seventy five percent (75%) of the total votes of Class A and Class B Members in the Association, AND (ii) the affirmative vote of seventy five percent (75%) of the Class A or Class B Members within the Neighborhood to which the subject Common Areas are already so designated as Limited Common Areas, if any, and the affirmative votes of sixty percent (60%) of the Class A and Class B Members within the Neighborhood to which the Limited Common Areas are to be so designated and assigned.

Section 3.07. Common Areas to Remain Private. Each Common Area depicted on the Plat of a section of the Development shall be owned by the Association or the
Developer, and shall remain private, and neither the Developer's execution or recording of a Plat of a portion of the Development, the creation, reservation or granting of any easement rights (including, but not limited to, emergency easements or any easements granted by Section 4.02 hereof), or the doing of any act by Developer is, or is intended to be, or shall be construed as, a dedication of the Common Areas or any recreational facilities or Buildings located therein to the public or for public use. The use, if any, of the Common Areas, to the extent not otherwise provided herein, shall be determined from time to time by the Board, and any such use shall be subject to such limitations and conditions as the Board may from time to time designate or impose.

Section 3.08. No Partition Allowed. Neither Developer nor any person acquiring an interest in the Development or any part of the Development shall file an action for, or otherwise seek in any respect, judicial partition of the Common Areas. Nothing contained herein shall, however, prevent judicial partition of a Unit, Lot or other parcel within the Development which is owned by co-tenants.

ARTICLE IV

Easements

Section 4.01. Title Taken Subject to Easements. Title to each Unit, Lot or parcel within the Development shall be taken by an Owner or Owners subject to the non-exclusive, perpetual easements over, under, upon and across portions of the Real Estate within the Development as provided in this Article IV, which easements shall run with the land affected thereby.
Section 4.02. General Grant of Easements. Declarant does hereby grant unto Boone County, the Eagle Township Fire Department, the Boone County Sheriff's Department, the Indiana State Police, and all other local, county, state and federal authorities having jurisdiction over law enforcement or public health and safety matters, and their respective agencies, departments or divisions, an easement of ingress and egress over, upon and through the Shared Driveways, any Private Streets within the Development, or any parking lots or driveways within the Common Areas or Limited Common Areas for the purpose of providing the normal and customary public services rendered by each of them or which each of them is required, or has a duty, to perform or provide within Eagle Township and/or Boone County, Indiana, or which become necessary or desirable as a means of ingress and egress in the event of an emergency involving life and/or safety of persons or property.

Section 4.03. Encroachment Easements. If, by reason of the location or placement of a fence, any directional, incidental or identification signage, or any freestanding lightpole or other freestanding structure, or because of the settling or shifting of a Building, the Common Areas or any facilities or Building located thereon encroach upon a Lot or Unit, then, in such event, an easement shall be deemed to exist and run to the Developer and to the Association for maintenance, and for the continued use and enjoyment of such Common Areas and any Buildings or facilities otherwise so located.

Section 4.04. Overflow Easements. Some of the Lots within the Development are adjacent to Common Areas preserved as open space which also may have been designated
as "Drainage Easements", may include a Pond or other dry retention areas, and may constitute a part of the Development's storm and surface water drainage system. An overflow and flowage easement is hereby reserved for the benefit of Developer, the Association and all Owners across those portions of each Lot not improved by a Building and adjacent to any such Common Area to accommodate storm or surface water drainage which may overflow upon such Lot.

Section 4.05. Drainage, Utility, Sanitary, Landscape and Maintenance Easements.

Strips of ground shown on the Plat of any section of the Development and marked "RD & UE", meaning Regulated Drainage and Utility Easement; "SD & UE", meaning Sanitary, Drainage & Utility Easement; "S" or "S.E.", meaning Sanitary Easement; and "L.M.D. & UE", meaning Landscape, Maintenance, Drainage and Utility Easements, either separately or together, are hereby (or will hereafter as Plats are recorded be) created, reserved and granted for the use (including required ingress and egress necessary as a part thereof) of public or private utility companies, governmental agencies, Developer and the Association in its collective capacity on behalf of the Owners, their respective agents, employees, successors and assigns, as follows:

A. "Regulated Drain and Drainage Easements" to provide paths and courses for storm and surface water drainage, either over land, in ditches or swales, or in underground pipes, mains or other similar structures, to serve the storm and surface water drainage needs of the Development and adjoining ground within the same watershed, and/or the public drainage system. No changes shall
be made in the finished grade elevation of drainage swales within areas designated as Drainage Easements, whether in connection with the construction of a Building or other improvements upon a Lot, or otherwise, so as to alter or change the location or depth of any defined drainage swales, ditches or creeks located within any Drainage Easement without the Approval of Developer, the Association and, to the extent required, applicable federal, state, county or municipal authorities. Notwithstanding the foregoing and the issuance of required approvals, to the extent changes adversely affect storm and/or surface water drainage upon, over or through other neighboring real estate, any such problems created thereby shall be promptly corrected by the Owner (and/or the builder of improvements constructed thereon) of the Lot where any such changes or alterations have occurred.

B. "Landscape/Maintenance Easements" to provide for the installation, placement, planting, maintenance, restoration, change, replanting, trimming, removal and alteration of trees, bushes, ground cover, grass and other vegetation by the Developer or the Association, their respective employees, agents, contractors and assigns, or otherwise (and to the extent) permitted by this Declaration or any Supplemental Declaration.

C. "Sewer Easements" to provide paths, courses and ways for the purpose of installing, placing, running and locating sanitary sewers and related structures or facilities comprising a part thereof to provide sanitary sewer service to and through the Development.
D. "Utility Easements" to provide paths, courses and ways for the installation, extension, placement, and location of utility services within and through the Development and to the Lots, Units, Buildings and other improvements within the Development.

No Buildings or other structures shall be erected, placed or permitted to remain within any real estate burdened by the foregoing easements which interfere with the exercise of any of the easement rights reserved or granted hereby without the written approval of the Board and the written approval of each of the beneficiaries of the easement rights which are directly affected thereby. The easements created, reserved and granted hereby shall expressly include the right, privilege and authority to enter upon, dig, lay, construct, restore, install, reconstruct, renew, operate, maintain, repair, replace, update or change lines, cables, mains, ducts, pipes, manholes or other facilities or equipment needed or as a part of the utilities or sewers permitted (as applicable) within any real estate burdened by such easements. Following the exercise of any of the foregoing easement rights (excepting in the case of drainage facilities within Shared Driveways as hereinafter set forth), the easement real estate affected thereby (and any adjacent or neighboring real estate affected thereby) shall be restored by the party exercising such rights (at its own cost and expense) to substantially the condition existing prior to the exercise of such easement rights. In the event repairs, maintenance or other work is required to drainage facilities under or comprising a part of a Shared Driveway by or at the instance and request of the Boone County Drainage Board or any other agency of Boone County having jurisdiction over
storm or surface water drainage, no obligation shall exist on the part of Boone County or any agency or department thereof to either restore the drains within Shared Driveways or repave Shared Driveways affected thereby. The costs of any such restoration or repaving shall constitute a Common Expense for which the Association shall have responsibility. In the event such work is necessitated by acts or omissions of a Lot Owner or Lot Owners, the Association through the Board shall have the right to recover such amounts expended from the Lot Owner or Lot Owners responsible, jointly and severally, in whole or in part.

Section 4.06. Pond and Pond Maintenance Easement Rights: Developer hereby creates, reserves and grants a perpetual easement over, upon, under and through portions of any Lot or other Parcel into which the Real Estate is divided which are designated on a Plat as a "Pond Maintenance Easement" for the benefit of Developer and the Association and their respective employees, agents, contractors, successors and assigns, for the following purposes: (i) to create, recreate, restore, maintain, repair, renew or replace a Pond, the depth or dimensions of a Pond, any waterfalls (or any fountains) located within a Pond, now or hereinafter installed, or any pumps, equipment, structures or appurtenances thereto, including rip rap, utility services, pipes, conduits, outlets, inlets, wells or other similar structures comprising a part thereof; (ii) to lay, construct, install, reconstruct, renew, operate, maintain, replace or repair storm sewer lines and other appurtenant structures running under, through or within the Pond Maintenance Easement, whether running to or from the a Pond, or otherwise; (iii) to stock a Pond with such fish or other forms of marine life, if any, and maintain or control the population thereof, in
such manner as is deemed appropriate within the sole discretion of Developer or the Association; (iv) to treat or otherwise deal with the Ponds in order to control weeds, algae and other growths therein, or otherwise maintain the quality thereof or of the water therein; and (v) to take such action as may be required by law or ordinance. The Owner(s) from time to time of each Pond Lot shall have the right to use that portion of the Pond Maintenance Easement which is located upon such Owners Pond Lot in any manner not inconsistent with the easement rights herein granted, but shall not be entitled to construct any structures, fences, walkways or other similar improvements therein, or in any way change the topography thereof without first obtaining the written approval of Developer, as well as the approval of any governmental agencies having jurisdiction.

The Owner(s) from time to time of each Pond Lot burdened by a Pond Maintenance Easement shall maintain that portion of the Lot burdened by the Pond Maintenance Easement, by keeping the grass mowed, keeping the weeds reasonably cut and providing for the removal of trash and rubbish.

The Ponds created within Common Areas are created and/or preserved to (i) provide for storm water drainage collection and retention and (ii) enhance the aesthetics of the Subdivision, particularly the Pond Lots. No right shall exist however in any Pond Lot Owner, or any other Lot Owner, or in any other person on or about any Pond Lot or on or about any Common Area adjacent to any Pond to use a Pond for any recreational purposes whatsoever, with the sole exception of fishing by Lot Owners and their guests and invitees from the shoreline in areas where fishing is from time to time authorized by
the Board. The Board shall also have the right to control any other recreational activities within or involving a Pond, if any, including, but not limited to, swimming, diving, boating, use by radio-controlled vehicles or toys, fishing, wading, ice skating or other water sports or activities, all of which shall be and remain strictly prohibited except to the extent approved or authorized from time to time by the Board in its sole discretion. Further, no docks or other structures of any kind whatever shall be permitted to extend into a Pond unless constructed by Developer as a part of initial completion of the Common Areas or as authorized by the Board, the use of which also shall be strictly limited and subject to control by the Board any uses permitted also subject to such rules and regulations as may from time to time be published by the Board.

Section 4.07. Right of Entry and Inspection. Developer and the Association through its duly authorized representatives, agents or contractors shall have the right to go upon any Lot or Unit within the Development without being a trespasser to inspect any work being performed thereon to assure compliance with this Declaration and conformity with Lot Development Plans and with any other plans or submittals made to Developer or the Architectural Approval Committee and upon which any Approvals required by this Declaration were based, or to perform any work or take any action which Developer or the Association has the right to perform or take pursuant to this Declaration.

ARTICLE V

Developer and Architectural Approval Committee
Section 5.01. Powers and Authorities. The powers and authorities contained in this Article shall be vested in, as specified, Developer and/or the Architectural Approval Committee, and the covenants, conditions and restrictions in Article VI of this Declaration shall be administered and enforced by Developer or the Architectural Approval Committee as set forth herein, or by their respective designated agents, employees, contractors, nominees, successors or assigns. The Architectural Approval Committee is hereby created to serve the purposes set forth in this Declaration and to perform those duties otherwise from time to time delegated to it by the Board to, among other things, secure and maintain the quality of the Development and promote consistency and compatibility in architecture and character of improvements within the Development. The powers of Developer and the Architectural Approval Committee shall consist of those powers set forth in this Declaration, including, but not limited to, those powers set forth in this Section 5.01. Neither the exercise of such administration and enforcement duties by Developer or the Architectural Approval Committee nor the approval of any Lot Development Plans shall relieve any Owner of any duties or obligations imposed by, or compliance with any Restrictions set forth in, (i) this Declaration, including, but not limited to, the payment of any Annual Assessments, Special Assessments or Specific Assessments; (ii) a Plat; or (iii) the Commitments.

The Developer shall, in its discretion, function as the Architectural Approval Committee, and shall have the authority to grant all Approvals and exceptions provided for herein, until Developer conveys the last Unit, Lot or other parcel of real estate which

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Developer owns in the Development, unless it elects at any time prior thereto to vest such responsibilities in the Architectural Approval Committee, in which event the Architectural Approval Committee shall, as soon as practical, commence performance of the duties provided for in this Declaration. Until authority is vested in the Architectural Approval Committee, Declarant may exercise its duties hereunder through the use of its own employees or through the use of third parties, who need not be Members of the Association.

Once control has been transferred to the Association, the Architectural Approval Committee shall be formed by the Board, consisting of at least three (3) but no more than five (5) persons appointed by the Board to serve for such period of time as the Board may designate. A majority of the persons appointed by the Board shall be members of the Association. The Committee should include at least one person who is a registered professional architect, engineer or similar professional, or who has at least ten (10) years experience in the development of similar mixed use residential communities. In the event, however, no architect, engineer, similar professional or experienced member is appointed, services of a person having such qualifications shall be retained by the Architectural Approval Committee as necessary. Decisions by the Architectural Approval Committee shall be rendered by majority vote of the persons comprising the Committee, and such decisions may be rendered procedurally in such manner as the Architectural Approval Committee may determine within its sole discretion.
A. **Approval Required.** No Lot shall be developed or improved, nor shall any Building or structure of any type or kind be constructed, placed, altered or permitted to remain on any Lot or other parcel of real estate within the Development (including, without limiting the generality of the foregoing, any excavation, grading or other site work, alteration of existing topography or removal of existing landscaping in connection with initial construction thereon) without the Approval of the Architectural Approval Committee.

