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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

THE TRAILS AT WOODFIELD  
THE CHATEAUX AT WOODFIELD  
WOODFIELD ESTATES

a subdivision located in  
Johnson County, Indiana

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

WOODFIELD

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereinafter referred to as "Declaration") is made this 5<sup>TH</sup> day of AUGUST, 2005, by Precedent Residential Development, LLC, an Indiana limited liability company (hereinafter referred to as "Developer").

WITNESSETH

WHEREAS, Developer is the owner of certain real property located in Johnson County, Indiana, and more particularly described in Exhibit A, attached hereto and incorporated herein by reference (the "Property"), and Developer desires to subject such property to the provisions of this Declaration and to have constructed on the property a residential community to be known as "Woodfield" (hereinafter the "Community") and to provide a flexible and reasonable methods for the administration and maintenance of such property; and  
See title page for "Woodfield" community names.

WHEREAS, as hereinafter provided in this Declaration, Developer has retained and reserved the right, privilege and option to submit to the provisions of this Declaration at a later time and from time to time as a part of the residential community described herein additional property and has retained and reserved the right to withdraw and remove any portion of the Property from the control and provisions of this Declaration; and

WHEREAS, in contemplation of the sale and conveyance of the residential lots situated within the platted areas of the Community, Developer desires to subject and impose upon all the platted areas within the Community mutual and beneficial restrictions, covenants, conditions and charges under a general plan or scheme of improvement for the benefit of the lots and lands within the Community and the future owners thereof; and

NOW, THEREFORE, Developer hereby declares that all of the platted lots and lands located within the Community are held and shall be held, transferred, sold, conveyed, leased, occupied and used subject to the easements, restrictions, covenants, charges, liens, and conditions hereinafter set forth, all of which are for the purpose of protecting the value and desirability of the property in the Community and which shall be binding on all parties having any right, title, or interest in the described properties or any portion thereof, and their respective heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each Owner thereof.

## ARTICLE I

### DEFINITIONS

The following words, when used in this Declaration, unless the context shall prohibit or otherwise require, shall have all the following meanings. All definitions shall be applicable to the singular and plural forms of such terms:

Section 1.1. "Additional Property" shall mean and refer to the real property subjected to this Declaration by a Supplemental Declaration or plat reference, and all improvements thereon, as set forth by Developer by amendment hereto or plat recorded in the records of the Recorder of Johnson County, Indiana. Any Additional Property shall be limited to those areas described in Section 2.2 and Exhibit "B" attached hereto.

Section 1.2. "Annexation" shall mean and refer to the act of recording in the public records of Johnson County, Indiana, a Supplemental Declaration or plat which makes all or a portion of any Additional Property subject to the terms of this Declaration, as more particularly described in Article II hereof.

Section 1.3. "Architectural Standards Committee" shall mean and refer to the committee that shall be appointed by the Association's Board of Directors to approve exterior and structural improvements, additions, and changes within the Community as provided in Article IX hereof.

Section 1.4. "Area of Common Responsibility" shall mean and refer to the Common Areas, together with those areas and properties, if any, which by the terms of this Declaration, or by contract or by agreement with any Neighborhood becomes the responsibility of the Association. Such areas may include, but are not limited to, the office of any property manager employed by or contracting with the Association, if located on the Property, or any public rights-of-way within or adjacent to the Property.

Section 1.5. "Articles of Incorporation" or "Articles" shall mean and refer to the Articles of Incorporation of Woodfield Homeowners Association, Inc., as filed with the Secretary of State of the State of Indiana.

Section 1.6. "Association" shall mean and refer to Woodfield Homeowners Association, Inc., an Indiana not-for-profit corporation, which Developer has caused or will cause to be incorporated.

Section 1.7. "Base Assessment" shall mean and refer to assessments levied by the Association against each Lot in the Property to fund Common Expenses in the manner herein provided.

Section 1.8. "Board of Directors" or "Board" shall mean and refer to the board of directors of the Association.

Section 1.9. "By-Laws" shall mean and refer to the By-Laws of Woodfield Homeowners Association, Inc. attached hereto as Exhibit "C" and incorporated herein by reference, and including any amendments thereto.

Section 1.10. "Capital Contributions" shall mean and refer to the moneys collected that are stipulated for the purpose of repairing or replacing capital assets (i.e, signage, street lights, pool and bath house, etc.).

Section 1.11. "Class B Control Period" shall mean and refer to the period of time during which the Class B Member is entitled to appoint the members of the Board of Directors as provided in Section 4.2 (b) hereof.

Section 1.12. "Common Areas" shall mean the Open Common Areas and Restricted Common Areas as defined herein.

Section 1.13. "Common Expenses" shall mean the actual and estimated expenses incurred for maintenance of Common Areas by the Association for the general benefit of the Community, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the By-Laws, and the Articles of Incorporation of the Association. Common Expenses shall also include any other expenses denominated as such by these Declarations and shall include the costs of maintaining any intangible or tangible property (such as sewer lines, lighting and landscaping) which may not be located in a Common Area but the maintenance of which is in the best interest of the Community as determined by the Developer or the Board in its sole and absolute discretion.

Section 1.14. "Common Properties" shall mean those areas defined as Common Areas and set aside for conveyance to the Association as shown on any Plat, together with any other tangible or intangible personal property transferred to the Association by Developer (or hereafter acquired by the Association). All Common Properties owned by the Association shall remain private, and neither Developer's execution or recording of a Plat nor the doing of any other act by Developer is, or is intended to be, a dedication to the public of such Common Properties.

Ownership of any Common Properties shall be conveyed in fee simple title, free of financial encumbrances, to the Association as soon as practicable after their completion. Such conveyance shall be subject to easements and restrictions of record, and such other conditions, as Developer may at the time of such conveyance deem appropriate. Such conveyance shall be deemed to have been accepted by the Association upon the recording of a deed conveying such areas to the Association.

Section 1.15. "Community" shall mean the property subject to these Declarations and therefore comprising the Woodfield Residential Community from time to time.

Section 1.16. "Community-Wide Standard" shall mean the standard of conduct, maintenance, or other activity generally prevailing throughout the Property. The Board and the New Construction Committee or the Architectural Standards Committee may more specifically determine such standard.

Section 1.17. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions, and Restrictions for Woodfield and all amendments thereof filed for record in the public records of Johnson County, Indiana.

Section 1.18. "Developer" shall mean and refer to Precedent Residential Development, LLC, an Indiana limited liability company, and any successors or assigns who take title to any portion of the property described on Exhibits "A" or "B" for the purpose of development and sale, and who is designated as the Developer hereunder in a recorded instrument executed by the immediately preceding Developer.

Section 1.19. "Dwelling Unit" shall mean and refer to any structure (or portion thereof) designed or intended for use and occupancy as a residence by one (1) family on a Lot located within the Community, irrespective of whether such dwelling is detached or attached to another Dwelling Unit.

Section 1.20. "Foreclosure" shall mean and refer to, without limitation, the judicial foreclosure of a Mortgage or the conveyance of secured property by a deed in lieu of a judicial foreclosure

Section 1.21. "Landscape Easement" shall mean and refer to those areas identified as such on any recorded Plat of the Property. Landscape Easements shall also include any other type of landscape easement areas created by Developer on the recorded Plat for any portion of the Property, including, but not limited to, areas for common signage. Landscape Easements may also include areas for common signage if so designated on a Plat.

Section 1.22. "Lot" shall mean and refer to each plot of land included in the Property and identified as a lot on any recorded plat of the Property that is intended for use as a building site for one (1) Dwelling Unit.

Section 1.23. "Member" shall mean and refer to a Person holding membership in the Association as provided in Article IV below.

Section 1.24. "Mortgage" shall mean and refer to any mortgage or other security instrument by which a Lot or any structure thereon is encumbered.

Section 1.25. "Mortgagee" shall mean and refer to a beneficiary or holder of a Mortgage.

Section 1.26. "New Construction Committee" shall mean and refer to the committee that shall be appointed by Declarant or Developer to approve new home construction plans and oversees the Architectural Standards Committee.

Section 1.27. "Open Common Areas" shall mean areas identified as such on any recorded Plat of the Property. Open Common Areas are owned by the Association (and not by Owners) and are usable and accessible by all Owners.

Section 1.28. "Owner" shall mean and refer to the record owner, whether one or more Persons, with fee simple title to any Lot, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. The term "Owner" shall include Developer so long as Developer shall own any Lot. If a Lot is sold under a contract of sale and the contract specifically so provides, the purchaser (rather than the fee owner)

will be considered the Owner. If a Lot is subject to a written lease with a term in excess of one (1) year and the lease specifically so provides, then upon filing a copy of the lease with the Board the lessee (rather than the fee owner) will be considered the Owner.

Section 1.29. "Person" shall mean a natural person, a corporation, a partnership, a limited liability company, a trustee, or any other legal entity.

Section 1.30. "Plat" shall mean any Plat executed by Developer (or any other owner of such property) recorded in the public records of Johnson County, Indiana, pursuant to which additional parcels of property are subjected to this Declaration as a part of the Woodfield Community.