B. **Participating Builder Required.** Each Owner preparing to develop a Lot and have a Dwelling Unit constructed thereon must utilize the services of a Participating Builder. In the event an Owner desires to use a person, firm or entity other than a currently qualified Participating Builder, such Owner shall make written application to Developer outlining the qualifications, experience and creditworthiness of the builder proposed for use and involvement in developing such Lot and constructing a Building or other improvements thereon, accompanied by a completed application from the builder proposed for use in such form as Developer may require, and must receive Approval to use such proposed builder prior to entering into any contract or incurring any obligation in connection therewith. In the event the builder proposed for use receives Approval as required hereby, any such Approval shall be subject to execution and delivery of a Participating Builder Agreement for the sole purpose of permitting such builder to build a Dwelling Unit and complete related improvements on the Lot in question.
C. **Submissions Required.** Each Owner preparing to develop a Lot shall undertake the following steps to obtain the Approvals required by this Declaration:

**STEP ONE:** prior to making any submission to the Architectural Approval Committee and as required by the then-current Participating Builder’s Manual: (i) make written application for preliminary plan review in the required form; (ii) prepare and submit two (2) copies of preliminary lot development plans containing the limited information hereafter described ("Preliminary Plans"); and, (iii) schedule and participate in the meeting required to be scheduled and conducted (the initial meeting to be without cost to the submitting Owner, additional meetings, if any, subject to payment of a fee to defer the reasonable costs associated therewith, as such fee is from time to time set by the Architectural Approval Committee) as described in the Participating Builder’s Manual for the purpose of reviewing Owner’s Preliminary Plans, so that guidance and direction can be given to Owner and Owner’s Participating Builder to facilitate the plan approval process by the Architectural Approval Committee and minimize unnecessary costs and any delays which otherwise might be associated therewith. Such Preliminary Plans to be submitted must, at a minimum, include elevations, the location of all proposed improvements, detail all materials to be used on the exterior of all proposed improvements, and otherwise contemplate Lot development which is consistent with applicable Lot Standards respecting the Lot in question.
STEP TWO: Prior to the development, improvement or alteration of, or any construction on a Lot or Lots or the preparation of final Lot Development Plans, and after Step One has been completed, each Owner preparing to construct improvements upon a Lot shall complete and submit to, and obtain written Approval from, the Approval Committee of the Preliminary Plans, modified in accordance with suggestions, comments and insight obtained as a result of the preliminary meeting required as a part of Step One.

STEP THREE: Following completion of Step One and Step Two, the Owner(s) shall submit for final Approval from the Architectural Approval Committee three (3) complete sets of final Lot Development Plans (as defined and required to include the information set forth in Section 1.19 of this Declaration), which shall further incorporate and otherwise be consistent with the Approval received and all applicable Lot Standards, together with payment of the application fee, if any, in the amount from time to time established by the Architectural Approval Committee, which fee shall not, in any event, exceed Four Hundred and no/100 Dollars ($400.00) for each submittal of Final Lot Development Plans for review. Approval of Preliminary Plans and final Lot Development Plans shall be requested by separate written application to the Approval Committee, and each request shall be made in the manner and in the form otherwise prescribed from time to time by Developer or the Approval Committee. In the case of final Lot Development Plans, the request for Approval shall be accompanied by three (3)
complete sets of Lot Development Plans and by such other information as reasonably may be required by the Approval Committee. The authority given to the Approval Committee herein is for the purpose of determining, within its sole discretion, whether the proposed improvement and development of a Lot or any topographical changes thereto is consistent with the terms and provisions of this Declaration, is consistent with and meets Developer's overall plans for the Development, and is compatible and consistent with the development of other Lots. In furtherance of the foregoing purposes, and subject only to the Lot Standards, the Approval Committee is hereby given complete discretion as to matters related to Lot grading, topographical changes, location, building orientation, layout, design, architecture, color schemes and appearance in approving Lot Development Plans. Building and structure plans (whether preliminary or final) included as a part of any application to the Approval Committee shall set forth the colors and the composition of all exterior materials proposed to be used. The site plan submitted as a part of the Lot Development Plans for final approval shall describe and detail all proposed fencing and landscaping, any recreational equipment (including, by way of illustration and not limitation, basketball goals, tennis courts, outdoor kitchens, decks, gazebos, garden houses, hot tubs, swimming pools, etc.) proposed to be constructed, installed or placed upon the Lot, and shall include any other detail or information which reasonably may be required by the Approval Committee. All plans and drawings representing a part of Preliminary Plans or
final Lot Development Plans and any other graphic submittals included therewith shall be drawn to the scale required by the current edition of the Participating Builders Manual, or to such other scale as may be authorized by the Approval Committee. All plans submitted as a part of final Lot Development Plans shall be prepared by either a registered land surveyor, engineer or architect, unless permission is specifically given otherwise by the Approval Committee.

D. **Duties of Architectural Approval Committee.** The Architectural Approval Committee shall approve or disapprove Lot Development Plans outlined within thirty (30) days after all required information is submitted in the form required by this Declaration. Should the Architectural Approval Committee fail to act within the specified time, the Lot Development Plans shall be deemed to be disapproved. One copy of all submitted material shall be retained by the Architectural Approval Committee for its permanent files (except material samples, if any, which need not be retained). All notifications to applicants shall be in writing, and, in the event that such notification is one of disapproval, it shall specify the reason or reasons for the disapproval.

In the event of disapproval an affected Owner shall have the following rights:

(1) to appeal any disapproval of final Lot Development Plans to the Board of the Association who, within thirty (30) days of the submission of a written appeal, may affirm, deny or modify the Committee's decision
upon a vote of the majority of the members of the full Board. If a majority vote of the full Board is not obtained (whether based upon a decision denying such appeal or inaction on the part of the Board), the Committee's decision shall be deemed affirmed.

(2) Submit final Lot Development Plans a second time for further consideration by the Architectural Approval Committee, modified (or in the same form denied) as the Owner deems appropriate.

If the final Lot Development Plans do not receive Approval upon either appeal as provided in subpart (1) or second submittal as provided in subpart (2) hereof, then Developer shall have the right, at Developer's option (but not the obligation), to buy back the Lot from the Owner thereof within the time, in the manner and subject to the conditions set forth in Section 6.14 hereof.

E. **Architectural Approval Committee to Grant Exceptions.** The Architectural Approval Committee may allow reasonable exceptions to the Restrictions where strict application would result in unnecessary hardship. However, any such exception granted must be consistent with the general intent and purposes of the Declaration, and no exception shall be given which is materially detrimental or injurious to other Lots or Units in the Development. For the purposes hereof, the terms of any financing, or the cost of complying with the Declaration shall not be considered a hardship warranting the granting of an
exception. No exception shall be valid and effective unless issued in writing and signed by a majority of the Architectural Approval Committee.

Section 5.02. Liability of Developer and Approval Committee. Neither Developer nor the Approval Committee, nor their respective agents, successors or assigns, shall be responsible in any way for any defects or insufficiencies in any plans, specifications or other materials submitted for review, whether or not approved by Developer or the Approval Committee, nor for any defects in any work done in accordance therewith. Neither Developer nor the Approval Committee shall be liable to any person, firm, corporation or other legal entity aggrieved by the exercise of (or failure to exercise) any of the powers specified in Article III or Article V hereof, and neither of them shall have any liability, loss, cost or expense whatsoever, of any nature, kind or description with regard to any injury, loss or damage which is claimed or alleged to have resulted, in whole or in part, from (i) a refusal to approve the use of any builder proposed for involvement in construction upon or any improvement of a Lot; (ii) the refusal to approve Lot Development Plans or (iii) a refusal to give any other Approval otherwise required by this Declaration.

Section 5.03. Assignment of Duties: All of the duties, responsibilities and rights held by Developer under this Declaration shall be exercised and administered by Developer (or its nominee) in good faith until such time, as they are assigned by Developer to the Association or other legal entity, if any, formed as a successor thereof. Any such assignment shall be at the option and sole discretion of Developer and may be
made at any time or stage of development. Any assignment by Developer shall be by
written instrument duly executed and recorded in the Boone County Recorder's Office.
Except to the extent herein provided, following any such assignment and recordation, the
duties, responsibilities and rights of Developer under this Declaration immediately shall
vest in and be performed by the Association or other legal entity, if any, formed as a
successor thereof.

ARTICLE VI

Use and Development Restrictions

Section 6.01. Type, Size and Nature of Construction Permitted. No
Improvements permitted by this Declaration shall be erected, placed, altered or permitted
to remain on a Lot without the prior Approval of the Architectural Approval Committee as
required by this Declaration. Such Approval shall be obtained prior to the commencement
of construction and shall be subject to the following minimum standards:

(a) Any improvement of a Lot or any Building to be constructed upon a
Lot shall comply with the then-current Lot Standards in effect with respect to the
size and type of Lot in question, unless (and only to the extent of) an exception
thereto approved by the Architectural Approval Committee.

(b) No Dwelling Unit on a Lot shall be erected, altered, placed or
permitted to remain which exceeds two and one half (2 1/2) stories in height from
finished grade elevation. Construction upon a Lot of a Dwelling Unit shall also
require construction of a private attached or detached garage [for a minimum of
two (2) vehicles]. An attached greenhouse not exceeding 500 square feet in area,
and such other accessory buildings or structures related to swimming pools, tennis
courts and other similar recreational facilities not prohibited by this Declaration also may be permitted upon a Lot, as long as usual and incidental to the use of the Lot for single-family residential purposes.

(c) The minimum finished floor of a Dwelling Unit constructed on a Lot, exclusive of open porches, attached garages and basement, shall be as follows: (i) not less than 1900 square feet on Lots located within the English Village Neighborhood, consisting of Lots 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13; (ii) not less than 2,000 square feet on Lots 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 34, 35, 36, 37, 38, 57, 58 and 59; (iii) homes more than one (1) story, not less than 3,300 square feet (of which a minimum of 1,800 square feet must be on the first floor) and one story homes not less than 2,400 square feet on Lots 1, 14, 15, 16, 17, 28, 29, 31, 32, 33, 55 and 56; (iv) homes more than one (1) story, not less than 3,500 square feet (of which a minimum of 2,000 square feet must be on the first floor) and one story homes not less than 2,600 square feet on Lots 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53 and 54; and, (v) such minimum square footage on all other Lots as from time to time set forth in the then-current Participating Builder's Manual in effect at the time Lot Development Plans are submitted for required Approval, but in no event containing less square footage than the minimum required by applicable zoning regulations.

(d) No Dwelling Unit, garage or accessory structure of any kind shall be moved onto any Lot, and all materials incorporated into the construction thereof shall be new, except that used brick, weathered barn siding or the like may be approved by the Architectural Approval Committee. No trailer, mobile home, tent, basement, shack, garage, barn or other structure shall be placed or constructed on any Lot at any time for use as either a temporary or permanent
residence or for any other purpose, except as reasonably required in connection with the construction of a Dwelling Unit or Commercial Unit on a Lot.

(e) Any accessory Buildings (other than an indoor pool with track roof or canvas dome cover) hereafter constructed on a Lot shall have a fiberglass or asphalt shingle, slate, tile or wood shake roof and shall be made out of the same materials, or combination thereof, out of which the single-family dwelling house on the same Lot is constructed.

(f) The concrete or block foundation of any Dwelling Unit or accessory structure hereafter constructed on a Lot shall have a maximum unfinished exposure above finished grade which does not exceed twenty-four inches (24") in height (vertical dimension) and otherwise shall be covered on the exterior with wood, brick or stone veneer, so that no portion of the exterior thereof exceeding eighteen inches (18") in height is left exposed above finished grade.

Section 6.02. Tree Preservation. Existing trees shall be preserved to the extent the removal thereof is not mandatory in connection with the construction of a Building on or other improvements to a Lot approved by the Architectural Approval Committee, unless the removal thereof is otherwise specifically authorized by the Architectural Approval Committee or any such tree is dead or has reached a state of material decay and is dying, with a remaining life reasonably estimated at less than three (3) years. Within six (6) months following substantial completion of initial construction of a Dwelling Unit or Commercial Unit on a Lot and notification that the Approval Committee has determined additional trees should be planted on such Lot, the Owner(s) of such Lot shall cause new trees [having a trunk in excess of three (3) inches in diameter measured at a point three (3) feet from undisturbed ground] to be planted and maintained on such Lot in the number
[which shall be limited to no more than six (6) trees] required by the Approval Committee at locations selected by the Owner(s) and approved by the Approval Committee.

Section 6.03. Street Trees. Developer and/or an Owner upon initial improvement of a Lot, shall plant Street Trees, but only of a type generally recognized to have a deep-root system (including, but not necessarily limited to oak, red maple, ash and other similar deep-rooted trees) and which are approved as a part of the Approval of Lot Development Plans by Developer or the Approval Committee before planting, together with (but only to the extent not planted by Developer) Approval of the location and spacing thereof. Once planted, Street Trees shall be fertilized, watered and otherwise maintained as healthy trees by the Owner of each Lot where located, and shall be replaced promptly if dead or dying ("dying" meaning for purposes hereof, where remaining life is estimated at two (2) years or less) with a tree of the same type or another type having a deep-root system and approved by the Approval Committee. Public sidewalks damaged or otherwise adversely affected by the roots or growth of adjacent Street Trees shall be replaced and/or repaired by the Association, the cost of which shall represent a Common Expense. In no event shall Boone County, Indiana, or any agency or department thereof, have any responsibility to repair or replace sidewalks damaged by Street Trees.

Section 6.04. Construction Upon a Lot - Completion. All construction upon a Lot shall be completed in strict accordance with the Lot Development Plans approved by the Approval Committee. The exterior of any Dwelling Unit, Commercial Unit or other permitted improvements built (or additions to or material exterior modifications of existing improvements) upon a Lot or combination of Lots shall be completed within eighteen (18) months after the date of commencement of the foundation, and the site shall be graded and any areas to be covered with grass or ground cover shall be planted, seeded or sodded. Each Lot shall be kept and maintained in a sightly and orderly manner during the period of
construction and no trash or other rubbish shall be permitted to unreasonably accumulate thereon. A portable toilet and trash dumpster shall be kept and properly maintained on each Lot at all times for use during construction and until substantial completion, each located to the extent practical to minimize visibility from the street. Acceptable and effective erosion control measures (e.g., straw bales, silt fences or similar measures) shall be maintained throughout the construction period. Areas adjacent to a Lot under construction shall be kept reasonably clean and free of mud, debris and other materials. Damage to curbs, streets and adjoining Lots caused during construction on a Lot shall be repaired by (or at the expense of) the Owner of such Lot. In the event any Owner fails to comply with the foregoing promptly after notice from the Association, then the Association shall have the authority to effect any necessary clean-up, control or repair, the costs of which shall be remitted upon demand by such Owner to the Association, together with interest, costs of collection and reasonable attorneys' fees.

Section 6.05. Storage Tanks. Exterior Storage Tanks only shall be permitted to be used as a part of and during construction of a Dwelling Unit or Commercial Unit upon a Lot and shall be located, maintained, and removed in accordance with all applicable environmental and other laws, regulations, rules and ordinances. Each such storage tank shall be located so that such tank is concealed from public view to the extent practical.

Section 6.06. Driveways. A single driveway shall be constructed on a Lot to and from a Private Drive or Public Street ("Public Street" meaning a street dedicated to the public and accepted for maintenance by applicable governmental authority) or a Shared Driveway and maintained to provide the sole means of vehicular ingress and egress to each such Lot, except in the case of certain corner Lots, which may be permitted by the Approval Committee upon Approval of Lot Development Plans to have both a front
driveway for visitor and incidental use for temporary parking and a driveway to a garage in the rear from a Shared Driveway.

Section 6.07. Mailboxes. Mailboxes (other than Common Mailboxes) installed for mail delivery to a Lot shall be installed at each Lot Owner's sole cost and expense, shall be of a type, color, and manufacture designated by Developer prior to installation and shall be installed at a location approved by Developer. Following installation, each mailbox shall be kept and maintained by each Lot Owner in good condition, and if replaced, the replacement shall be at the same location and of the type, color and manufacture originally required, or as otherwise Approved by the Architectural Approval Committee.

Section 6.08. Location of Driveways. No driveway on any corner Lot shall enter any of the adjoining streets at a point closer than thirty-five feet (35') to the intersection of the street right-of-way lines or, in the case of a rounded property corner, from the intersection of the street right-of-way lines extended. The driveway on each Lot shall be cut, and stone or gravel of sufficient size shall be used to avoid easy scatter upon adjacent streets by construction traffic as soon as practical (and before use by construction traffic) and such driveway shall be maintained thereafter as necessary to avoid the transmittal of mud and aggregate from construction traffic to the streets. Prior to substantial completion of construction of a Dwelling Unit or Commercial Unit upon the Lot, each Driveway shall be completed of asphalt, concrete, or such other material as is approved by the Approval Committee.

Section 6.09. Fences, Walls, Hedges or Shrub Plantings. No fence, wall, hedge, shrub plantings or other screening shall be erected, placed, altered or permitted to remain on any Lot other than as approved (as to location, type, materials, design and height) by the Approval Committee. No structures, or enclosures of any kind, nor any swings, hot
tubs, pools, fountains, decorative lawn accessories (e.g., bird baths, statutory or the like), docks, decks, gazebos, fences (other than an electric fence installed below ground for pet containment purposes), walls, hedges, trees or shrub plantings shall be constructed, placed, erected or permitted to remain on any Lot within twenty-five (25) feet from the waters edge, assuming normal pool elevations of any Pond, except as installed or placed by Developer or authorized by the Board. Developer or the Board may also place or plant trees and other landscaping within such twenty-five (25) foot area as Developer deems necessary or appropriate within its sole discretion, and such plantings and landscaping so placed by Developer shall be permitted to remain (or be replaced if dead or dying) without violating this Section 6.08.

Section 6.10. Sewage Disposal. Sewage disposal only shall be permitted through hook-on to public or private sanitary sewers available to each Lot. No septic systems of any kind shall be permitted.

Section 6.11. Refuse Collection. Refuse and garbage collection from each Lot or Unit only shall be through a refuse collector or hauler approved by Developer or the Board at such time or times and on such dates as Developer or the Board as applicable may from time to time designate. The cost of refuse and garbage collection shall be the separate responsibility of each Lot or Unit Owner unless and until the Board determines otherwise and elects to handle trash collection on a uniform basis, in which event the cost thereof may be included as a part of Annual Assessments (or other assessments) otherwise permitted to be levied by this Declaration. A single designated trash collector may be chosen by the Board or the Developer as applicable to provide trash pickup throughout all or a designated part of the Development, in which event the use thereof shall be mandatory by each Lot Owner.
Section 6.12. Ditches and Swales. The Owner of any Lot on which any part of an open storm drainage ditch or swale is situated shall keep such portion thereof as may be situated upon such Lot continuously unobstructed and in good repair so as to permit positive drainage flow along or within such open storm drainage ditch or swale, and shall provide for the installation of such culverts upon such Lot as may be reasonably necessary to accomplish the purposes of this Section 6.12, all at such Owner’s own cost and expense.

Section 6.13. Additional Ponds. No Owner shall cause or permit any additional ponds to be created on any Lot, including without implied limitation, from any swale, ditch, stream or creek, such prohibition not to include, however; (i) the Ponds created by Developer and identified from time to time on the Plat of a Section of the Development recorded in the Boone County Recorders Office; and, (ii) garden ponds not exceeding 125 square feet on a Lot, but only if approved on a particular Lot by the Architectural Approval Committee as to suitability, location and otherwise within the Approval Committees sole discretion.

Section 6.14. Antenna Dish or Other Similar Structures. No antenna dish, antenna towers or other free standing antenna structures or devices shall be hereafter erected, placed or permitted to remain on any Lot within the Development, without the prior Approval of the Approval Committee. In no event shall any antenna dish, antenna tower or free standing antenna structures or similar devices which exceed twenty inches (20") in diameter or three feet (3’) in height be permitted without good cause shown as to the necessity for increased size or height for signal reception purposes and approval by the Architectural Approval Committee.

Section 6.15. Free Standing Lights; Bug Zappers. No light poles, “bug zappers” or other similar free standing structures exceeding two feet (2’) in height shall be installed
or maintained on a Lot unless either (i) installed or required by Developer as a part of initial construction of a Dwelling Unit or Commercial Unit, or (ii) the location, height, type, style and manufacture thereof has received Approval from the Approval Committee prior to the installation thereof. Any such light fixture shall also be limited to a maximum wattage approved by the Approval Committee. Light fixtures shall be permitted affixed to the exterior of improvements permitted by this Declaration as long as located, shielded and directed so that the distribution of light is limited to the area to be illuminated and spill over of light onto adjacent Lots is maintained at an approved level or intensity. Until modified or changed by the Approval Committee, the approved level of intensity at the Lot line shall be one (1) footcandle. Bug Zappers or other similar devices may be limited as to size, manufacture, type, height or otherwise disapproved on a Lot completely, within the sole discretion of the Approval Committee.

Section 6.16. Option to Purchase. If Developer decides to exercise its option (as provided in Section 5.01, Subsection D hereof) to buy back a Lot from the Owner thereof, then Developer shall give to the Owner written notice that Developer is exercising its option. Upon the receipt of such notice, the Owner shall be deemed to have agreed to sell, and Developer shall be deemed to have agreed to purchase the Lot on the terms and conditions hereinafter specified.

If this option is exercised by Developer, the transaction shall be closed within forty-five (45) days after the Owner receives written notice that Developer is exercising its option at a place and time and on a date designated by Developer, subject to notice to Owner at least seven (7) days in advance.

On closing this transaction and upon execution and delivery by Owner of the deed and affidavit in the form hereinafter described, Developer shall pay in cash to the Owner
an amount equal to the purchase price that the Owner paid for the Lot (the "Purchase Price") upon the original sale thereof by Developer to Owner.

Within five (5) days after an Owner receives notice of the exercise of this option, the Owner shall order for the Developer, as soon as the same can be prepared, a commitment for an owner's policy of title insurance issued by a title insurance company satisfactory to Developer, in which the title insurance company shall agree to insure merchantable title in the name of Developer subject only to the Plat Covenants, Conditions and Restrictions, this Declaration and standard exceptions acceptable to Developer. Such title insurance policy shall insure title for the full amount of the Purchase Price and shall be at the expense of the Developer.

On the closing of this transaction, Developer shall pay (i) all closing costs except the Owner's legal fees in connection with the purchase of the Lot and (ii) all installments of real estate taxes and assessments for municipal improvements which first become due and payable after such exercise.

At the day of closing, Owner shall execute and deliver a Special Warranty Deed conveying the Lot in the same condition as it was delivered to Owner upon original purchase from Developer, and a Vendor's Affidavit in the form most recently published by the Indianapolis Bar Association. Possession of the Lot shall be delivered to Developer on the date of closing.

In the event of a breach of this Section 6.14, by Owner, Developer shall be entitled to all remedies available at law or in equity (including, but not limited to, specific performance) and to reasonable attorneys' fees incurred in the enforcement thereof, together with any other damages otherwise recoverable under applicable Indiana law.
Section 6.17. Inspection. Until the development, improvement or alteration of, or the construction on or addition to, a Lot or Lots is completed, Developer from time to time and at reasonable times, peaceably may enter and inspect such Lot.

ARTICLE VII

Use and Maintenance of Lots

Section 7.01. Vehicle Parking. No camper, motor home, truck, trailer or boat may be parked or stored longer than twenty-four (24) hours on any Lot in open public view, except pick-up trucks or other similar vehicles customarily used by the Owners of suburban real estate parcels similar in size to the Lots in the Development. Any parking of vehicles on the streets of the Development shall be in conformity with all applicable ordinances of Boone County, Indiana.

Section 7.02. Home Occupations. No home occupation shall be conducted or maintained on any Lot restricted for residential use excepting only occupations which are both permitted by applicable zoning and incidental to a business, profession or occupation of the Owner or occupant of such Lot and one which is generally or regularly conducted at another location which is away from such Lot. No signs of any nature, kind or description shall be erected, placed or permitted to remain on any Lot advertising a permitted home occupation. Nothing contained herein shall be construed or interpreted to affect the activities of Developer, and its nominees, successors or assigns, in the development and sale of Lots as a part of the Development.

Section 7.03. Signs. No sign of any kind shall be displayed to public view on any Lot restricted for residential use only, except that two (2), two (2)-sided signs [each not exceeding five (5) square feet per side or the maximum size permitted by applicable ordinances of Boone County, Indiana whichever is less] may be displayed at any time for the purpose of advertising the property for sale or for rent, or may be displayed either (i)
by a builder and/or realtor to advertise during construction; or, (ii) for a purpose and otherwise of a size and at a location approved by Developer. The location of any such permitted sign on a Lot shall be in conformity with all applicable ordinances of Boone County, Indiana.

Section 7.04. Maintenance of Undeveloped Lots and During Construction - Related Fees. An undeveloped Lot maintenance fee ("ULM Fee") is hereby imposed on all undeveloped Lots (meaning for purposes hereof any Lots upon which neither a Dwelling Unit or Commercial Unit has been constructed or is under construction) excepting only those undeveloped Lots owned by Developer. ULM Fees shall not be assessed against undeveloped Lots owned by Developer. The monthly ULM Fee shall be $50.00 per month (subject to change hereafter by the Board at the end of any calendar year), shall be payable on a monthly basis on or before the fifth (5th) business day of the next succeeding month, and shall be assessed through the month in which construction of a Commercial Unit or Dwelling Unit commences on a Lot. In exchange for payment of ULM Fees with respect to a Lot, the Association shall cause weeds and other growth to be periodically mowed, take reasonable steps to prevent rubbish and debris from accumulating thereon, and is hereby given an easement to go on and about such Lot as necessary for the foregoing purposes.

During the month construction of a Commercial Unit or a Dwelling Unit commences on a Lot, the Owner of such Lot shall be billed $500.00 by the Association in the form of a "Construction Fee." The Construction Fee shall be payable on or before the fifth (5th) day of the next calendar month. The purpose of the Construction Fee is to help defray the cost of periodic street/service lane cleaning during the construction period. Damage to other Lots, private property or structures or improvements on other Lots or in Common Areas is not covered by the Construction Fee. Each Lot shall be otherwise kept
and maintained (at the Owner’s cost and expense) during construction as required by
Section 6.04.

Section 7.05. Maintenance of Lots and Improvements After Lot Development.
The Owner of any Lot in the Development shall at all times, following substantial
completion of the construction of improvements for occupancy thereon as otherwise
permitted by this Declaration, maintain the Lot and any improvements situated thereon in
such a manner as to prevent the Lot or improvements from becoming unsightly and,
specifically, each such Owner shall: (i) mow such portion of the Lot or Lots upon which
grass has been planted at such times as may be reasonably required; (ii) remove all debris
or rubbish; (iii) prevent the existence of any other condition that reasonably tends to
detract from or diminish the aesthetic appearance of the Development; and (iv) keep the
exterior of all improvements in a state of proper repair and maintenance so they do not
become unsightly or in a visual state of disrepair.