Section 1.31. "Property" shall mean and refer to those tracts or parcels of real estate described on Exhibit "A", together with all improvements thereon, and upon submission to the provisions of this Declaration, the tracts or parcels of real estate described as Additional Property, together with all improvements thereon.

Section 1.32. "Restricted Common Areas" shall mean any area identified as such on any recorded Plat of the Property. Restricted Common Areas are owned by the Association (and not by Owners) and are not generally accessible to Owners. Such areas shall be accessible only by officers, employees or agents of the Association or by any Owner whose Lot is adjacent to such Restricted Common Area and is permitted access to such area by express references in the Plat or with the approval of the Board.

Section 1.33. "Special Assessment" shall mean and refer to assessments levied in accordance with Article VIII, Section 8.4 of this Declaration.

Section 1.34. "Supplemental Declaration" shall mean an amendment or supplement to this Declaration or a Plat executed by or consented to by Developer, or by the Association pursuant to Section 2.2, and recorded in the public records of Johnson County, Indiana, which subjects Additional Property to this Declaration and/or imposes, expressly or by reference, additional restrictions and obligations on the land described therein. A Supplemental Declaration may also remove Property from the control and provisions of this Declaration.

Section 1.35. "Total Vote" shall mean the total number of Owners in the Association at any given time.

## ARTICLE II

### DEVELOPMENT

Section 2.1. Development of Property. Except as otherwise set forth in Section 10.26, all Lots within the Community shall be and are hereby restricted exclusively to single-family residential use and shall be subject to the standards and restrictions set forth in these Declarations. Developer shall have the right, but not the obligation, for so long as Developer owns any Lot or holds the unexpired option to submit Additional Property (as set forth in Section 2.2) to the provisions of this Declaration to maintain and make improvements, repairs, and changes to all Common Areas and to all Lots owned by Developer, including, without limitation, (i) installation and maintenance of any improvements in and to the

Common Areas, (ii) changes in the location of the boundaries of any Lots owned by Developer or of the Common Areas, ~~(iii) installation and maintenance of any water, sewer, and other utility systems and facilities,~~ (iv) installation of security and/or refuse facilities, and (v) additions or changes in the boundaries of any Common Areas or Landscape Easement Areas.

**Section 2.2. Development of Additional Property.** Developer hereby reserves the right and option, to be exercised in its sole discretion and without further approval by any party, to submit at any time and from time to time until it no longer owns any portion of the real estate described on Exhibits "A" or "B" or until December 31, 2020, whichever is earlier, any portion of the real estate described on Exhibits "A" or "B" to the provisions of this Declaration. Developer may exercise this option in accordance with the following rights, conditions, and limitations:

(a) Developer reserves the right to terminate this option at any time by executing and filing an instrument evidencing such termination in the public records of Johnson County, Indiana.

(b) Portions of Additional Property may be added to the Community at different times, and there are no limitations fixing the boundaries of the portions or regulating the order, sequence, or location in which any of such portions may be added to the Community. No single exercise of Developer's option to submit a portion of Additional Property to the Declaration shall preclude any further exercises of this option thereafter and from time to time as to other portions or the balance of any Additional Property.

(c) Developer may exercise the option by the execution of a Supplemental Declaration or Plat describing such Additional Property, and that shall be filed in the public records of Johnson County, Indiana, together with a legal description of the Additional Property or such portion or portions thereof as are being added to the Community by such amendment. The provisions of this Declaration shall then be construed as embracing the real property described in Exhibit "A" and the Additional Property so submitted to the terms hereof, together with all improvements located thereon. (If Additional property is added to the Development, then the number of Members in the Association shall be increased by the number of additional Lots to be located on the Additional property such that there is one Member for each Lot.)

**Section 2.3. Withdrawal of Property.** Developer hereby reserves the right and option, to be exercised in its sole discretion and without further approval by any party, until it no longer owns any portion of the Property or until December 31, 2020, whichever is later, to withdraw and remove any portion of the Property owned by Developer from the control and provisions of this Declaration. Such removal by Developer shall be carried out generally by the execution and filing of a Supplemental Declaration or other document which shall be filed in the public records of Johnson County, Indiana, together with a legal description of the Property being withdrawn.

**Section 2.4. Subdivision Plat.** Developer reserves the right, in its sole discretion, to record from time to time a Plat of the subdivided parcels of the Property setting forth such information as Developer may deem necessary with regard to the Community, including, without limitation, the locations and dimensions of the Lots, Common Areas, Additional Property, roads, utility systems, drainage systems, landscape easements, utility easements, drainage easements, access easements, set-back line restrictions and various other restrictions and limitations.

~~Section 2.5. Annexation by Members. After the termination of the Class B Control Period, as described in Section 4.2(b), and subject to the consent of the owner thereof (if not the Association), the Association may annex real property to the provisions of this Declaration and the jurisdiction of the Association. Such annexation shall require the affirmative vote of at least two-thirds (2/3) of the Total Vote as provided in the By-Laws, and the approval of the Developer so long as Developer owns property subject to this Declaration or which may become subject hereto in accordance with Section 2.2 of this Article.~~

Annexation by the Association shall be accomplished by filing of record in the public records of Johnson County, Indiana, and a Supplemental Declaration describing the property being annexed. Any such Supplemental Declaration shall be signed by the President and the Secretary of the Association (and by Developer if Developer's consent is required herein), and by the owner of the property being annexed and any such annexation shall be effective upon filing unless otherwise provided therein. The relevant provision of the By-Laws dealing with regular or special meetings, as the case maybe, shall apply to determine the time required for and the proper form of notice of any meeting called for the purpose of considering annexation of property pursuant to this Section 2.5 and to ascertain the presence of a quorum at such meeting.

Section 2.6. Consent of Developer. Any provision of this Declaration to the contrary notwithstanding, the provisions set forth in this Article II may not be abrogated, modified, rescinded, supplemented, or amended in whole or in part without the prior written consent of Developer for so long as Developer owns any portion of the Property or the option to submit Additional Property to the Community.

### ARTICLE III

#### PROPERTY RIGHTS

Section 3.1. General. Each Lot shall for all purposes constitute real property which shall be owned in fee simple and which, subject to the provisions of this Declaration, may be conveyed, transferred, and encumbered the same as any other real property. Each Owner shall be entitled to the exclusive ownership and possession of his Lot subject to the provisions of this Declaration, including without limitation, the provisions of this Article III. The ownership of each Lot shall include, and there shall pass with each Lot as an appurtenance thereto, whether or not separately described, a non-exclusive right and easement of enjoyment in and to the Open Common Areas as established hereunder and membership in the Association. Each Owner shall automatically become a member of the Association and shall remain a Member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically pass to his successor-in-title any certificates or other evidences of his membership in the Association. Lots shall not be subdivided by Owners and the boundaries between Lots and Neighborhoods shall not be relocated, unless the relocation thereof is made with the approval of the Board and of Developer so long as Developer owns any Lot or holds the unexpired option to submit Additional Property or any portion thereof to the Community. Notwithstanding the foregoing, nothing herein shall prohibit the combination of two or more Lots into a larger parcel in order to create a dwelling site larger than one Lot. In this case, the owner of the property shall be required to pay one assessment for Association dues and shall only be entitled to one vote as a Member of the Association.

**Section 3.2 Owner's Easement of Enjoyment.** Every Owner, his family, tenants, and guests shall have a non-exclusive right and easement of use and enjoyment in and to the Open Common Areas, such easement to be appurtenant to and to pass with title to each Lot, subject to the provisions of this Declaration and the rules, regulations, fees, and charges from time to time established by the Board in accordance with the By-Laws and subject to the following provisions:

(a) The Right of the Association to mortgage all or any portion of the Common Areas for the purpose of securing a loan of money to be used to manage, repair, maintain, improve, operate, or expand the Common Areas.

(b) The easements reserved elsewhere in this Declaration or in any Plat of all or any part of the Property, and the right of the Association to grant and accept easements as provided in this Article III. The location of any improvements, trees or landscaping within an easement area is done at the Owner's risk and is subject to possible removal by the Association or the grantee of such easement.

(c) The right of the Association to dedicate or transfer fee simple title to all or any portion of the Common Areas to Johnson County, Indiana, or to any other public agency or authority, public service district, public or private utility, or other person, provided that any such transfer of the fee simple title must be approved by a majority of the Total Vote as provided in the By-Laws, and by Developer (for so long as Developer owns any Lot or holds the unexpired option to submit Additional Property to the Community).

(d) The rights of the Association and Developer reserved elsewhere in this Declaration or as provided in any Plat of all or any part of the Property.

(e) The rights of the holder of any mortgage which is prior in right or superior to the rights, interests, options, licenses, easements, and privileges herein reserved or established.