Section 7.06. Association’s Right To Perform Certain Maintenance. In the event
the Owner of any Lot in the Development fails to reasonably maintain such Owner’s Lot
and any improvements situated thereon in accordance with the provisions of this
Article VII, or as otherwise required by this Declaration, the Association upon action of
the Board and by and through its agents, employees or contractors, shall have the right,
but not the obligation, following notice in writing to such Owner of an intention to do so
unless reasonable maintenance as detailed in such notice is performed and the expiration of
ten (10) days thereafter without such maintenance being done, to enter upon such Lot
without being a trespasser to repair, mow, clean, or perform such other acts as reasonably
may be necessary to make such Lot and the improvements situated thereon, if any,
conform to the requirements of this Article VII, or as otherwise set forth in this
Declaration, including the right, but not the obligation, to assume the responsibility of
mowing any Lot. The out-of-pocket costs incurred by the Association, plus an amount equal to twenty percent (20%) thereof to cover Association costs incurred in exercise of its rights hereunder in connection with the maintenance of any Owner's Lot as provided in this Section 7.06 shall be collectable from the Owner(s) of any such Lot as a Specific Assessment and shall represent a lien against any such Lot until paid in full together with interest thereon, cost of collection and attorneys' fees, all without relief from valuation and appraisement laws. Neither the Association nor Developer, nor any of their respective agents, employees or contractors shall be liable for any damage which may result from any maintenance work performed hereunder.

Section 7.07. Animals. Only dogs, cats and similar animals generally and customarily recognized as household pets, not exceeding in the aggregate two (2) in number, may be kept or maintained on any Lot as household pets. All animals kept or maintained on any Lot in the Development shall be kept reasonably confined so as not to become an annoyance or nuisance. No animal shall be kept or maintained on a Lot for commercial purposes or primarily for breeding purposes, except in the Village Neighborhood, and then only to the extent a pet shop is approved as a permitted use by both the Board and applicable governmental zoning authority. No dog houses, dog "runs" or other similar separate structures or facilities of any kind shall be construed, placed or permitted to remain on any Lot. The provisions hereof shall not apply to household pets who are kept at all times indoors and by their very nature are confined at all times, such as goldfish, tropical fish and the like.

Section 7.08. Garbage, Trash and Other Refuse. The outside burning of garbage or other refuse (other than fallen leaves) shall not be permitted on any Lot, nor shall any outside accumulation of refuse or trash be permitted on any Lot. Each Dwelling Unit built upon a Lot shall be equipped with an environmentally acceptable garbage disposal unit and
once installed, each such unit shall be kept and maintained in good working order so as to be and remain environmentally acceptable.

Section 7.09. Nuisances. No noxious or offensive activity shall be conducted upon any Lot, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to the Development or another Owner.

ARTICLE VIII
Association and Assessments

Section 8.01. Association. The Association is created to provide a vehicle to (i) own the Common Areas; (ii) promulgate and enforce rules and regulations necessary for the proper use and enjoyment of the Common Areas; (iii) maintain, repair, restore and replace as necessary the Common Areas, including Buildings and other improvements constructed thereon or any related furnishings or equipment; (iv) enforce the restrictions imposed by this Declaration; (v) otherwise take such actions it deems necessary and appropriate consistent with its Articles of Incorporation and By-Laws to further the interests of the Members; and (vi) hire such employees, personnel, or professional management or other professional assistance (i.e. lawyer, accountant, etc.) as it deems necessary in connection with any of the foregoing.

Section 8.02. Powers of Association. The Association shall have the powers set forth in its Articles of Incorporation, By-Laws, this Declaration and which it has by applicable law, including the power to levy and collect assessments, ULM Fees, Construction Fees and to enforce liens and exercise foreclosure rights.

Section 8.03. Membership. Every Owner shall be a Member of the Association. If a Unit is owned by more than one person, all co-owners shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth below and in the By-Laws, and all such co-owners shall be jointly and severally
obligated to perform the responsibilities of Owners. The membership rights and privileges of an Owner who is a natural person may be exercised by the Member or the Member’s spouse. The membership rights of an Owner which is a corporation, partnership or other legal entity may be exercised by any officer, director, partner, or trustee, or by any other individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association. Proper Members also shall be entitled to share the privileges of membership and use and enjoyment of the Common Areas, subject to payment when required of Dues (as hereinafter defined), in amounts and payable as from time to time established by the Board.

Section 8.04. Voting. Class A Members shall have one (1) vote for each Dwelling Unit in which the interest required for membership is held, subject to a limit of one vote per Dwelling Unit. Class B Members shall have one (1) equal vote for each seven hundred (700) square feet of finished floor Area for each Commercial Unit in which the interest required for membership is held (rounded down to the nearest 700 square feet increment of finished floor area). Class C Members shall not be entitled to vote. Voting rights for a class may not be altered without both: (i) amendment of this Declaration in the manner required by Section 9.06; hereof and (ii) the unanimous consent of all Members of the particular class.

If any situation in which a Member is entitled personally to exercise the vote(s) for his/her Unit and there is more than one Owner of a particular Unit, the vote(s) for such Unit shall be exercised as such co-owners determine among themselves and advise the Secretary of the Association in writing prior to any meeting. Absent such advice, the Unit’s vote(s) shall be suspended if more than one (1) person seeks to exercise it.

Section 8.05. Board of Directors. The initial Board of Directors shall be comprised of three (3) persons appointed by Developer. At such time as the Developer
elects, but not later than that point in time when Developer has sold eighty five percent (85%) of the Units within the Development, the Board shall be increased to a seven (7) person board, elected by the Class A and Class B Members. At least two (2) of the directors shall be selected from among the Owners in Stonegate Village Neighborhood and elected by a majority of the Owners in such Neighborhood, and at least one (1) of the directors shall be selected from the Owners within the Professional Business District Neighborhood, and elected by the Owners within such Neighborhood.

Section 8.06. Power to Levy. The Association shall have the power to levy Annual, Special, Specific and Neighborhood Assessments, ULM Fees, Construction Fees as otherwise provided herein. The Board also shall have the power to set the dues (herein “Dues” meaning for purposes of this Declaration amounts assessed for use and enjoyment of the Common Areas) payable, in amounts and otherwise at such times as the Board may direct, by Proper Members, which shall not, in any event, exceed on an annual basis an amount equal to forty percent (40%) of the amount of the Annual Assessments for each detached single-family Dwelling Unit otherwise levied hereunder.

Section 8.07. Creation of a Lien and Personal Obligation of Assessments. Developer hereby covenants, and each Owner of each Lot, Unit or other parcel or tract of land ("Parcel") in which the Real Estate is divided as a part of the Development, by acceptance of a deed thereto, whether or not it shall be so expressed in such deed, is deemed to covenant and agree, to pay to the Association when due Annual, Special, Specific and Neighborhood Assessments, ULM Fees and Construction Fees as provided in Article VII or in this Article. Until paid in full, any amounts not paid when due, together with interest thereon (at a percentage rate per annum equal to the then-current Indiana statutory maximum annual interest rate, but in no event less than six percent (6%) per annum) and costs of collection (including reasonable attorneys' fees and court costs) shall
be a continuing lien upon the Lot, Unit or other Parcel against which such assessment is
made. Each assessment or fee, together with interest and costs of collection as aforesaid,
shall also become and remain, until paid in full, the personal obligation of the one or more
persons or entities in ownership of the Lot, Unit or Parcel at the time when the assessment
first becomes due and payable. If any Owner fails, refuses or neglects to pay an
assessment when due, then the lien for such assessment may, at any time following notice
thereof by first-class United States mail of the amount thereof to an Owner and the
expiration of at least ten (10) days from the date such notice is sent, be foreclosed by the
Association in the same manner in which a mechanic’s lien is foreclosed from time to time
under Indiana law, or in any other manner otherwise from time to time permissible or
provided by law or in equity. The Association may, at its option, bring a suit against the
Owner (and if more than one, either jointly or severally) to recover a money judgment for
any unpaid assessment or fee without foreclosing the lien for such assessment or fee or
waiving the lien securing the same. In any action to recover an assessment or fee,
whether by foreclosure or otherwise, the Association shall be entitled to recover interest as
aforesaid and the costs and expenses of such action, including, but not limited to,
reasonable attorneys’ fees and court costs.

Section 8.08. Purpose of Assessment. Assessments levied by the Association shall
be used exclusively to exercise those powers, perform those duties and advance those
purposes for which the Association has been formed or which are provided by this
Declaration, and to defray the costs and expenses incurred in connection therewith.

Section 8.09. Types of Assessments. The types of Assessments permitted to be
levied by the Association are as follows:
A. **Annual Assessments.** The Board shall have the power to levy, on a calendar year basis, an Annual Assessment to fund Common Expenses for the general benefit of all Units in the Development. The Annual Assessment shall be paid as otherwise set by the Board, in installments, on a monthly basis. The initial Annual Assessment shall be Nine Hundred Sixty and no/100 Dollars ($960.00) per annum for each detached single-family Dwelling Unit and Nine Hundred Sixty and no/100 Dollars ($960.00) per annum per Unit for each attached multi-family Dwelling Unit (i.e. condominiums, townhomes, etc.). The Annual Assessment for each Commercial Unit shall be determined at a rate hereafter established by the Board on the basis of the amount of finished floor area in the Commercial Unit subject to Annual Assessment.

The Annual Assessment for each vacant and unimproved Lot (other than a vacant and unimproved Lot owned by Developer, which shall not be subject to any Annual Assessment whatsoever) which has not been improved by Construction of a Dwelling Unit or a Commercial Unit shall be Two Hundred Forty and no/100 Dollars ($240.00) per annum.

The Annual Assessments (including the Annual Assessment as initially determined by the Board for a Commercial Unit) as stated shall not be subject to increase until the Annual Assessment for calendar year 2006. For calendar year 2006 and each calendar year thereafter, any increase in the Annual Assessment shall be limited to no more than Four Percent (4%) above the Annual Assessment.
for the immediately preceding calendar year, unless the increase is approved by at least sixty percent (60%) of the Members of the Association. The Annual Assessment rate for detached single-family Dwelling Units, attached multi-family Dwelling Units, and commercial Units must all increase by the same percentage, subject to the foregoing Four Percent (4%) limitation.

Upon both closing of the initial sale of a Unit to an Owner for use and occupancy and substantial completion of improvements constructed thereon for use and occupancy, the Purchaser/Owner shall pay the prorated portion of the current year’s assessment plus one (1) full year’s Annual Assessment. After the credit has been exhausted, the Owner shall pay the assessment monthly, in equal monthly installments equal to one-twelfth (1/12) the amount of the applicable Annual Assessment, as otherwise determined herein or by the Board.

B. Special Assessments. In addition to the Annual Assessment, the Board may levy in any assessment year a Special Assessment applicable to that year only, for the purpose of defraying in whole or in part the cost of any construction, re-construction, unexpected repair or replacement of a capital improvement as approved by the Board, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the approval of seventy five percent (75%) of the Members who are voting in person or by proxy at a special meeting duly called for such purpose. written notice of
which shall be sent to all Members at least forty-five (45) days in advance and shall set forth the purpose of the meeting.

C. **Specific Assessments.** The Board shall have the power to specifically assess expenses of the Association against Units: (a) receiving benefits, items, or services not provided to all Units within a Neighborhood or within the Development that are incurred upon request of the Owner of a Unit for specific items or services relating to the Unit, or (b) that are incurred as a consequence of the conduct of less than all Owners, their licensees, invitees, or guests. The Association may also levy a Specific Assessment against any Unit or Neighborhood to reimburse the Association for our of pocket expenses incurred in bringing the Unit or Neighborhood into compliance with the provisions of the Declaration, any applicable Supplemental Declaration, other covenants, the Articles, the By-Laws, and rules and regulations promulgated by the Board, provided the Board gives notice at least twenty (20) days prior to the levy of any Specific Assessment to the Unit Owner or Neighborhood Committee as applicable, and affords any objecting party an opportunity to present evidence to the Board as to why such Specific Assessment should not be levied, in whole or in part.

D. **Neighborhood Assessments.** The Board shall have the power to specifically assess the actual and estimated Neighborhood Expenses incurred by the Association. Neighborhood Expenses shall be allocated equally among all Units within the Neighborhood benefited thereby and shall be levied as a Neighborhood
Assessment. Such assessment shall include a capital contribution establishing a reserve fund for repair and replacement of capital items maintained as a Neighborhood Expense, if any, within the Neighborhood.

Any Neighborhood may request that additional services or a higher level of services be provided by the Association and, if providing such services is approved by the Board and such services are provided, any additional costs involved in connection therewith shall be considered Neighborhood Expenses and shall be assessed equally among all Units in the Neighborhood benefited by such services.

The Board shall provide notice of the amount of the Neighborhood Assessment for the coming year, along with a copy of the budget upon which it is based to each Owner of a Unit in the affected Neighborhood at least thirty (30) days prior to the beginning of the Assessment year. Such proposed Neighborhood Assessment shall become effective unless disapproved by a majority of the Owners of Units in the Neighborhood to which the Neighborhood Assessment applies. However, there shall be no obligation to call a meeting for the purpose of considering the Neighborhood Assessment proposed except on petition of Owners of at least ten percent (10%) of the Units in the Neighborhood. The right to disapprove shall only apply to those line items in the Neighborhood budget which are attributable to additional services requested by a Neighborhood. In the event of disapproval, such additional services shall be discontinued at the end of the then-current assessment year.
Section 8.10. Subordination of the Lien to Mortgages. The lien of the assessments and fees provided for herein against a Lot, Unit or Parcel shall be subordinate to the lien of a recorded bona fide first mortgage covering such Lot, Unit or Parcel and subordinate to any tax or special assessment lien on such Lot in favor of any governmental taxing or assessing authority. The sale or transfer of a Lot, Unit or Parcel shall not affect the assessment lien. The sale or transfer of a Lot pursuant to bona fide mortgage foreclosure proceedings or any other bona fide proceeding in lieu thereof shall, however, extinguish the lien of (but not the subject transferring Owner's obligation to pay) such assessments or fees as to any payment which became due prior to such sale or transfer. No such sale or transfer shall release a Lot, Unit or Parcel from liability for any assessments or fees thereafter becoming due or from the lien thereof.