**Section 3.3. Easements for Developer.** During the period that Developer owns any Lot or holds the unexpired option to submit Additional Property to the Community, Developer shall have an easement for access to Common Areas for the purpose of constructing structures and other improvements in and to the Lots and Additional Property and for installing, maintaining, repairing, and replacing such other improvements to the Property (including any portions of the Common Areas) as are contemplated by this Declaration or as Developer desires, in its sole discretion, including, without limitation, any improvements or changes permitted and described by Article II hereof, and for the purpose of doing all things reasonably necessary and proper in connection therewith, provided in no event shall Developer have the obligation to do any of the foregoing. In addition to the other rights and easements set forth herein and regardless of whether Developer at that time retains ownership of a Lot or has the right to submit Additional Property to the Community, Developer shall have an alienable, transferable, and perpetual right and easement to have access, ingress and egress to the Common Areas and improvement thereon for such purposes as Developer deems appropriate, provided that Developer shall not exercise such right so as to unreasonably interfere with the rights of owners in the Community.

**Section 3.4. Utility and Public Service Easements.**

(a) There is hereby reserved for the benefit of Developer, the Association, and their respective successors and assigns, the perpetual right and easement, as well as the power, to

hereafter grant and accept easements to and from the Town of Greenwood and Johnson County, Indiana, or any other public authority or agency, public service district, public or private utility or other person, upon, over, under, and across (i) all of the Common Areas; and (ii) those portions of all Lots as are reasonably necessary for the purpose of installing, replacing, repairing, maintaining, and using master television antenna and/or cable systems, security and similar systems, and all utilities, including, but not limited to, storm sewers, drainage systems, and retention ponds and facilities for the Community or any portion thereof, and electrical, gas, telephone, water, and sewer lines, provided that such easements shall not unreasonably affect the use, developability, marketability, or value of any such Lot. To the extent possible, all utility lines and facilities serving the Community and located therein shall be located underground. By virtue of any such easements and facilities, it shall be expressly permissible for the providing utility company or other supplier or servicer, with respect to the portions of the Community so encumbered, (i) to erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities, (ii) to cut and remove any fences, trees, bushes, or shrubbery, (iii) to grade, excavate, or fill, or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems; provided, however, that such utility company or other supplier or service shall take reasonable actions to repair any damage caused by such utility company or other supplier or service during the exercise of any rights conveyed under any easement granted hereunder.

(b) Developer hereby grants to the Town of Greenwood and Johnson County, Indiana, or such other governmental authority or agency as shall from time to time have jurisdiction over the Community with respect to law enforcement and fire protection, the perpetual, non-exclusive right and easement upon, over, and across all of the Common Areas for purposes of performing such duties and activities related to law enforcement and fire protection in the Community as shall be required or appropriate from time to time by such governmental authorities under applicable law.

(c) There shall be created sanitary sewer easements in those areas designated on the Plat, which easements shall run in favor of Developer and any governmental or private entity needing such access for the purpose of installation and maintenance of the pipes, lines, manholes, pumps and other equipment necessary for the sanitary sewer system.

### Section 3.5. Drainage Easements.

(a) There is hereby reserved an easement for the benefit of Developer, the Association, and their respective successors and assigns for access to and installation, repair, or removal of a drainage system, either by surface drainage or appropriate underground installations, for the Property; provided, however, that the Owner of any Lot subject to a drainage easement shall be required to maintain the portion of said drainage easement on his Lot (as shown on any Plat) in the condition originally provided by Developer and free from obstructions so that the surface water drainage will be unimpeded. No changes shall be made to said area by the Owner without the written consent of the Johnson County Surveyor whose decision may be appealed to the Johnson County Drainage Board; provided, however, that Developer, in its sole discretion, may make any changes. No permanent structures shall be erected or maintained upon said drainage easements.

(b) "Open channel and tile drains within all drain easements shall be regulated drains subject to Indiana Code 36-9-27 and its amendments."

(c) ~~“It shall be the responsibility of the owner of any lot or parcel of land within the area of this plat to comply at all times with the provisions of the drainage plan as approved~~ for this plat by the Johnson County Drainage Board through its agents, the Johnson County Surveyor and the Johnson County Engineer, and the requirements of all drainage permits for this plat by said Johnson County Drainage Board.

(d) No trees or shrubs shall be planted, nor any structure erected in any drainage easement, unless otherwise approved by the Johnson County Surveyor and the Johnson County Engineer.

(e) Drainage swales (ditches) along dedicated roadways and within the right-of-way, or on dedicated drainage easements, are not to be altered, dug out, filled in, tiled, or otherwise changed without the written permission of the Johnson County Drainage Board (Commissioners). Property owners must maintain these swales as sodded grass ways, or other non-eroding surfaces. Water from roofs or parking areas must be contained on the property long enough so that said drainage swales or ditches will not be damaged by such water.

(f) Any property owner altering, changing, or damaging these swales or ditches will be held responsible for such action and will be given ten (10) days notice by registered mail to repair said damage, after which time, if no action is taken, the Johnson County Drainage Board (Commissioners) will cause said repairs to be accomplished, and the bill for such repairs will be sent to the affected property owner for immediate payment.

(g) Pipe under drains will be used on both sides of the street as per Johnson County Area Subdivision Control Ordinance. The minimum slope of the pipe shall be .4 percent.

**Section 3.6. Landscape Easements.** Landscape Easements, as designated on a Plat of all or any part of the Property, are hereby created and reserved for the use of Developer and the Association for access to and installation, maintenance, repair, and replacement of signs, walls, earth mounds, trees, foliage, landscaping, and other improvements. Except as installed by Developer or the Association, no improvements or permanent structures, including without limitation, fences, shall be erected or maintained in or upon said Landscape Easements without the written consent of the Board.

The landscaping and other improvements planted or installed by the Developer and/or the Association within the Landscape Easement areas may not be removed by an Owner, nor may the Owner add any landscaping or improvements in such areas without the approval of the Board.

**Section 3.7. Sales and Construction Offices.** Notwithstanding any provisions or restrictions herein to the contrary, there is hereby reserved and created for the use of Developer, and its successors and assigns, and persons constructing Dwelling Unit or Improvement, an easement for access to the Property for the maintenance of signs, sales offices, construction offices, business offices, and model houses, together with such other facilities as in the sole opinion of Developer may be reasonably required, convenient, or incidental to the completion, improvement and/or sale of Lots, Common Areas, or the Additional Property for so long as Developer owns any Lot or holds the unexpired option to add Additional Property to the Community.

~~Section 3.8. Maintenance Easement.~~ There is hereby reserved and created for the use of Developer, the Association and their respective agents, employees, successors and assigns, a maintenance easement to enter upon any Lot for the purpose of mowing, removing, clearing, cutting, or pruning underbrush, weeds, stumps, or other unsightly growth and removing trash, so as to maintain a Community-Wide Standard of health, fire safety, and appearance within the Community, provided that such easements shall not impose any duty or obligation upon Developer or the Association to perform any such actions.

**Section 3.9. Sanitary Sewer Provisions.** The following rules and restrictions shall apply with respect to the maintenance of the sanitary sewer system in the Community:

(a) The discharge of clean water sources (e.g. foundation drains, sump pumps, roof drains) to the sanitary sewers is prohibited.

(b) The appropriate Johnson County utility must approve any grade changes of a material nature across sanitary sewer facilities in writing.

(c) The Owner of each Dwelling Unit will be responsible for the operation, maintenance and replacement of the lateral serving the Dwelling Unit from the Dwelling Unit to its connection into the gravity main.

#### ARTICLE IV

#### MEMBERSHIP AND VOTING RIGHTS

**Section 4.1 Membership.** Every Owner, as defined in Article I, shall be deemed to be a Member and have a membership in the Association.

Except as provided herein with respect to the Class B Member, no Owner, whether one (1) or more Persons, shall have more than one (1) membership per Lot owned. In the event the Owner of a Lot is more than one (1) Person, votes and rights of use and enjoyment shall be as provided herein. A Member or the Member's spouse, subject to the Provisions of this Declaration and the By-Laws may exercise the rights and privileges of membership. The membership rights of a Lot owned by a corporation, partnership, trust or limited liability company shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the secretary of the Association, subject to the provision of this Declaration and the By-Laws.

**Section 4.2. Voting.** The Association shall have two (2) classes of membership, Class A and Class B, as follows:

(a) **Class A.** Class A membership shall be all Owners with the exception of the Class B Member.

Class A Members shall be entitled to one (1) equal vote for each Lot in which they hold the interest required for membership under Section 4.1 hereof. There shall be only one (1) vote per Lot. In the event a Person or Persons own two (2) adjacent lots which have been consolidated in the manner contemplated in Section 3.1, such an Owner shall have only one (1) vote covering both such Lots, on a combined basis.

In any situation where a Member is entitled to exercise the vote for his Lot and more than one (1) person holds the interest in such Lot required for membership, the vote for such Lot shall be exercised as those Persons determine among themselves and advise the secretary

of the Association in writing prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended if more than one (1) Person seeks to exercise it.