Section 8.11. Certificates. The Association shall, within twenty (20) days after demand made at any time, furnish a certificate in writing signed by the Treasurer of the Association, specifying that the assessments and fees respecting a Lot, Unit or Parcel has been paid or that certain assessments remain unpaid, as the case may be. A reasonable charge may be made by the Association for the issuance of such certificates. Such certificates shall be conclusive evidence of payment of any assessments or fees therein stated to have been paid.

Section 8.12. Powers of the Association Relating to Neighborhoods. The Association shall have the power to veto any action taken or contemplated to be taken by any Neighborhood Oversight Committee which the Board reasonably determines to be adverse to the interests of the Association or its Members or inconsistent with the Community-Wide Standard. The Association also shall have the power to require specific
action to be taken by any Neighborhood Oversight Committee in connection with its obligations and responsibilities hereunder or under a Plat, the Commitments or any other covenants or declarations affecting the Development. Without limiting the generality of the foregoing, the Association may: (a) require specific maintenance or repairs to be effectuated by the Neighborhood Oversight Committee to any Limited Common Areas within the Neighborhood, and (b) require that a proposed budget include certain expenditures made therefor. However, no Neighborhood shall have additional restrictions, obligations or responsibilities, other than those set forth in this Declaration or any other covenants or declarations affecting the Development, proposed without the affirmative vote, written consent, or a combination thereof, of Owners of seventy five percent (75%) of the Units within the Neighborhood.

Any action required by the Association in a written notice pursuant to the foregoing paragraph to be taken by a Neighborhood Oversight Committee shall be taken within a reasonable time. If the Neighborhood Oversight Committee fails to comply with the requirements set forth in such written notice, the Association shall have the right to effect such action on behalf of the Neighborhood Committee.

Section 8.13. Obligation to Contribute to Maintenance. The east entrance to the Development from State Road 334 is an entrance shared with Stonegate Proper, an existing fourteen (14) lot subdivision located generally east of the Development. Although the street is a public street, as extended from State Road 334 to the Development it is located within a portion of Stonegate Proper identified on the plat of Stonegate recorded in
the Boone County Recorder's Office on or about June 22, 1998 as Instrument No. 98-07100, as "Common Area Block 'C'," which has been fully landscaped and includes common lighted identification signage and entrance features ("Landscape and Entrance Features") which are beneficial to the Development. Based upon the benefit to the Development the costs of maintaining, operating and refurbishing such landscaping and entrance features should be shared as a Common Expense of the Association in part with the lot owners in Stonegate Proper. Based upon the foregoing and taking into account the relative size of Stonegate Proper as compared to the Development, an amount equal to two thirds (2/3) of the reasonable, verifiable costs incurred by Stonegate Proper in maintenance, operation and refurbishment of the Landscaping and Entrance Features should be reimbursed to Stonegate Proper and treated as follows: two thirds (2/3) to the Development in the form of a Common Expense of the Association. The share allocated to the Development shall be reimbursed by the Board to the homeowners association established as a part of Stonegate Proper within thirty (30) days following receipt and verification of an accounting of the amounts involved, on no less than a semi-annual basis, in June and December of each calendar year. In the case of any changes or additions involving a total cost in excess of $750.00 to the existing landscaping and Entrance Features, the Board's written Approval shall be obtained in advance before any such changes or additions are made for which the Association shall have any responsibility to contribute hereunder.

ARTICLE IX

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General

Section 9.01. Waiver of Damages. Neither Developer, the Architectural Approval Committee nor the Owners acting as the Association, nor Owners acting as officers or agents of the Association, nor their respective agents, nominees, representatives or designees, shall be liable for any claim whatsoever arising out of or by reason of any acts taken (or not taken) or things done or performed (or not done or performed) pursuant to any authorities reserved, granted or delegated pursuant to this Declaration, except as may result against the Board from the misapplication at the direction of the Board of any Annual, Special, Specific or Neighborhood Assessments collected by the Association.

Section 9.02. Enforcement. The Association or any party to whose benefit this Declaration inures, including Developer, shall have the right to proceed at law or in equity to enforce and/or prevent the occurrence or continuing violation of any restrictions, obligations or other duties imposed hereby. In no event, however, shall either Declarant or the Association be held liable for damages of any kind for a failure to either abide by or enforce any of the provisions of this Declaration or of any Plat or of any part of any Commitments. The rights of enforcement by Declarant or the Association shall include, but are not limited to, the right of injunctive relief or the right to seek the removal by due process of law of structures erected or maintained in violation of this Declaration without being required to show actual damage of any kind whatsoever, and Declarant and the Association shall be entitled to recover, if successful, in addition to appropriate monetary damages, if any, reasonable attorneys' fees and other legal costs and expenses incurred as a result thereof. No delay or failure on the part of Developer or the Association to seek any available remedy at law or in equity with respect to a violation of any one or more of the Restrictions, obligations, duties or other provisions of this Declaration shall be deemed
a waiver (or an estoppel) of that party to assert any rights available upon the occurrence, 
continuation or reoccurrence of such violation(s).

Section 9.03. Severability. The provisions of this Declaration shall be severable 
and no provision shall be affected by the invalidity of any other provision to the extent that 
such invalidity does not also render such other provision invalid. In the event of the 
invalidity of any provision, this Declaration shall be interpreted and enforced as if all 
invalid provisions were not contained herein.

Section 9.04. Non-Liability of Developer. Developer shall not have any liability 
to an Owner or to any person or entity with respect to drainage on, over, under or through 
a Lot or other parcel within the Development. Upon the improvement and development of 
a Lot or other parcel within the Development, the proper handling of storm and surface 
water drainage shall be the responsibility of the Owner of such Lot, and each Owner by 
the acceptance of a deed to a Lot, shall be deemed to and does thereby RELEASE AND 
FOREVER DISCHARGE Developer from, and shall INDEMNIFY AND HOLD 
HARMLESS Developer against, any and all liability arising out of or in connection with 
the handling, discharge, transmission, accumulation or control of storm or surface water 
drainage to, from, over, under or through the Lot or other parcel of real estate described 
in such deed.

Section 9.05. Binding Effect. This Declaration, and the covenants, conditions and 
restrictions herein contained shall be binding upon Developer, each Owner and any 
person, firm, corporation or other legal entity now or hereafter claiming an interest in any 
Lot, Unit or parcel of land comprising a part of the Development and not dedicated to 
public use, and his, her, its or their respective successors or assigns.

Section 9.06. Amendments to Declaration. This Declaration may be amended or 
changed, but only to the extent that such amendments or changes do not affect the
following: (i) the subordination of the lien provision of Section 8.10 hereof; (ii) the rights of Developer and the Approval Committee as set forth in Article III, Article V, Article VI, Article VII and Article VIII of this Declaration (unless written consent of Developer is first obtained); (iii) the rights of Developer as set forth in Section 5.02, Section 9.04 and Section 9.06 hereof (unless the written Consent of Developer is first obtained); (iv) any easement reserved or granted hereby; and (v) any rights or restrictions within this Declaration which are not subject to change under the express terms of this Declaration. Until the initial sale by Developer of all Lots in the Development, any such amendment or change must be approved in writing by Developer and the Owner(s) of at least twenty-five percent (25%) of the Lots and shall not become binding and effective until five (5) days following the date of recordation in the Office of the Recorder of Boone County, Indiana. Following the initial sale of all Lots and Units within the Development by Developer, any such amendment or change must be approved in writing by the Owner(s) of at least seventy-five percent (75%) of the Units, and shall not become binding and effective until five (5) days following the date of recordation in the Office of the Recorder of Boone County, Indiana.

Section 9.07. Duration. This Declaration and the restrictions imposed hereby shall run with the land and shall be binding on all Owners and all persons claiming under them for an initial period of twenty-five (25) years from the date of recordation, and shall automatically extend for successive periods of ten (10) years each, unless prior to the expiration of the initial period or any ten (10)-year period they are amended or changed as provided in Section 9.06 above.
Section 9.08. Rural Development. In accepting ownership of any Lot or Unit in this subdivision, an Owner hereby acknowledges that surrounding land may be agriculture in usage and subject to intense agricultural practices, and each Owner, and their heirs, assigns, and successors-in-interest, are precluded from complaining, seeking damages and/or attempting to enjoin the use of the property (land) for confined feeding, grain handling operations, or use of manure, fertilizers or other agricultural chemicals because of nuisances which may result from such practices as long as generally accepted farming practices are followed. It is further recognized that farming operations may include dust, disruptive noises, and light for twenty-four (24) hours per day during crop planting and harvesting seasons. This condition and agreement shall also run with the land.

IN WITNESS WHEREOF, the undersigned has caused this Declaration of Covenants, Conditions and Restrictions to be executed on the day and in the year first above written.

Reitz Group, Inc.

By: ____________________________  
Dr. Lawrence A. Reitz, President
STATE OF INDIANA

COUNTY OF BOONE

Before me, a Notary Public in and for said County and State, personally appeared Dr. Lawrence A. Reitz, as President of Reitz Group, Inc., who, after having been duly sworn, acknowledged the execution of the foregoing Declaration of Covenants, Conditions and Restrictions for and on behalf of such corporation.

WITNESS, my hand and Notarial Seal this 30th day of December, 2002.

(Notary Public)


My County of Residence: Marion

This instrument prepared by: Michael C. Cook, Attorney at Law, Wooden & McLaughlin, One Indiana Square, Suite 1800, Indianapolis, Indiana 46204.
LAND DESCRIPTION

A part of the South Half of Section 32, Township 18 North, Range 2 East and a part of the North Half of Section 5, Township 17 North, Range 2 East of the Second Principal Meridian in Eagle Township, Boone County, Indiana being more particularly described as follows:

BEGINNING at the Northwest corner of the Southeast Quarter of said Section 32; thence South 00 degrees 00 minutes 48 seconds West (basis of bearings) on and along the West line of said Southeast Quarter 636.00 feet; thence South 82 degrees 24 minutes 05 seconds East 498.12 feet; thence North 00 degrees 00 minutes 48 seconds East parallel with the West line of said Southeast Quarter 384.50 feet; thence North 17 degrees 36 minutes 51 seconds East 141.70 feet; thence North 00 degrees 00 minutes 48 seconds East parallel with the West line of said Southeast Quarter 215.95 feet to a point on the North line of said Southeast Quarter; thence North 88 degrees 44 minutes 22 seconds East on and along the North line of said Southeast Quarter 761.30 feet to the Northeast corner of the West Half of said Southeast Quarter; thence South 00 degrees 00 minutes 52 seconds West on and along the East line of the West Half of said Southeast Quarter 2639.74 feet to the Southeast corner of the West Half of said Southeast Quarter; thence South 88 degrees 40 minutes 18 seconds West on and along the South line of said Southeast Quarter 369.24 feet to the Northeast corner of the land of Reitz as described in Deed Record 219, Page 312 on file in the Office of the Recorder of Boone County, Indiana; thence on and along the perimeter of the land of said Reitz by the following six (6) courses: 1) South 00 degrees 00 minutes 00 seconds East 1263.54 feet; thence 2) South 89 degrees 23 minutes 51 seconds West parallel with the South line of the North Half of the Northwest Quarter of said Section 5 a distance of 278.53 feet; thence 3) South 00 degrees 09 minutes 02 seconds East 149.39 feet to a point on the South line of the North Half of said Northeast Quarter; thence 4) South 89 degrees 23 minutes 51 seconds West on and along the South line of the North Half of said Northeast Quarter 261.43 feet; thence 5) North 00 degrees 09 minutes 06 seconds West parallel with the West line of said Northeast Quarter 250.00 feet; thence South 89 degrees 23 minutes 51 seconds West parallel with the South line of the North Half of said Northeast Quarter 190.00 feet to a point on the West line of said Northeast Quarter; thence South 00 degrees 09 minutes 06 seconds East on and along the West line of said Northeast Quarter 250.00 feet to the Southeast corner of the North Half of the Northwest Quarter of said Section 5; thence South 89 degrees 23 minutes 51 seconds West on and along the South line of the North Half of said Northwest Quarter 402.70 feet; thence North 00 degrees 09 minutes 06 seconds West parallel with the East line of said Northwest Quarter 250.00 feet; thence North 89 degrees 23 minutes 51 seconds East parallel with the South line of the North Half of said Northwest Quarter 250.00 feet; thence North 00 degrees 09 minutes 06 seconds West parallel with the West line of said Northwest Quarter 150.00 feet; thence South 89 degrees 23 minutes 51 seconds West parallel with the South line of the North Half of said Northwest Quarter 195.00 feet; thence North 00 degrees 09 minutes 06 seconds West parallel with the East line of said Northwest Quarter 250.00 feet; thence South 89 degrees 23 minutes 51 seconds West parallel with the South line of the North Half of said Northwest Quarter 218.97 feet; thence North 00 degrees 01 minutes 52 seconds East 888.60 feet to a point on the North line of said Northwest Quarter; thence South 88 degrees 47 minutes 48 seconds West on and along the Northwest line of said Northwest Quarter 535.37 feet to the Northeast corner of the Northwest Quarter of said Northwest Quarter; thence South 00 degrees 13 minutes 19 seconds East on and along the East line of the Northwest Quarter of said Northwest Quarter 1591.37 feet to the Southeast corner of the Northwest Quarter of said Northwest Quarter; thence South 89 degrees 23 minutes 51 seconds West on and along the South line of the North Half of said Northwest Quarter 548.37 feet; thence North 00 degrees 13 minutes 19 seconds West parallel with the East line of the Northwest Quarter of said Northwest Quarter 1898.62 feet to a point on the North line of said Northwest Quarter; thence South 88 degrees 47 minutes 48 seconds West on and along the South line of the Southwest Quarter of said Section 32 a distance of 783.05 feet to the Northwest corner of the Northwest Quarter of Section 5, Township 17 North, Range 2 East; thence North 01 degrees 12 minutes 00 seconds West 16.00 feet; thence North 88 degrees 47 minutes 48 seconds East parallel with the South line of said Southwest Quarter 1073.35 feet to a point on the West line of the East Half of said Southwest Quarter; thence North 00 degrees 06 minutes 47 seconds East on and along the West line of the East Half of said Southwest Quarter 1304.07 feet to the Southwest corner of the Northeast Quarter of said Southwest Quarter; thence North 88 degrees 45 minutes 25 seconds East on and along the South line of the Northeast Quarter of said Southwest Quarter 670.36 feet to the Southwest corner of the East Half of
the Northeast Quarter of said Southwest Quarter; thence North 00 degrees 03 minutes 48 seconds East on and along the West line of the East Half of the Northeast Quarter of said Southwest Quarter 1320.19 feet to the Northwest corner of the East Half of the Northeast Quarter of said Southwest Quarter; thence North 88 degrees 44 minutes 22 seconds East 00 and along the North line of said Southwest Quarter 669.21 feet to the POINT OF BEGINNING, containing 202.57 acres, more or less.

EXCEPT THE FOLLOWING:

Proposed School Site

A part of the Southwest Quarter of Section 22, Township 18 North, Range 2 East of the Second Principal Meridian, situated in Eagle Township, Boone County, Indiana said being more particularly described as follows:

BEGINNING at the Northwest corner of the Northwest Quarter of Section 5, Township 17 North, Range 2 East, Second Principal Meridian, Eagle Township, Boone County, Indiana; thence North 01 degree 12 minutes 00 seconds West 16.00 feet; thence North 88 degrees 47 minutes 48 seconds East (based on bearings) 1073.35 feet parallel with the South line of the Southwest Quarter of Section 32, Township 18 North, Range 2 East of the Second Principal Meridian, Eagle Township, Boone County, Indiana to a point on the West line of the East Half of said Southwest Quarter; thence North 00 degrees 06 minutes 47 seconds East 1228.28 feet on the West line of the East Half of said Southwest Quarter to a point on a non-tangent curve, concave Southwesterly, said curve having a radius of 425.00 feet and being subdivided by a long chord bearing South 61 degrees 37 minutes 04 seconds East 402.62 feet; thence on said curve to the right an arc distance of 419.44 feet to the point of tangency thereof; thence South 33 degrees 20 minutes 42 seconds East 143.47 feet to the point of curvature of a tangent curve, concave Northeastery, said curve having a radius of 575.00 feet; thence on said curve to the left an arc distance of 354.47 feet to the point of curvature of a reverse curve, concave Southwesterly, said curve having a radius of 20.00 feet; thence on said curve to the right an arc distance of 27.31 feet to the point of curvature of a reverse curve, concave Easterly, said curve having a radius of 715.00 feet; thence on said curve to the left an arc distance of 235.47 feet to the point of curvature of a reverse curve, concave Northeastery, said curve having a radius of 20.00 feet; thence on said curve to the right an arc distance of 28.38 feet to the point of curvature of a reverse curve, concave Southwesterly, said curve having a radius of 1210.00 feet; thence on said curve to the left an arc distance of 821.82 feet to the point of tangency thereof; thence South 42 degrees 49 minutes 18 seconds West 100.00 feet to the point of curvature of a tangent curve, concave Southwesterly, said curve having a radius of 1030.00 feet; thence on said curve to the left an arc distance of 39.70 feet to the South line of said Southwest Quarter; thence South 88 degrees 47 minutes 48 seconds West 1164.03 feet on the South line of said Southwest Quarter to the POINT OF BEGINNING, containing 13.169 acres, more or less.

CONTAINING AFTER SAID EXCEPTION 189.40 ACRES, MORE OR LESS.
NEIGHBORHOOD DECLARATION FOR THE TOWNHOMES NEIGHBORHOOD OF STONEGATE SUBDIVISION

THIS NEIGHBORHOOD DECLARATION ("Townhomes Neighborhood Declaration"), made and entered into this 17TH day of January, 2007, by Reitz Group, Inc. ("Declarant"),

WITNESSETH:

WHEREAS, Stonegate is a community currently under development in Eagle Township, Boone County, Indiana ("Stonegate"), which is planned upon completion to include various residential neighborhoods, limited office, professional and other commercial uses, and, in particular for purposes hereof, a neighborhood consisting of buildings containing connected townhomes, each on a separately platted lot ("Townhome Lot") located within a ("Block Lot"), with landscaping and certain other maintenance services provided to Townhome Lot Owners (the "Townhomes Neighborhood");

WHEREAS, on or about January 6, 2003, Declarant recorded a Declaration of Covenants, Conditions and Restrictions for the Stonegate Community in the Boone County Recorder's Office as Instrument No. 0300407 ("Declaration");

WHEREAS, on or about March 11, 2004, a Supplement to and Amendment of Declaration of Covenants, Conditions and Restrictions for the Stonegate Community was recorded in the Boone County Recorder's Office as Instrument No. 0402877 ("First Amendment"), and on or about January 26, 2005, a Second Supplement to and Amendment of Declaration of Covenants, Conditions and Restrictions for the Stonegate Community was

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recorded in the Boone County Recorder's Office as Instrument No. 0500988 ("Second Amendment"), and, a Third Supplement to and Amendment of Declaration of Covenants Conditions and Restrictions for the Stonegate Community was recorded in the Boone County Recorder's Office as Instrument No. _______ ("Third Amendment");

WHEREAS, Declarant desires to convey the Townhome Lots within the Townhomes Neighborhood subject to certain further (in addition to, not in substitution of those imposed by the Declaration, First Amendment, Second Amendment and/or Third Amendment, as applicable) easements, restrictions, covenants, conditions and charges as hereinafter set forth, which take into account the Lot Maintenance Obligations and Exterior Maintenance Obligations (as such terms are hereinafter defined) imposed hereby with respect to the Lots in the Townhomes Neighborhood;

WHEREAS, Section 2.03 of the Declaration provides for Declarant's right to establish neighborhoods within Stonegate subject to Neighborhood Declarations,

NOW, THEREFORE, in consideration of the foregoing, the Declaration is hereby supplemented, amended and changed with respect to that part of Stonegate consisting of the Townhomes Neighborhood and comprised of the Townhome Lots (as hereinafter defined), to impose the easements, restrictions, covenants, conditions and charges contained herein, which shall run with the land and shall become binding on all persons, firms, corporations or other legal entities hereafter acquiring any right, title or interest in a Townhome Lot:

ARTICLE I

Townhomes Neighborhood

Section 1.1. Townhomes Neighborhood. The Townhomes Neighborhood shall consist of those Block Lots in Stonegate more particularly identified on Exhibit "A" attached hereto and
made a part hereof upon each of which may be constructed a grouping of connected townhomes, each on a Townhome Lot, which shall be subject to a General Maintenance Assessment (as hereinafter defined), Special Maintenance Assessment (as hereinafter defined) and certain other assessments as herein described to satisfy the Lot Maintenance Obligations and Exterior Maintenance Obligations imposed hereby with respect to the Townhome Lots. For purposes hereof, a "Townhome" shall mean any structure of two or more stories for single family occupancy, connected to one or more similar structures, all constructed on a Block Lot, together with the individual Townhome Lot conveyed therewith and upon which located, as depicted on a further plat of a Block Lot recorded in the Boone County Recorder's Office.

Section 1.2. Lot Improvement Strictly Controlled. No Block Lot or Townhome Lot shall be developed or improved, nor shall any Building or structure of any type or kind be constructed placed, altered or permitted to remain thereon (including, without limiting the generality of foregoing, any excavation, grading or other site work, alteration of existing topography or removal of existing landscaping in connection with initial construction thereon) without full compliance with the requirements set forth in the Declaration as amended from time to time, and, in particular (without limiting the generality of the foregoing) compliance with the requirements set forth in Article VI of the Declaration. Buildings constructed upon any Block Lot shall also satisfy the requirements of certain Commitments recorded on or about November 11, 2000, in the Boone county Recorder’s Office as Instrument No. 0011328 (the “Commitments”), as well as the conditions, if any, imposed upon a Block Lot or Townhome Lot in connection with any other land use approvals required and obtained to permit development thereof, any whether imposed by the Boone County Area Plan Commission and/or Board of Zoning Appeals.
ARTICLE II

The Townhomes Maintenance Association

Section 2.1. The Townhomes Maintenance Association Established. A nonprofit corporation shall be established in accordance with the guidelines hereafter set forth, for the purpose of: (i) assessing, collection and expending General Maintenance Assessments and Special Maintenance Assessments; and, (ii) fulfilling the Lot Maintenance Obligations and the Exterior Maintenance obligation. Such non-profit corporation shall be named The Stonegate Townhomes Maintenance Association, Inc." (hereafter "Townhomes Maintenance Association and/or sometimes referred to as "TMA")). The Townhomes Maintenance Association shall exist in addition to and independently of the Stonegate Community Property Owners Association, Inc. (hereafter "Stonegate Association") identified in the Declaration. The Owners of Townhomes constructed on a Townhome Lot shall elect a Board of Directors of the Townhomes Maintenance Association (hereafter "TMA Board") as prescribed by the Townhomes Maintenance Association's Articles of Incorporation and By-Laws. The TMA Board shall manage the affairs of the Townhomes Maintenance Association. Directors need not be members of the Townhomes Maintenance Association.

ARTICLE III

Maintenance

Section 3.1 Maintenance by Owners. The Owner of each Townhome shall furnish and be responsible and pay for all Townhome Maintenance, repairs and landscaping other than as specified in Section 3.02 and 3.03 below, or in Article V hereof.

Section 3.2 Lot Maintenance Obligations. Subject to the receipt of General Maintenance Assessments, the Townhomes Maintenance Association shall provide, subject to
reasonableness, and shall pay for, the following landscape maintenance and other services with respect to, and only with respect to, a Townhome Lot, and only after a Townhome has been substantially completed thereon and the Townhome Lot has been fully landscaped:

A. Periodically, mow and trim grass located on the Lot;

B. Generally remove (in the fall, at its reasonable discretion after most, if not all, have fallen) leaves from the Lot;

C. Generally remove, within a reasonable period of time taking into account weather conditions, snow which accumulates in excess of two inches (2") from the public sidewalk adjacent to a Townhome Lot, from the driveway, and from the walkways that extends from the public sidewalk or alley to the front or rear porch or deck of each townhome on a Townhome Lot;

D. Once each year: (i) mulch and edge the planting beds located on the Townhome Lot; and, (ii) trim and edge along streets, sidewalks; and driveways; and,

E. Provide for: (i) simple startup and shutdown of the irrigation system located on each Lot in the spring and fall of the year, the repair and replacement of which shall otherwise be the responsibility of the Townhome Owners of connected Townhomes on the same Block Lot; (ii) pruning of shrubs as needed, but no more than two (2) times each year; (iii) weeding of plant mulch beds as reasonably required; and, (iv) lawn fertilization three (3) times each year and lawn weed control as reasonably required.

Section 3.3 Exterior Maintenance Obligations. Subject to the receipt of General Maintenance Assessments, the Townhomes Maintenance Association shall provide, subject to reasonableness, and shall pay for, the following exterior maintenance with respect to, and only with respect to, a Townhome constructed on a Townhome Lot, and only following substantial completion of construction and of related improvements thereon:

A. Periodic Painting and power washing of exterior doors and siding, exterior trim, decks, railings, gates and fences comprising original improvements constructed upon a Townhome Lot (or approved replacements).

B. Minor, non-structural repairs to exterior trim boards, exterior siding, facades, railings, gates, decks and fences comprising a part of original improvements constructed upon a Townhome Lot (or approved replacements).
C. Maintenance of (including bulb replacement) exterior free-standing lighting fixtures and exterior lighting fixtures (including flood lights) which are building mounted as a part of original construction (or approved replacements).

Exterior Maintenance Obligations shall in no event include: (i) touch-up of painted surfaces between periodic repainting; (ii) door or window locks; (iii) windows or window sashes (including glass cleaning or replacement); (iv) replacement or cleaning of glass in doors; (v) any structural or roof repairs or replacements, which shall be the collective responsibility of the Townhome Owners of connected Townhomes on the same Block Lot; or (vi) any repairs or replacements covered by insurance, or by Article V of this Townhomes Neighborhood Declaration. Repairs or maintenance necessitated by a Townhome Owner’s own negligence, misuse or neglect may be assessed by the Townhomes Maintenance Association against the offending Townhome Owner for payment along with the General Maintenance Assessment (or installment thereof) which is otherwise next due and payable.