(b) **Class B.** The Class B Member shall be the Developer and any successor or assignee designated as Developer. The rights of the Class B Member, including the right to approve actions taken under this Declaration and the By-Laws, are specified in the Declaration and the By-Laws. On all matters requiring a vote of the Members of the Association, each Class B Member shall be entitled to six (6) votes for each Lot it owns or, in the case of unplatted land, six (6) votes per the maximum number of Lots allowed for such a parcel of land by the applicable zoning ordinance. The Class B Member shall be entitled to appoint the members of the Board during the Class B Control Period as hereinafter defined. The Class B Control Period shall begin as of the date of this Declaration and extend to the earlier of: (i) the date on which seventy-five percent (75%) of the Lots have been sold or conveyed to Persons other than Developer or builders holding title solely for purposes of development or sale. (In making such calculation, the numerator shall be the total Lots sold and the denominator shall be the total Lots anticipated for eventual sale and ownership in the Community as determined by Developer in its sole discretion); (ii) December 31, 2020; or (iii) the date on which Developer determines that the Class B Control Period shall end and notice of such termination is filed by means of an instrument recorded with the Recorder of Johnson County, Indiana. The Class B Membership shall terminate and become converted to Class A Membership upon the termination of the Class B Control Period whereupon Developer shall be entitled to one (1) vote for each Lot it owns with the number of Lots calculated in the same manner as for the Class B memberships as set forth above.

## ARTICLE V

### MAINTENANCE

**Section 5.1. Association's Responsibility.** The Association shall maintain and keep in good repair the Areas of Common Responsibility, such maintenance to be funded as hereinafter provided. The maintenance shall include, but need not be limited to, maintenance, repair and replacement of all landscaping and other flora, structures, play equipment, and improvements, including all private streets situated upon the Common Areas, landscaping easements along the primary roads through the Community, medians and rights-of ways of public streets within the Property, entry features for the Woodfield Community, and such portions of any other real property included within the Area of Common Responsibility as may be dictated by this Declaration, or by a contract or agreement for maintenance with any other person or entity, by the Association.

In furtherance of the maintenance of the streets within the Community, the Association may provide for a specific type and design of street signs, posts and traffic control signs for the purpose of maintaining a unique and uniform appearance within the Community. Provided however that any and all specific decorative signage must be approved by the Johnson County Highway Department prior to installation. Upon approval such decorative signs shall be maintained, replaced, and kept in good repair by the Association (although such responsibility shall not relieve any governmental authority from the obligation to install temporary standard signs in the event a decorative sign is lost or destroyed). The cost to acquire such decorative signs and posts shall be a Common Expense.

Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Common Properties shall be a Common Expense to be allocated among all Lots as part of the Base Assessment.

The Association may maintain other property that it does not own, including, without limitation, property dedicated to the public or property located outside the Community, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard.

In the event that Developer or Board determines that: (i) any Owner or Neighborhood has failed or refused to discharge properly his obligations with regard to the maintenance, cleaning, repair, or replacement of items for which is his responsibility hereunder, or (ii) that the need for maintenance, cleaning, repair, or replacement which is the responsibility of the Association hereunder is caused through the willful or negligent act of an Owner, his family, tenants, guests, or invitees, and is not covered or paid for by insurance in whole or in part, then in either event, Developer or the Association, except in the event of an emergency situation, may give such Owner written notice of Developer's or the Association's intent to provide such necessary maintenance, cleaning, repair, or replacement, at the sole cost and expense of such Owner as the case may be, shall have ten (10) days within which to complete such maintenance, cleaning, repair or replacement in a good and workmanlike manner, or in the event that such maintenance, cleaning, repair or replacement is not capable of completion within said ten (10) day period, to commence said maintenance, cleaning, repair or replacement and diligently proceed to complete the same in a good and workmanlike manner. In the event of emergency situations or the failure of any Owner to comply with the provision hereof after such notice, Developer or the Association may provide (but shall not have the obligation to so provide) any such maintenance, cleaning, repair or replacement at the sole cost and expense of such Owner and said cost (together with the cost of attorneys fees, if any, in the enforcement of the Owner's obligations and collection of the charge to the Owner) shall become a lien against the individual Owner's Lot (with respect to any matter relating to an individual Owner's responsibility) and such cost shall become a part of the costs of the Association (until such time as reimbursement is received from the individual Lot Owner). In the event that the Developer undertakes such maintenance, cleaning, repair or replacement, the Association shall promptly reimburse the Developer for the Developer's costs and expenses, including reasonable attorneys' fees and filing fees.

**Section 5.2. Owner's Responsibility.** Unless specifically identified herein, each Owner shall maintain and repair the interior and exterior of his or her Lot and Dwelling Unit, and all structures, parking areas, lawns, landscaping, grounds and other improvements comprising the Lot and Dwelling Unit in a manner consistent with the Community-Wide Standards and all applicable covenants, unless such maintenance responsibility is otherwise assumed by or assigned to the Association pursuant to any Supplemental Declaration or other Declaration of Covenants applicable to such Lot.

No Owner shall (i) decorate, change, or otherwise alter the appearance of any portion of the exterior of a Dwelling Unit or the landscaping, grounds, or other improvements within a Lot unless such decoration, change, or alteration is first approved, in writing, by the Architectural Standards Committee as provided in Article IX hereof, or (ii) do any work which, in the reasonable opinion of the Architectural Standards Committee, would jeopardize the soundness and safety of the Community, reduce the value thereof, or impair any easement thereto.

~~Refer to the architectural Standards and Guidelines (ASG) document for further~~  
definitive explanation. The ASG document further identifies the types of changes, which require Architectural Standard Committee approval. The ASG is identified in 9.2 and 9.3 of these Declarations.

## ARTICLE VI

### INSURANCE AND CASUALTY LOSSES

**Section 6.1. Insurance.** The Association, Board, or its duly authorized agent shall procure and maintain casualty insurance for the Common Properties, liability insurance and such other insurance as it deems necessary or advisable. The Association shall be required to use reasonable efforts to secure insurance policies that will provide the following:

(a) A waiver of subrogation by the insurer as to any claims against the Association, the Association's Board and the Developer;

(b) A statement that the Association will be given at least thirty (30) days prior written notice of any cancellation, substantial modification or non-renewal; and

(c) All liability insurance shall not exclude coverage for claims made by Owners or Members and shall also name the Developer as an additional insured.

Premiums for all insurance on the Area of Common Responsibility shall be Common Expenses of the Association. All insurance coverage obtained by the Board shall be written in the name of the Association.

In addition to other insurance required by this Section, the Board shall obtain, as a common Expense, worker's compensation insurance, if and to the extent required by law; directors' and officers' liability coverage, if reasonably available; a fidelity bond or bonds on directors, officers, employees, and other persons handling or responsible for the Association's funds, if reasonably available; and flood insurance, if required. The amount of fidelity coverage shall be determined in the directors' best business judgment.

**Section 6.2. Individual Insurance.** By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry blanket all-risk casualty insurance on the Lot(s) and structures constructed thereon. The Board may require all Owners to furnish copies or certificates thereof to the Association. Each Owner further covenants and agrees that in the event of a partial loss or damage resulting in less than total destruction of structures comprising his Lot, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article IX of this Declaration and all applicable zoning, building and other governmental regulations. The Owner shall pay any costs of repair or reconstruction, which are not covered by insurance proceeds. In the event that the structure is totally destroyed, the Owner may decide not to rebuild or to reconstruct, in which case the Owner shall clear the Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction and thereafter the

Owner shall continue to maintain the Lot in a neat, safe, and attractive condition consistent with the Community-Wide Standard.

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**Section 6.3. Damage and Destruction.**

(a) Immediately after damage or destruction by fire or other casualty to all or any part of a Common Property covered by insurance written in the name of the Association, the Board or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance or obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed Common Property. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Common Property to substantially the same condition in which it existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes.

(b) Any damage or destruction to a Common Property shall be repaired or reconstructed unless the voting Members representing at least two-thirds (2/3) of the Total Vote decide within sixty (60) days after the casualty not to repair or reconstruct. If for any reason the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such funds or information shall be made available. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to a Common Property shall be repaired or reconstructed. If there is not reconstruction then any insurance proceeds shall revert to the Association.

(c) In the event that it should be determined in the manner described above that the damage or destruction to a Common Property shall not be repaired or reconstructed and no alternative improvements are authorized, then the affected portion of the Property shall be restored to its natural state and maintained by the Association in a neat and attractive condition consistent with the Community-Wide Standard.

**Section 6.4. Disbursement of Proceeds.** If the damage or destruction for which the proceeds of insurance policies are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed for payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repair or reconstruction shall be retained by and for the benefit of the Association and placed in a capital improvement account.

~~Section 6.5. Repair and Reconstruction. If the damage or destruction to a~~  
Common Property for which insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board shall, without the necessity of a vote of the Members, levy a special assessment against all Owners on the same basis as provided for Special Assessments in accordance with Article VIII. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

## ARTICLE VII

### RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

**Section 7.1 Common Properties.** The Association, subject to the rights of the Developer and to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Properties and other improvements thereon (including, without limitation, furnishings and equipment related thereto and common landscaped areas), and shall keep them in a good, clean, attractive, and sanitary condition, order and repair, pursuant to the terms and conditions hereof and consistent with the Community-Wide Standard. Except to the extent otherwise required by the provisions of the Indiana Code relating to nonprofit corporations, this Declaration, the By-Laws, or the Articles of Incorporation, the power herein or otherwise granted to the Association may be exercised by the Board, acting through the officers of the Association, without any further action on the part of Owners.