Section 3.4 Townhome Owner Cooperation Required. Each Townhome Owner shall cooperate with the Townhomes Maintenance Association as and when needed so that the Lot Maintenance Obligations and Exterior Maintenance Obligations can be discharged safely and without any obstructions or interference which causes delays and/or increased costs. As a part of the foregoing (and without limiting the generality thereof) a Townhome Owner shall not permit pets, children or activities of any kind in areas where Lot Maintenance Obligations and/or Exterior Maintenance Obligations are scheduled and/or underway, and shall not place lawn furniture, statuary ornaments or other obstructions which inhibit lawn mowing or leaf collection through the use of mechanized equipment. If obstructions or interference exist, the Townhomes Maintenance Association shall have the right, at its sole option, to either: (i) suspend performance of any further Lot Maintenance Obligations or Exterior Maintenance Obligations until removed and without relieving a Townhome Owner from the continuing obligation to pay
General Maintenance and other assessments as and when due; or (ii) proceed and assess the increase in cost for payment along with the General Maintenance Assessment (or installment thereof) which is otherwise next due and payable by the Townhome Owner involved.

Section 3.5 General Maintenance Assessment. The Declaration provides for Annual, Special, Specific and Neighborhood Assessments. In addition, and in order to provide money to fund the Lot Maintenance Obligations and Exterior Maintenance Obligations, establish a reserve fund, and provide for the operation of the Townhomes Maintenance Association, each Owner of a Townhome shall also be assessed and shall pay an additional General Maintenance Assessment commencing for the month Lot Maintenance Obligations and Exterior Maintenance Obligations are assumed by the Association with respect to a Townhome Lot hereunder, and otherwise in the amount and subject to increase as follows:

A. Until January 1 of the year immediately following the conveyance of the first Townhome to an Owner for initial occupancy as a single family home, the maximum General Maintenance Assessment per Townhome Lot shall be Forty-Five Dollars ($45.00) per month;

B. From and after January 1 of such year, the General Maintenance Assessment may be increased each calendar year by not more than five percent (5%) per month above the monthly assessment for the previous year without a vote of the members of the Townhomes Maintenance Association.

C. From and after January 1 of such year, the General Maintenance Assessment may be increased each calendar year by more than five percent (5%) above the monthly General Maintenance Assessment for the previous year, with the approval of at least sixty percent (60%) of the votes entitled to be cast by those members of the Townhomes Maintenance Association who cast votes in person or by proxy at a meeting duly called for such purpose.

D. Written notice of any meeting called for the purpose of taking any action hereunder shall be sent to all members of the Townhomes Maintenance Association at least fifteen (15) days and no more than sixty (60) days in advance of such meeting. At the first such meeting called, the presence of members of the Townhomes Maintenance Association or of proxies entitled to cast fifty-one percent (51%) of the total number of votes entitled to be cast (Class A and Class B votes combined) shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement.
Section 3.6 Uniform Rate of Assessment. The General Maintenance Assessment must be fixed at a uniform rate for all Townhomes located upon improved and landscaped Townhome Lots.

Section 3.7 Date of Commencement of Maintenance Assessment. Due Dates. The General Maintenance Assessment provided for herein shall commence as to the Townhome Lots located on each Block Lot upon the substantial completion of construction of at least one Townhome in a building containing connected Townhomes located on such Block Lot. The TMA Board shall fix any increase in the amount of the monthly assessments at least thirty (30) days in advance of the effective date of such increase. Written notice of any increase in the General Maintenance Assessment, and such other assessment notices as the TMA Board shall deem appropriate, shall be sent by the TMA Board to every Owner of a Townhome. The due dates for all assessments, and the assessment and collection period (i.e., annual, monthly, lump-sum or otherwise), shall be established by the TMA Board.

Section 3.8 Assessment Status – Certificates. The Townhomes Maintenance Association shall, upon demand, and for a reasonable charge, furnish a certificate in recordable form signed by an Officer of the Townhomes Maintenance Association setting forth the status of the payment of General Maintenance Assessments and/or other assessments permitted hereunder (if any, as may be applicable) with respect to a specified Townhome Lot. A properly executed certificate from the Townhomes Maintenance Association regarding the status of such assessments for any Townhome Lot shall be binding upon the Townhomes Maintenance Association as of the date of its issuance. The Townhomes Maintenance Association shall have the right to charge a reasonable fee to provide such certificate.
Section 3.9 Special Maintenance Assessments. In addition to the General Maintenance Assessment authorized above, the TMA Board may levy a Special Maintenance Assessment against Townhome Lots in any calendar year applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement which the Townhomes Maintenance Association is required to maintain, or to recover any operating deficits which the Townhomes Maintenance Association may from time to time incur, provided that any such assessment shall have the approval of at least sixty percent (60%) of the votes entitled to be cast by those members of the Townhomes Maintenance Association who cast votes in person or by proxy at a meeting duly called for such purpose.

Section 3.10 Creation of the Lien and Personal Obligation of Assessments. Declarant for each Townhome Lot and each Townhome located thereon, hereby covenants, and each owner of any Townhome Lot by acceptance of a deed thereto, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Townhomes Maintenance Association: (i) General Maintenance Assessments; (ii) Special Maintenance Assessments; and (iii) other amounts assessable as provided for herein; such assessments to be established and collected as hereinafter provided. All such assessments, together with interest, costs, and reasonable attorney’s fees, shall be a charge on the Townhome Lot and shall be a continuing lien upon each Townhome Lot, and shall be in addition to the assessments due and payable under the terms of the Declaration. Each such assessment, together with interest, costs, and reasonable attorney’s fees shall also be the personal obligation of the person who was the Owner of a Townhome at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.
Section 3.11 Effect of Nonpayment of Assessment: Remedies of the Townhomes Lot
Maintenance Association. If any General Maintenance Assessment (or, periodic installment of
such assessment, if applicable), Special Maintenance Assessment or other amount assessable
hereunder is not paid on or before the due date as required by this Townhomes Neighborhood
Declaration, then the entire unpaid balance (together with interest thereon, costs and attorneys'
fees) shall become delinquent and shall constitute a continuing lien on the Townhome Lot and
the Townhome constructed thereon to which applicable, binding upon the then Owner, his heirs,
devises, successors and assigns. If any General Maintenance Assessment, Special Maintenance
Assessment or other amount assessable hereunder is not paid by the due date, a late fee shall be
automatically assessed in an amount determined and published from time to time by the TMA
Board, and if not paid within thirty (30) days after the due date, such assessment (together with
the accrued late fee, if any) shall bear interest from the date of delinquency at the rate of eighteen
percent (18%) per annum and the Townhomes Maintenance Association shall have the right,
without notice or demand, to bring an action at law against the Owner personally obligated to
pay the same, or foreclose the lien against the applicable Townhome Lot, or both. In such event,
there shall be added to the amount of such assessment the costs and attorney's fees of preparing
and filing the complaint and prosecuting such action, and in the event a judgment is obtained,
such judgment shall include interest on the assessment as above provided, costs of the action and
reasonable attorneys' fees to be fixed by the Court. For purposes hereof, any Court in Boone
County, Indiana having subject matter jurisdiction shall be deemed to have continuing
jurisdiction and shall represent the place of preferred venue for any action against an Owner
hereunder, notwithstanding such Owner's then place of residence, and whether at the time suit is
brought located within or without Boone County or the State of Indiana. By acceptance of a
deed to a Townhome Lot, each Owner shall be deemed to conclusively accept the Courts of 
Boone County, Indiana as the place of preferred venue in the event any action is brought by or 
against an Owner hereunder.

Section 3.12  Subordination of the Lien to Sale or Transfer. The lien of the assessments 
provided for in this Townhomes Neighborhood Declaration shall be subordinate to: (i) the lien of 
any first mortgage and, (ii) any assessments due and owing under the Declaration. The sale or 
transfer of any Townhome Lot pursuant to the foreclosure of any first mortgage on such 
Townhome (without the necessity of joining the Townhomes Maintenance Association in any 
such foreclosure action) or any proceedings or deed in lieu thereof shall extinguish the lien of all 
assessments becoming due prior to the date of such sale or transfer. No sale or transfer of any 
Townhome Lot (whether voluntary or pursuant to foreclosure or otherwise) shall relieve such 
Townhome Lot from liability for any assessments thereafter becoming due from the lien thereof, 
and, except as hereinabove provided, the sale or transfer of any Townhome Lot shall not affect 
the lien of assessments becoming due prior to the date of such sale or transfer except to the 
extent that a purchaser may be protected against the lien for prior assessments by the effect of a 
binding certificate from the Townhomes Maintenance Association, issued pursuant to Section 
3.05 hereof, respecting whether or not assessments have been paid, in whole or in part, as 
applicable.

ARTICLE IV

Lot Maintenance Association
Membership and Voting

Section 4.1. Membership. Every Owner of a Townhome Lot shall be a member of the 
Townhomes Maintenance Association. Membership in the Townhomes Maintenance
Association shall be appurtenant to and may not be separated from ownership of any Townhome Lot. Declarant shall also be a member.

Section 4.2. Classes of Membership and Voting Rights. The Townhomes Maintenance Association shall have the following two classes of voting membership:

Class A. Class A members of the Townhomes Maintenance Association shall be all of the Owners of Townhome Lots, with the exception of the Declarant. Class A members shall be entitled to one (1) vote for each Townhome Lot owned. When more than one person holds an interest in any Townhome, all such persons shall be members. The vote for such Townhome Lot shall be exercised as the members holding an interest therein determine among themselves, but in no event shall more than one vote be cast with respect to any Townhome Lot. If two or more owners of a Townhome Lot do not agree among themselves how their one vote shall be cast, that vote shall not be counted for any purpose.

Class B. The Class B member of the Townhomes Maintenance Association shall be the Declarant. The Declarant shall be entitled to: (i) five (5) votes for each Townhome Lot owned by the Declarant; and, (ii) five (5) votes for each Townhome Lot owned by the developer thereof who is actively seeking the sale of such Townhome Lot to an owner-occupant. For purposes of this calculation, it shall be assumed that Declarant initially owns all Townhome Lots constructed or proposed for construction upon the Townhome Block Lots, which number shall decrease as Townhome Lots are conveyed to an Owner. The Class B membership shall cease and be converted to Class A membership on the happening of one of the following events, whichever occurs earlier: (a) when the total number of votes outstanding in the Class A membership is equal to the total number of votes outstanding in the Class B membership; (b) December 31, 2015; or, (iii) when Declarant, by written notice to the TMA Board, voluntarily relinquishes Class B membership.

ARTICLE V

Party Walls

Section 5.1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of a grouping of connected Townhomes upon a Block Lot and placed on the dividing line between individual Townhome Lots into which further subdivided shall constitute a party wall ("Party Wall"), and, to the extent not inconsistent with the provisions of
this Article, the general rules of Indiana law regarding party walls and liability for property
damage due to negligence or willful acts or omissions shall apply thereto.

Section 5.2. Sharing of Repair and Maintenance and Destruction by Fire or Other
Casualty. The cost of routine repair and maintenance of a Party Wall shall be shared equally by
the Owners who make use of the Party Wall. If any such Party Wall is damaged or destroyed by
fire or other casualty or by some cause other than the act of one of the adjoining Owners, its
agents, family, household or guests (including ordinary wear and tear and deterioration from
lapse of time), then in such event both such adjoining Owners shall proceed forthwith to rebuild
or repair the structural components of such Party Wall, sharing equally the cost thereof, and each
individual Owner shall proceed forthwith to rebuild or repair the non-structural components of
such Party Wall in proportion of their respective uses of the Party Wall. Any and all such
reconstruction and/or repairs shall be completed immediately to the extent that the failure to
commence and/or complete such reconstruction and/or repairs would result in an immediate risk
to human health and/or safety. All other reconstruction and/or repairs shall commence and
proceed to completion as soon as practical, and in any event within one hundred twenty (120)
days following the casualty or other event that damaged or destroyed such Party Wall, unless a
longer period of time is approved by the TMA Board. If the damage is of such a nature that it
has resulted, or will (if left uncorrected) result in damage or destruction of a Party Wall, the
reconstruction and/or repairs shall commence and proceed to completion as soon as practical,
and in any event within one hundred eighty (180) days following initial discovery. Any and all
such reconstruction and/or repair shall be made in compliance with all requirements of Local
Governing Authorities and otherwise in compliance with all applicable laws to the same or better
condition as existed prior to such damage or destruction.
Section 5.3. Repairs for Damage Caused by One Owner. If a Party Wall is damaged or
destroyed through the act of one or more adjoining Owners, or their respective agents, families,
household members or guests (collectively the "Offending Parties"), whether or not such act is
intentional, inadvertent, negligent or otherwise, so as to deprive another adjoining Owner of the
full use and enjoyment of a Party Wall, then the Owner(s) of the Townhome(s) associated with
the Offending Parties, shall forthwith proceed to rebuild and restore the same in the manner and
within the time otherwise required under Section 5.2 above, without cost to any adjoining
Owner.

Section 5.4. Other Changes. In addition to meeting the other requirements imposed by
this Article V and of any building code or similar regulation or ordinance, any Owner proposing
to modify, make additions to or rebuild a Dwelling Unit in any manner which requires the
extension of or any other alteration to a Party Wall shall, before proceeding with any work in
connection therewith: (i) submit detailed plans of the modifications or additions proposed (the
"Plans") to, and obtain the written approval of, the Stonegate Association as required by the
Declaration; and, (ii) upon receipt of approval from the Stonegate Association, also obtain the
written approval of all adjoining Owners, whose approval shall not be unreasonably withheld. If
an adjoining Owner has not responded in writing to a request for approval within thirty (30) days
following receipt of a written request (together with the required Plans as approved by the
Stonegate Association), given by registered or certified mail, return receipt requested, the
approval thereof shall be deemed given as otherwise required herein.

Section 5.5. Right to Contribution Runs with the Land. The right of any Owner to
contribution from any other Owner under this Article V shall be appurtenant to the real estate
comprising each Townhome Lot and shall pass to such Owner's successors in title.
Section 5.6. Dispute. In the event of a dispute between Owners with respect to the repair or rebuilding of a Party Wall or with respect to the sharing of the cost thereof, then, upon the written request of one or more of such Owners addressed to the Stonegate Association, the matter shall be submitted to the TMA Board, who shall decide the dispute after notice to all affected Owners, and the opportunity to be heard pursuant to rules adapted and published by the TMA Board.

ARTICLE VI

Amendment and Construction

Section 6.1 Amendment and Construction. Notwithstanding anything herein to the contrary or in the Declaration, this Townhomes Neighborhood Declaration may only be amended or modified as follows: (i) until January 1, 2017, by an instrument duly executed (and recorded in the Boone County Recorder’s Office) by Declarant and by at least fifty-one percent (51%) of the then Owners of the Townhome Lots; and, (ii) on or after January 1, 2017, by an instrument duly executed (and recorded in the Boone County Recorder’s Office) by at least seventy-five percent (75%) of the then owners of the Townhome Lots.

Section 6.2 Conflict With Declaration. In the event of a conflict between this Townhomes Neighborhood Declaration and the Declaration which cannot be reasonably reconciled, the Declaration shall control. Terms not defined herein shall have the meaning prescribed by the Declaration.

IN WITNESS WHEREOF, Reitz Group, Inc. has caused this Neighborhood Declaration for the Townhomes Neighborhood of Stonegate Subdivision to be entered into on the day and in the year first above written for recordation in the office of the Recorder of Boone County, Indiana.

January 12, 2007

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Reitz Group, Inc.

By: Lawrence A. Reitz, II

"Declarant"

STATE OF INDIANA

COUNTY OF BOONE

Before me, a Notary Public in and for said County and State, personally appeared Lawrence A. Reitz, II, duly authorized on behalf of Reitz Group, Inc., who, after having been duly sworn, acknowledged the execution of the foregoing Neighborhood Declaration for the Townhomes Neighborhood of Stonegate Subdivision for and on behalf of such corporation.

WITNESS, my hand and Notarial Seal this 16th day of January, 2007.

My Commission Expires: 12.30.2013

My County of Residence: INDIANA

254254
January 12, 2007
CONSENT AND AGREEMENT TO BE BOUND

The undersigned, Lawrence A. Reitz and Carol Reitz, individually and as husband and wife, and as owners of the real estate which comprises the Townhomes Neighborhood, hereby consent to the Neighborhood Declaration for the Townhomes Neighborhood of Stonegate Subdivision ("Townhomes Neighborhood Declaration"), declares that all lands and Lots therein shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to the Covenants, Conditions, Reservations, charges, liens and restrictions contained within the Townhomes Neighborhood Declaration, shall run with the real estate, and which shall be binding on each party from time to time having any right, title or interest in all or any part of the real estate or any Lot or Lots into which subdivided, together with his, her or it heirs or beneficiaries, successors, assigns and personal and legal representatives, and which covenants, conditions, reservations, charges, liens and restrictions shall inure to the benefit of the owners from time to time of the real estate and/or any Lot or Lots into which subdivided and their successors in title.

Lawrence A. Reitz and Carol Reitz

By: /s/ Lawrence A. Reitz, II, pursuant to Power of Attorney
STATE OF INDIANA  
COUNTY OF  

Appeared before me a Notary Public, Lawrence A. Reitz, II, duly authorized pursuant to power of attorney to act on behalf of Lawrence A. Reitz and Carol Reitz, as owners of Townhome Lots comprising the Townhomes Neighborhood of Stonegate Subdivision, who executed the foregoing Consent and Agreement to be Bound on their behalf.

DATED THIS 16th DAY OF January 2007.

WITNESS my hand and official seal.

My commission expires: 02. 24. 2013  

Notary Public
CONSENT AND AGREEMENT TO BE BOUND

The undersigned, The Townhomes of Stonegate, LLC, an Indiana Limited Liability Company, as an owner of part of the real estate which comprises the Townhomes Neighborhood, hereby consents to the Neighborhood Declaration for the Townhomes Neighborhood of Stonegate Subdivision ("Townhomes Neighborhood Declaration"), declares that all lands and Lots therein now owned by it shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to the Covenants, Conditions, Reservations, charges, liens and restrictions contained within the Townhomes Neighborhood Declaration, which shall run with the real estate, and which shall be binding on each party from time to time having any right, title or interest in all or any part of the real estate or any Lot or Lots into which subdivided, together with his, her or it heirs or beneficiaries, successors, assigns and personal and legal representatives, and which covenants, conditions, reservations, charges, liens and restrictions shall inure to the benefit of the owners from time to time of the real estate and/or any Lot or Lots into which subdivided and their successors in title.

The Townhomes of Stonegate, LLC

By: Timothy M. Trittin, a Managing Member

January 12, 2007
STATE OF INDIANA

COUNTY OF

Appeared before me, a Notary Public, Timothy M. Trittin, a Managing Member of The Townhomes of Stonegate, LLC, an Indiana Limited Liability Company, on whose behalf as an owner of part of the real estate which comprises the Townhomes Neighborhood, executed the foregoing Consent and Agreement to be Bound.

DATED THIS 16th DAY OF January 2007.

WITNESS my hand and official seal.

My commission expires: 13 X 2013

Notary Public

This instrument prepared by: Michael C. Cook, Attorney at Law, Wooden & McLaughlin, One Indiana Square, Suite 1800, Indianapolis, Indiana 46204.

Lawrence A. Reitzel
EXHIBIT A

The Townhomes Neighborhood consisting of 4 Lots as follows:

Lots No. 60 A to, thru and including Lot No. 60 D in Stonegate Section P, a Subdivision in Boone County, Indiana, as evidenced by the Plat thereof duly recorded on 01-17-2007, 2006 as Instrument No. 2007000000621 in Book 18 at Pages 17, and 18.
FIRST AMENDMENT TO NEIGHBORHOOD DECLARATION FOR THE COTTAGES 
NEIGHBORHOOD OF STONEGATE SUBDIVISION

THIS FIRST AMENDMENT (the “First Amendment”), made and entered into this 28th day of October, 2009, by Reitz Group, Inc., an Indiana corporation (“Declarant”).

WITNESSETH:

WHEREAS, on or about October 11, 2006, a certain Neighborhood Declaration for the Cottages Neighborhood of Stonegate Subdivision (“Cottages Neighborhood Declaration”) was duly recorded in the Boone County Recorder’s Office as Instrument No. 200600011043;

WHEREAS, Declarant desires to amend the Cottages Neighborhood Declaration;

NOW, THEREFORE, in consideration of the foregoing, the Cottages Neighborhood Declaration is hereby supplemented, amended and changed as follows:

1. Any capitalized terms not defined herein shall have the same meaning as ascribed to them in the Cottages Neighborhood Declaration.

2. The first paragraph of the Cottages Neighborhood Declaration is hereby deleted in its entirety and replaced with the following:

“WHEREAS, Stonegate is a community currently under development in Eagle Township, Boone County, Indiana (“Stonegate”), which is planned upon completion to include neighborhoods of single-family homes and condominiums,
limited office, professional and other commercial uses, and in particular for purposes hereof, a neighborhood consisting of single-family homes, which will require lawn and other maintenance by Lot Owners not otherwise generally required in Stonegate (the "Cottages Neighborhood");"

3. **Section 1.01.** of the Cottages Neighborhood Declaration is hereby deleted in its entirety and replaced with the following:

**Cottages Neighborhood.** The Cottages Neighborhood shall consist of those Lots in Stonegate more particularly identified on Exhibit "A" attached hereto and made a part hereof (hereinafter individually referred to as a "Cottages Lot", collectively as the "Cottages Lots"). Each Cottages Lot Owner may either (i) satisfy the Lot Maintenance Obligations (as hereinafter defined) by being subject to a General Maintenance Assessment (as hereinafter defined) and a Special Maintenance Assessment (as hereinafter defined) (such Cottages Lot Owners identified in the Cottages Neighborhood Declaration as owners of "McKenzie Lots" and hereinafter referred to as the "Opt In Owners"), or (ii) satisfy the Lot Maintenance Obligations by performing certain obligations provided for herein (such Cottages Lot Owners hereinafter referred to as the "Opt Out Owners").

4. **Section 1.02.** of the Cottages Neighborhood Declaration is hereby deleted in its entirety and replaced with the following:

*Lot Improvement Strictly Controlled.* No Cottages Lot shall be developed or improved, nor shall any Building or structure of any type or kind be
constructed, placed, altered or permitted to remain on any Cottages Lot (including, without limiting the generality of foregoing, any excavation, grading or other site work, alteration of existing topography or removal of existing landscaping in connection with initial construction thereon) without full compliance with the requirements set forth in the Declaration as amended from time to time, and, in particular (without limiting the generality of the foregoing) compliance with the requirements set forth in Article VI of the Declaration. Buildings constructed upon any Cottages Lot shall also satisfy the requirements of certain Commitments recorded on or about November 11, 2000, in the Boone County Recorder’s Office as Instrument No. 0011328 (the “Commitments”).”

5. **Section 3.01** of the Cottages Neighborhood Declaration is hereby deleted in its entirety and replaced with the following:

   “Maintenance by Opt In Owners. Each Opt In Owner shall furnish and be responsible and pay for all McKenzie Lot Maintenance, repairs and landscaping other than as specified in Section 3.02 below for such owner’s Cottage Lot.”

6. **Section 3.09** of the Cottages Neighborhood Declaration is hereby amended to delete in its entirety the reference to “McKenzie Lot” and to insert in lieu thereof “Cottage Lot”. In accordance with such amendment, the last sentence of Section 3.09 of the Cottages Neighborhood Declaration now reads as follows:

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“By acceptance of a deed to a Cottage Lot, each Owner shall be deemed to conclusively accept the Courts of Boone County, Indiana as the place of preferred venue in the event any action is brought by or against an Owner hereunder.”

7. Section 3.11 shall be added to the Cottages Neighborhood Declaration and state the following:

"Opt Out Owners. A Cottage Lot Owner may become an Opt Out Owner for a one (1) year period beginning on January 1 of the year in which the Cottage Lot Owner desires to become an Opt Out Owner by providing the Lot Maintenance Association written notice thirty (30) days prior to January 1 of such year and satisfying the requirements set forth in Section 3.12. Opt Out Owners in compliance with Section 3.12 shall continue to be Opt Out Owners until such Owner provides the Lot Maintenance Association sixty (60) days prior written notice of the Opt Out Owner’s desire to become an Opt In Owner.”

8. Section 3.12 shall be added to the Cottages Neighborhood Declaration and state the following:

"Opt Out Owners Maintenance Obligations. Opt Out Owners shall provide and pay for certain landscape maintenance and other services, as determined and published by the Architectural Approval Committee (as defined in the Declaration), with respect to such Owner’s Cottage Lot (the “Opt Out Owners
Maintenance Obligations”). In the event an Opt Out Owner fails to perform the Opt Out Owners Maintenance Obligations within ten (10) days following written notice given by the Lot Maintenance Association by first class mail or hand delivery (the “Notice”), reasonable weather permitting, the Lot Maintenance Association may perform the Opt Out Owners Maintenance Obligations and charge the Opt Out Owner a General Maintenance Assessment for such maintenance. In the event an Opt Out Owner receives two or more Notices within any calendar year, the Lot Maintenance Association may cause the Opt Out Owner to become an Opt In Owner subject to General Maintenance Assessments and Special Maintenance Assessments.”

9. Except as amended hereby, the Cottages Neighborhood Declaration is otherwise confirmed in all respects. To the extent of a conflict between the terms and provisions of this Amendment and the terms and provisions of the Cottages Neighborhood Declaration which cannot be reasonably reconciled, the terms and provisions of this Amendment shall control.

[The remainder of this page is intentionally left blank]
IN WITNESS WHEREOF, Reitz Group, Inc. has caused this First Amendment to the Neighborhood Declaration for the Cottages Neighborhood of Stonegate Subdivision to be entered into on the day and in the year first above written for recordation in the office of the Recorder of Boone County, Indiana.

REITZ GROUP, INC.

[Signature]

By: Lawrence A. Reitz, M.D., President

"Declarant"
STATE OF INDIANA

COUNTY OF BOONE

Before me, a Notary Public in and for said County and State, personally appeared Lawrence A. Reitz, II, duly authorized on behalf of Reitz Group, Inc., who, after having been duly sworn, acknowledged the execution of the foregoing First Amendment to the Neighborhood Declaration for the Cottages Neighborhood of Stonegate Subdivision for and on behalf of such Corporation.

WITNESS, my hand and Notarial Seal this 20th day of October, 2009.

[Signature]
Notary Public

My County of Residence: Hendricks

This instrument was prepared by Michael A. Valinetz, Wooden & McLaughlin LLP, One Indiana Square, Suite 1800, Indianapolis IN 46204. I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law [Michael A. Valinetz].
EXHIBIT A

The Cottages Neighborhood consisting of 24 Lots as follows:

Lots No. 281 to, thru and including Lot No. 304 in Stonegate Section X, a subdivision in Boone County, Indiana, as evidenced by the Plat thereof duly recorded on October 11, 2006 as Instrument No. 200600011042 in Book 17 at Pages 55, 56 and 57.