**Section 7.2. Duties and Powers.** The duties and powers of the Association shall be those set forth in the provisions of the Indiana Code relating to nonprofit corporations, this Declaration, the By-Laws, and the Articles of Incorporation, together with those rights and privileges reasonably implied to effect the purposes of the Association. The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, together with every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege. Such power of the Association shall include, but shall not be limited to, the power to purchase one or more Lots and to hold, lease, mortgage, sell, and convey the same. Such duties may include, but shall not be limited to, arranging with governmental agencies, public service districts, public and private utilities, or others, as a Common Expense or by billing directly to Lots to furnish trash collections, water, sewer, and/or security service for the Common Areas and/or the Lots. The Association shall have the right to own (as a Common Property) any drainage system, piping, sewer equipment or materials, or any other utility equipment that the Developer or the Association deems to be in the best interests of the Community. The Association shall not, without the affirmative vote or written consent of voting Members or their alternates representing at least two-thirds (2/3) of the Total Vote, mortgage or hypothecate all or any portion of the Common Areas.

**Section 7.3. Agreements.** Subject to the prior approval of the Developer for so long as the Developer owns any Lot or holds the unexpired option to submit Additional Property to the Community, all agreements and determinations lawfully authorized by the Board shall be binding upon all Owners, their heirs, legal representatives, successors, and assigns, and all others having an interest in the Community or the privilege of possession and enjoyment of any part of the Community; and in performing its responsibilities hereunder, the Association, through its Board, shall have the authority to delegate to persons of its choice such duties of

the Association as may be determined by the Board. In furtherance of the foregoing and in no limitation thereof, ~~the Association may obtain and pay for the services of any person or~~ entity to manage its affairs or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall deem necessary or desirable for the proper operation of the Community, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. All costs and expenses incident to the employment of a manager shall be a Common Expense. During the term of such management agreement, such manager may, if authorized by the Board, exercise all of the powers and shall be responsible for the performance of all the duties of the Association, excepting any of those powers or duties specifically and exclusively reserved to the directors, officers or Members of the Association by this Declaration or the By-Laws. Such manager may be an individual, corporation, or other legal entity, as the Board shall determine, and may be bonded in such a manner as the Board may require with the cost of acquiring any such bond to be a Common Expense. In addition, the Association may pay for, and the Board may hire or contract for, such legal and accounting services as are necessary or desirable in connection with the operation of the Community or the enforcement of this Declaration, the By-Laws, or the rules and regulations of the Association.

The Association, through its Board, will designate a single vendor to provide weekly trash removal services and Owners will be obligated to utilize that vendor as their weekly trash removal service vendor. In so doing, the Association will endeavor to select a trash removal vendor that offers curbside recycling as a part of its services. In this regard, the Association may, but shall not be required, to include the costs of such weekly trash removal service and/or curbside recycling service as a part of the Common Expenses.

**Section 7.4. Personal Property and Real Property for Common Use.** The Association, acting through its Board, may acquire and hold tangible and intangible personal property and real property and may dispose of the same by sale or otherwise. All funds received and title to all properties acquired by the Association and the proceeds thereof, after deducting therefrom the costs incurred by the Association in acquiring or selling the same, shall be held by and for the benefit of the Association. The share of the Owners in the funds and assets of the Association cannot be individually assigned, hypothecated, or transferred in any manner, except to the extent that a transfer of the ownership of a Lot also transfers the membership in the Association that is an appurtenance to such Lot.

**Section 7.5. Rules and Regulations.** The Association, as provided in Articles IX and X hereof, through its Board, may make and enforce reasonable rules and regulations governing the use of the Property; which rules and regulations shall be consistent with the rights and duties established by this Declaration. Sanctions may include suspension of the right to vote and the right to use any recreational facilities or Common Areas. The Board shall, in addition, have the power to seek relief in any court for violations or to abate nuisances. Imposition of sanctions shall be as provided in the By-Laws of the Association.

The Association, through the Board, by contract or other agreement, shall have the right to enforce city and county ordinances and to permit Johnson County or any municipality having jurisdiction over the Property to enforce ordinances on the Property for the benefit of the Association and its Members.

**Section 7.6. Implied Rights.** The Association may exercise any other right or privilege given to it expressly by this Declaration or the By-Laws, and every other right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

~~Section 7.7. Governmental Interests. The Association shall permit the Declarant~~  
reasonable authority to designate sites within the Property for fire, emergency, police, water,  
and sewer facilities, parks, and other public facilities.

## ARTICLE VIII

### ASSESSMENTS

**Section 8.1. Purpose of Assessments.** The assessments for Common Expenses provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of the Community, and maintaining the Community and improvements therein, all as may be more specifically authorized from time to time by the Board.

**Section 8.2. Creation of Assessments.** There are hereby created assessments for Association expenses as may from time to time specifically be authorized by the Board to be commenced at the time and in the manner set forth in Section 8.3 and 8.4 of this Article. There shall be two types of assessments: (a) Base Assessments to fund Common Expenses for the benefit of all Members of the Association, and (b) Special Assessments as described in Section 8.4(b) below. Each Owner, by acceptance of a deed or recorded contract of sale for any portion of the Property, is deemed to covenant and agree to pay these assessments.

Base Assessments shall be levied equally on all Lots.

All assessments, together with interest (at a rate not to exceed the highest rate allowed by Indiana law) as computed from the date the delinquency first occurs, late charges, costs, and reasonable attorney's fees, to collect same, shall be a charge on the land and shall be a continuing lien upon the Lot against which shall also be the personal obligation of the Person who was the Owner of such Lot at the time the assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, the lien for unpaid assessments shall not apply to the holder of any first priority institutional Mortgage or to the holder of any Mortgage securing a loan made by the Developer, its affiliates, successors, or assigns, who takes title to a Lot through Foreclosure, or to any purchaser of such Foreclosure sale. In the event of co-ownership of any Lot all of such co-owners shall be jointly and severally liable for the entire amount of such assessments.

The Association shall, upon demand at any time, furnish to any Owner liable for any type of assessment a certificate in writing signed by an officer of the Association setting forth whether such assessment has been paid as to any particular Lot. Such certificate shall be conclusive evidence of payment to the Association of such assessment therein stated to have been paid. The Association may require the advance payment of a processing fee not to exceed Fifty Dollars (\$50.00) for the issuance of such certificate.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board. All assessments shall be pro rated from the date of closing for each Owner. Each Owner by acceptance of a deed to his or her Lot, acknowledges that all Base Assessments

levied hereunder are annual assessments due and payable in advance on the first day of the fiscal year; provided, however, the Board may permit any assessment to be paid in installments. If any Owner is delinquent in paying any assessments or other charges levied on his Lot, the Board may revoke the privilege of paying in installments and require all annual assessments to be paid in full immediately. No Mortgagee shall be required to collect any assessments.

No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including by way of illustration and not limitation, by non-use of Common Areas, non-use of recreational facilities, or abandonment of the Lot. The obligation to pay assessments is a separate and independent covenant on the part of each Owner.

The Developer and its successors and assigns are exempt from liability for all assessments, and the Developer shall have the right, by written contract, to exempt any party purchasing a Lot not for its own occupation of a house on such Lot from the liability to pay assessments herein.

The Association is specifically authorized to enter into subsidy contracts or contract for "in kind" contribution of services or materials or a combination of services and materials with the Developer or other entities for the payment of some portion of the Common Expenses.

Notwithstanding anything to the contrary contained herein, until the termination of the Class B Control Period the annual budget, all Base Assessments and all Special Assessments shall be established by the Board without meetings or of concurrence of the Owners. Declarant, however, in its sole discretion, may waive the foregoing requirement at any time and submit the annual budget, and the approval of any Base Assessments and Special Assessments to the Owners or Members for a vote without terminating the Class B Control Period.

**Section 8.3. Computation of Base Assessment.** It shall be the duty of the Board, at least sixty (60) days before the beginning of each fiscal year of the Association, to prepare a budget covering the estimated Common Expenses of the Association during the upcoming year. The budget shall include a capital contribution maintaining a reserve fund. No dollars will be allocated to the reserve fund until the Association is financially self-supporting.

The Base Assessment to be levied against each Lot for the coming year shall be set at a level which is reasonably expected to produce total income to the Association equal to the total budgeted Common Expenses, including reserves.

The total Base Assessments shall be divided among the Lots equally, so that each Lot shall be subject to equal annual Base Assessments. Upon the submission of Additional Property to the Community, assessments shall continue to be equal and shall be assessed as well against the Lots being added to the Community. In such event, the Association's budget shall be accordingly revised by the Board, without the necessity of approval by the Owners, to include Common Expenses and assessments related to such additional Lots. In determining the level of assessments, the Board, in its discretion, may consider other sources of funds available to the Association, including any funds received from owners of commercial property, within or adjacent to the Community pursuant to which the Association is maintaining any property outside the Community and receiving reimbursement. In addition, the Board shall take into account the number of Lots subject to assessment under

Section 8.6 hereof on the first day of the fiscal year for which the budget is prepared and the number of Lots reasonably anticipated to become subject to assessment during the fiscal year.

So long as the Developer has the right unilaterally to annex Additional Property pursuant to Article II hereof, the Developer may elect on an annual basis, but shall not be obligated, to reduce the resulting assessment for any fiscal year by payment of a subsidy; provided, any such subsidy shall be conspicuously disclosed as a line item in the income portion of the Common Expense budget and shall be made known to the membership. The payment of such subsidy in any year shall under no circumstances obligate the Developer to continue payment of such subsidy in future years. As long as the Developer subsidizes assessments or is willing to subsidize assessments Developer shall not be required to create or contribute to any reserve fund for the Association.

The Board shall cause a copy of the annual budget and notice of the amount of the Base Assessment to be levied against each Lot for the following year to be delivered to each Owner. This annual budget shall be the basis for the Base Assessment for the next fiscal year. Notwithstanding the foregoing in the event the Board fails for any reason to determine the budget for the succeeding year, then until such time as a budget shall have been determined as provided herein, the budget and annual Base Assessments in effect for the then current year shall be increased in proportion to the percentage increase, if any, for the then current year, in the Consumer Price Index (all Urban Consumers, United States City Average, All Items 1967-69=100), or its successor index, and such increased budget shall be implemented for the succeeding year, until a new budget shall have been approved as provided above. If any budget at any time proves inadequate for any reason, then the Board may call a meeting of the Association for the approval of a Special Assessment as provided in Section 8.4 hereof. The Common Expenses to be funded by the annual assessments may include, but shall not necessarily be limited to, the following:

(i) management fees and expenses of administration, including legal and accounting fees;

(ii) utility charges for utilities serving the Common Areas and charges for other common services for the Community, including trash collection, snow removal, security service, if any such services or charges are provided or paid by the Association;

(iii) the cost of any policies of insurance purchased for the benefit of all Owners and the Association as required or permitted by this Declaration, including fire, flood, and other hazard coverage, public liability coverage, and such other insurance coverage as the Board determines to be in the interests of the Association and the Owners;

(iv) the expenses of operation of the Association under the provisions of this Declaration including, without limitation, the maintenance and repair of the Common Properties;

(v) the expenses of maintenance, operation, and repair of other amenities and facilities servicing the Community, the maintenance, operation, and repair of which the Board from time to time determines to be in the best interest of the Association;

~~(vi) the expenses of the New Construction Committee and the Architectural Standards Committee which are not defrayed by plan review charges;~~

(vii) real and personal property taxes assessed and levied against the Common Areas;

(viii) the expenses for conducting recreational, cultural, or other related programs for the benefit of the Owners and their families, tenants, guests, and invitees;

(ix) such other expenses as may be determined from time to time by the Board of the Association to be Common Expenses, including, without limitation, taxes and governmental charges not separately assessed against Lots or Dwelling Units; and

(x) the establishment and maintenance of a reasonable reserve fund or funds (a) for inspections, maintenance, repair, and replacement of those portions of the Common Areas which are the responsibility of the Association and which must be inspected, maintained, repaired, or replaced on a periodic basis, (b) to cover emergencies and repairs required as a result of casualties which are not funded by insurance proceeds, and (c) to cover unforeseen operating contingencies or deficiencies arising from unpaid assessments or liens, as well as from emergency expenditures and other matters, all as may be authorized from time to time by the Board.

#### Section 8.4. Special Assessments.

(a) **Entire Membership.** The Association may levy Special Assessments from time to time, provided any such assessment receives the affirmative vote or written consent of at least two-thirds (2/3) of the Total Vote and the affirmative vote or written consent of the Class B Member (if such exists). Special Assessments pursuant to this paragraph shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

(b) **Less Than All Members.** The Association, through its Board, may levy a Special Assessment against any Member individually and against such Member's Lot to reimburse the Association for costs incurred in bringing a Member and his Lot into compliance with the provisions of the Declaration, and amendments thereto, the Articles, the By-Laws, or the Association rules, which Special Assessment may be levied upon the vote of the Board after notice to the Member and an opportunity for a hearing.

(c) **Imposition of Additional Fees Upon Individual Members.** In addition to the rights of the Association to levy Special Assessments against individual Members in the manner contemplated under Section 8.4(b), above, the Association, through its Board, may impose additional fees upon individual Members on account of any violation by that Member, or of that Member's Lot, with any of the provisions of this Declaration. Prior to, and as a pre-condition to the imposition of any such additional fee, the Board of Directors will instruct the officers of the Association to deliver a written notice by certified mail, return receipt requested, to the Member in question whom the Board of Directors has determined to be in violation of the provisions of this Declaration (herein an "Initial Non-Compliance Notice"). The provisions of this Declaration which the Board of Directors determines are being violated will be listed and set

forth, with specificity, in any such Initial Non-Compliance Notice, and the Initial Non-Compliance Notice will specify, as to each violation, a time period within which the violation needs to be cured in order to avoid the imposition of any additional fees hereunder. The Board of Directors will be entitled to determine what amount of time it deems to be appropriate, under the circumstances, for curing any such violation. The Initial Non-Compliance Notice will also include provisions referencing this Section and reiterating the right of the Association to impose the additional fees contemplated herein, in addition to any other rights or remedies that the Association may have with respect to any such violation. If such a Member fails to cure the specified violation within the time period provided in an Initial Non-Compliance Notice, the Board of Directors shall have the right, but no obligation, to instruct the officers of the Association to deliver a second notice (herein referred to as an "Additional Fee Notice") to such Member imposing an additional fee upon that Member in an amount specified in the Additional Fee Notice which will not exceed \$100.00 for each specified violation, which additional fee will be due from such Member immediately upon receipt thereof, and shall continue to be due on a monthly basis, as of the same day of each subsequent month that corresponds to the date of the Additional Fee Notice, until such time as the violation(s) specified in the Initial Non-Compliance Notice have been cured. Any such additional fee which may become due hereunder shall be and constitute a lien against the applicable Lot(s), collectable by the Association, together with attorneys' fees and reasonable costs of collection, in the manner contemplated under Section 8.5, below. The imposition of any such additional fees by the Association in the manner permitted herein shall not limit or otherwise restrict the Association from exercising any other rights or remedies provided for under this Declaration or at law or in equity on account of any such violation. In addition, such other rights or remedies will not be limited or otherwise affected if the Board of Directors elects not to pursue the imposition of any additional fees in the manner provided for in this Section 8.4(c).

**Section 8.5. Lien for Assessments.** Upon recording of a notice of lien on any Lot, there shall exist a perfected lien for unpaid assessments of priority and superior to all other liens, except: (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto, and (2) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value. Such lien, when delinquent, may be enforced by suit, judgment, and foreclosure.

The Association, acting on behalf of the Owners, shall have the power to bid for the Lot at Foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which a Lot is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Lot shall be charged, in addition to its usual assessment, its equal pro rata share of the assessment that would have been charged such Lot had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid assessments and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.

**Section 8.6. Reserve Budget and Capital Contribution.** The Board shall annually prepare a reserve budget to take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution in an amount sufficient to permit meeting the projected needs of the Association, as shown on the budget, with respect to amount and timing by annual assessments over the period of the budget. The capital contribution required, if any, shall be fixed by the Board and included within and distributed with the applicable budget

and notice of assessments, as provided in Section 8.3. The Reserve Budget will not be funded as long as the Annual Budget is operating in a deficit.

At the Closing of the purchase of a lot from Builder, and upon all subsequent sales and conveyances of a lot and residence, each such Purchaser shall contribute to the capital of the Association in an amount equal to \$100.00. This amount shall be dispersed at the Closing to the Association for capital purposes. When this money is dispersed to the Association, the Association shall place it in a reserve account for the purpose of repairing or replacing capital assets, (i.e., signage, street lights, pool and bath house, etc.).

For purposes of this Declaration, Declarant, its assignee or assigns, and any Builder shall not be considered a purchaser and subject to this assessment. The capital contribution may be adjusted by the Association and included within and distributed with the applicable budget and notices of assessments as provided herein.

**Section 8.7. Date of Commencement of Annual Base Assessments.** The annual Base Assessments provided for herein shall commence as to each Lot on the day on which such Lot is conveyed to a Person other than the Developer and shall be due and payable in such a manner and on such schedule as the Board may provide. Annual Base Assessments and any outstanding Special Assessments shall be adjusted on a pro rata basis for such Lot according to the number of months then remaining in the then fiscal year of the Association and the number of days then remaining in the month in which such Lot is first conveyed. Base and Special Assessments for Lots in portions of any Additional Property hereafter submitted to the terms of this Declaration shall commence with respect to each such Lot on the day on which such Lot is conveyed to a Person other than the Developer and shall be adjusted according to the number of months then remaining in the fiscal year of the Association and the number of days then remaining in the month in which such assessments commence. Anything contained herein to the contrary notwithstanding, Declarant shall not be responsible for the payment of the Base or Special Assessments on Lots which it or its affiliates own and which do not contain occupied residences (except as hereinafter provided), provided that Declarant covenants and agrees to pay the Base and Special Assessments for each Lot owned by Declarant or an affiliate and containing occupied residences.

**Section 8.8. Subordination of the Lien to First Mortgages.** The lien of assessments, including interest, late charges, and costs (including reasonable attorney's fees) provided for herein, shall be subordinate to the lien of any first Mortgage upon any Lot. The sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to judicial or non-judicial foreclosure of a first Mortgage shall extinguish the lien of such assessments as to payments that become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due.

## ARTICLE IX

### ARCHITECTURAL STANDARDS AND REQUIREMENTS

**Section 9.1. Purpose.** In order to preserve the natural setting and beauty of the Community, to establish and preserve a harmonious and aesthetically pleasing design for the Community, and to protect and promote the value of the Property, the Lots and all improvements located therein or thereon shall be subject to the restrictions set forth in

Articles IX and X. Every grantee of any interest in the Property, by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Declaration including Articles IX and X.

Nothing shall be erected on any Lot, and no construction, which term shall include within its definition staking, clearing, excavation, grading, and other site work, no exterior alteration or modification of existing improvements and no plantings or removal of plants, trees, or shrubs shall take place except in strict compliance with this Article, until the requirements below have been fully met, and until the approval of the appropriate committee has been obtained pursuant to Sections 9.2 and 9.3 below. The Board may establish reasonable fees to be charged by the committees on behalf of the Association for reviewing of applications hereunder and may require such fees to be paid in full prior to review of any application.

This Article shall not apply to the activities of the Developer, nor to construction or improvements or modifications to the Common Areas by or on behalf of the Association.

The Board shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the committees established in Sections 9.2 and 9.3 of this Article IX. This Article may not be amended without the Developer's written consent so long as the Developer owns any land subject to this Declaration or subject to annexation to this Declaration.

The committees established in Sections 9.2 and 9.3 of this Article IX may be merged into one committee by the Developer, in its sole discretion, during the Class B Control Period.

**Section 9.2. New Construction Committee.** The New Construction Committee (NCC) shall consist of at least three (3), but no more than five (5), persons and shall have exclusive jurisdiction over all original construction on any portion of the Property until one hundred percent (100%) of the Property has been developed and conveyed to purchasers in the normal course of development and sale. The Developer retains the right to appoint all members of the NCC, who shall serve at the discretion of the Developer. There shall be no surrender of this right prior to that time except in a written instrument in recordable form executed by the Developer. Upon the expiration of such right, the Board shall appoint the members of the NCC who shall serve and may be removed at the discretion of the Board. The members of the NCC may include persons who are not Members of the Association. Members of the NCC may, or may not, be members of the Board and, if not members of the Board, may be compensated for serving as a NCC member and such costs shall be classified as a Common Expense.

The NCC shall prepare and, on behalf of the Board, shall promulgate design and develop standards, guidelines, variance rules and regulations, and application and review procedures. (Architectural Standards and Guidelines) Copies of such standards, guidelines, rules and regulations, and application and review procedures shall be available from the NCC for review. The standards, guidelines and procedures shall be those of the Association, and the NCC shall have sole and full authority to prepare and to amend them. It shall make the standards, guidelines and procedures available to Owners, builders, and developers who seek to engage in development of or construction upon all or any portion of the Property and such Owners, builders and developers shall conduct their operations strictly in accordance therewith. The NCC shall make every effort to approve or disapprove plans submitted to it, or to request additional information within thirty (30) days after receiving submittal.

The NCC shall be disbanded at the time that Dwelling Units have been constructed on all of the Lots in the Community, and the duties of the NCC shall thereafter be performed by the ASC.

**Section 9.3. Architectural Standards Committee.** The Board may establish an Architectural Standards Committee (ASC) to consist of at least three (3) and no more than five (5) persons, all of who shall be appointed by and shall serve at the discretion of the Board. Members of the ASC may include persons who are not Members of the Association. Members of the ASC may or may not be members of the Board.

The regular term of office for each member shall be one year, coinciding with the fiscal year of the Association. Any member appointed by the Board may be removed with or without cause by the Board at any time by written notice to such appointee, and a successor or successors appointed to fill such vacancy shall serve the remainder of the term of the former member. The ASC shall elect a Chairman and Vice Chairman and he, or in his absence, the Vice-Chairman, shall be presiding officer at its meetings. The ASC shall meet at least once in each calendar month, as well as upon call of the chairman, and all meetings shall be held at such places as may be designated by the chairman. A majority of the members shall constitute a quorum for the transaction of business, and the affirmative vote of a majority of those present in person or by proxy at a meeting of the ASC shall constitute the action of the ASC on any matter before it. The ASC is authorized to retain the services of consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the ASC in performing its functions set forth herein. Such costs associated with the use of consultants shall be considered a Common Expense. Each member of the ASC may be paid a stipend or honorarium as from time to time determined by the Board.

The ASC shall have exclusive jurisdiction over modifications, additions, or alterations made on or to existing Lots or structures containing Lots and the open space, if any, appurtenant thereto; provided, however, the ASC may delegate this authority to the appropriate board or committee subsequently created or subsequently subjected to this Declaration so long as the ASC has determined that such board or committee has in force review and enforcement procedures, and appropriate standards at least equal to those practices of the ASC. Such delegation may be revoked and jurisdiction reassumed by ASC at any time by written notice. Notwithstanding the above, the ASC shall not take any action or approve any plans inconsistent with the standards, guidelines promulgated by the NCC while the NCC is in existence. The ASC shall promulgate detailed standards or procedures governing its areas of responsibility and practice, consistent with those of NCC (Architectural Standards and Guidelines). In addition thereto, the following shall apply: plans and specifications showing the nature, kind, shape, color, sizes, materials, and location of such modifications, additions, or alterations shall be submitted to the ASC for approval as to quality of workmanship and design and as to harmony of external design with existing structures and location in relation to surroundings, topography, and finished grade elevation. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his Dwelling Unit, or to paint the interior of his Dwelling Unit any color desired; provided, modifications or alterations to the interior of screened porches, patios and similar portions of a Dwelling Unit visible from outside of Dwelling Unit shall be subject to approval hereunder. The ASC will make every effort to approve or to disapprove such plans or to request additional information within thirty (30) days after submission of completed plans, proposals, specifications or drawings.

~~Section 9.4. No Waiver of Future Approvals. The approval of either the NCC or ASC of any proposals or plans and specification or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of such Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters whatever subsequently or additionally submitted for approval or consent.~~

**Section 9.5. Variance.** The NCC may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations set forth by the NCC. Such variance may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this Declaration or a recorded plat, or (c) estop the Committee from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

**Section 9.6. Compliance with Guidelines.** Any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of the guidelines and procedures promulgated by the NCC or ASC may be excluded by the Board from the Property without liability to any Person.

**Section 9.7. Construction of Improvements.** Dwelling Units may not be temporarily or permanently occupied until the exteriors thereof have been completed and a certificate of occupancy for such Dwelling Unit has been issued. No shack, tent, barn, or other outbuildings, excluding play houses, shall be permitted on any Lot at any time, except for temporary structures for social functions as may be permitted by rules and regulations promulgated by the Board, nor shall any stable, poultry house or yard, rabbit hut, or other similar yard structure be constructed or allowed to remain on any Lot.

**Section 9.8. Responsibilities During Construction.**

(a) Construction of a Dwelling Unit on a Lot must be completed within nine (9) months from the date construction is commenced.

(b) When a basement and/or a foundation of a residence is constructed, stone shall be installed over the path of the driveway and shall be level with the curb at the lot line to avoid curb breakup.

(c) No track vehicles or heavy equipment vehicles shall be operated or unloaded on any street.

(d) During the construction period, the Lot shall be maintained in a clean and orderly manner at all times. All loose shingles, lumber, bricks, blocks, drywall, insulation, or other building material that can blow onto adjacent Lots shall not be left lying around. Construction trash shall be contained in a trash fence and shall be removed from the Lot once per week or contained in a trash container provided by a trash disposal service, which will empty the container as needed.

(e) The Lot Owner shall be responsible for removal of dirt, mud or debris or other ~~foreign material of any kind that may be deposited upon the road or easements from~~ construction on the Lot. If such deposits occur, then the Lot Owner shall make provisions to remove such deposits within five (5) days or the committee may remove such deposits and charge the Lot Owner. The Lot Owner shall comply with its obligations under drainage and storm water regulations and any soil erosion control plan in effect or as otherwise required by law.

(f) No outside toilets shall be permitted on any lot during construction without prior approval of the NCC.

(g) All utility services to the Lot, including, but not limited to, water, power, sanitary sewers, telephone or cable, shall be shown on the plot plan and said services shall not undermine the curbs or alter the subsurface or surface drainage system.

(h) At all times the Lot Owner shall ascertain that all storm water drainage swales per the approved engineering plans are adhered to and maintained to prevent ponding water.

(i) Upon completion of construction, each Owner shall cause its contractors to immediately remove all equipment, tools, and construction material and debris from the Lot on which such construction has been completed.

**Section 9.9. Architectural Approval.** To preserve the architectural and aesthetic appearance of the Community, no construction of improvements of any nature whatsoever shall be commenced or maintained by an Owner, other than the Developer, with respect to the construction or affecting the exterior appearance of any Dwelling Unit or with respect to any other portion of the Property, including, without limitation, the construction or installation of sidewalks, driveways, parking lots, mail boxes, decks, patios, courtyards, swimming pools, tennis courts, greenhouses, playhouses, tree houses, playground equipment, or similar structures, awnings, walls, fences, exterior lights, garages, guest or servants quarters, or other outbuildings, nor shall any exterior addition to or change or alteration therein be made (including, without limitation, painting or staining of any exterior surface), unless and until two (2) copies of the plans and specifications and related data (including, if required by the NCC or ASC, as the case may be, a survey showing the location of trees of six (6) inches in diameter at a height of four (4) feet and other significant vegetation on such Lot) showing the nature, color, type, shape, height, materials, and location of the same shall have been submitted to and approved in writing by the NCC or ASC as the case may be, as to the compliance of such plans and specifications with such standards as may be published by the respective committees from time to time including the harmony of external design, location, and appearance in relation to surrounding structures and topography. One copy of such plans, specifications, and related data so submitted shall be retained in the records of the respective committee, and the other copy shall be returned to the Owner marked "approved", "approved as noted", or "disapproved". Refer to the Architectural Standards and Guidelines document for further definition of landscaping changes that require Architectural Standards Committee or New Construction Committee approval.

Following approval of any plans and specifications by a committee, representatives of the committee shall have the right during reasonable hours to enter upon and inspect any Lot, or other improvements with respect to which construction is underway to determine whether or not the plans and specifications therefor have been approved and are being complied with. In the event a committee shall determine that such plans and specification have not been approved or are not being complied with, the committee shall be entitled to enjoin further construction and to require the removal or correction of any work in place which does not comply with approved plans and specifications.

~~Section 9.10. Landscaping Approval.~~ To preserve the aesthetic appearance of the Development, no landscaping, grading, excavation, or filling of any nature whatsoever with respect to the initial landscaping of a Lot shall be implemented and installed by an Owner other than Developer, unless and until the plans therefore have been submitted to and approved in writing by the appropriate committee. The provisions hereof regarding time for approval of plans, right to inspect, right to enjoin and/or require removal, etc. shall also be applicable to any proposed landscaping, clearing, grading, excavation, or filling. The landscaping plan for each Lot must be carried out and completed within thirty (30) days after the completion of the Dwelling unless such deadline would fall between December 1 and April 1 in which event the landscaping plan for such Lot shall be completed no later than the next succeeding May 1.

**Section 9.11. Approval Not a Guarantee.** No approval of plans and specifications and no publication of standards shall be construed as representing or implying that such plans, specifications, or standards will, if followed, result in properly designed improvements. Such approvals and standards shall in no event be construed as representing or guaranteeing that any Dwelling Unit or other improvement built in accordance therewith will be built in a good and workmanlike manner. Neither the Developer, the Association, nor the NCC or ASC shall be responsible or liable for: (i) any defects in any plans or specifications submitted, revised, or approved pursuant to the terms of this Article IX; (ii) loss or damages to any person arising out of the approval or disapproval of any plans or specifications; (iii) any loss or damage arising from the noncompliance of such plans and specifications with any governmental ordinances and regulations; nor (iv) any defects in construction undertaken pursuant to such plans and specifications.

**Section 9.12. Building Restrictions.** All Dwelling Units and other structures shall be constructed in compliance with any and all applicable state, county and municipal zoning and building restrictions. Prior to any such grading, clearing, construction of impervious surface, building, or other construction activity, the Owner of any Lot which is subject to such rules, regulations, guidelines or restriction shall make such filings, including, without limitation, the filing of a site plan with Johnson County, Indiana, (or any other governmental authority having jurisdiction) and obtain such authorizations and permits as are required thereunder, and further, shall receive the prior written approval of the appropriate committee (NCC or ASC).

**Section 9.13. Dusk to Dawn Lights:** Each owner must maintain the dusk to dawn light installed by the Builder. The Trails, dusk to dawn coach lights and The Chateaux, dusk to dawn yard light. This includes the prompt replacement of the light bulb with a minimum 40 watt bulb. 3

**Section 9.14. Mailboxes.** Each Owner of a Lot shall install and maintain a mailbox which shall be in accordance with the design, type and location of a mailbox required by the Developer or the Association from time to time so as to maintain uniformity of appearance throughout different areas of the Community.

## ARTICLE X

### USE RESTRICTIONS

The Association, acting through its Board, shall have the authority to make and to enforce standards and restrictions governing the use of the Property, in addition to those contained herein, and to impose reasonable user fees for use of Common Areas. Such regulations and use restrictions shall be binding upon all Owners and occupants until and unless overruled, canceled or modified in a regular or special meeting of the Association by a majority of the Total Vote and upon the consent of the Class B Member so long as such membership shall exist.

**Section 10.1. Use of Lots.** Except as permitted by Section 10.26 hereof, each Lot shall be used for residential purposes only, and no trade or business of any kind may be carried therein. The use of a portion of a Dwelling Unit as an office by an Owner, or his tenant shall not be considered to be a violation of this covenant if Owner is in compliance with Section 10.26 below.

**Section 10.2. Exterior Appearance and Fences.** No metal chain link fences shall be permitted within the Community, except with regard to maintenance areas within the Common Areas and those fences erected by the Developer. Vinyl chain link fences will be allowed with proper NCC or ASC approval. "See Architectural Standards and Guidelines". Further, no foil or other reflective material shall be used on any windows for sunscreens, blinds, shades, or other purposes nor shall any window-mounted heating or air conditioning units be permitted. Clothing, rugs, or other items shall not be hung on any railing, fence, hedge, or wall.

**Section 10.3. Signs.** No signs of any kind shall be erected within the Community, or permitted within any windows, without the written consent of the Board, except standard real estate "for sale" signs, entry and directional signs installed by the Developer and such signs as may be required by legal proceedings. No business signs, flags, banners or similar items advertising or providing directional information shall be erected by any Owner. If permission is granted to any Person to erect a sign, including name and address signs within the Community, the Board reserves the right to determine the size and composition of such sign as it, in its sole discretion, deems appropriate.

#### **Section 10.4. Parking and Prohibited Vehicles.**

(a) **Parking.** Vehicles shall be parked only in the garages or on driveways serving the Lots. On street parking is highly discouraged. Garages shall be used for parking of vehicles and no other use or modification thereof shall be permitted which would reduce the number of vehicles that may be parked therein below the number for which the garage was originally designed. The Association may designate certain on-street parking areas for visitors or guests subject to reasonable rules.

No Owners or other occupants of any portion of the Community shall repair or restore any vehicles of any kind upon or within any Lot or within any portion of the Common Areas, except (i) within enclosed garages or workshops, or (ii) for emergency repairs, and then only to the extent necessary to enable the movement thereof to a proper repair facility.

~~(b) Prohibited Vehicles. Commercial vehicles primarily used or designed for commercial purposes, tractors, busses, mobile homes, recreational vehicles, trailers (either with or without wheels), campers, camper trailers, boats and other watercraft, and boat trailers shall be parked only in enclosed garages or areas, if any, designated by the Board. Stored vehicles and vehicles which are either obviously inoperable or do not have current operating licenses shall not be permitted on the Property except within enclosed garages. Notwithstanding the foregoing, service and delivery vehicles may be parked in the Property during daylight hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Lot or the Common Areas. Any vehicles parked in violation of this Section or parking rules promulgated by the Board may be towed.~~

With prior Architectural Standards Committee or Board of Director approval ONLY, visiting family members utilizing a motor home may be granted temporary permission to park their motor homes while visiting within the community. With no exception may a motorized home be parked within the community without prior written approval designating the parking location and timeframe allowed.

**Section 10.5. Animals and Pets.** No animals, livestock or poultry of any kind shall be raised, bred, or kept on any portion of the Property, except that of dogs, cats or other usual and common household pets may be permitted on a Lot, subject to rules and regulations adopted by the Association through its Board. However, those pets which are permitted by any Owner or occupant to roam free, or, in the sole discretion of the Association, endanger the health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners of other Lots or the Owner of any portion of the Community, shall be removed from the Community upon request of the Board. No pets shall be kept, bred, or maintained for any commercial purpose. Dogs shall at all times whenever they are outside the Owner's Lot be confined on a leash held by a responsible person. No pet shall be permitted to leave its fecal matter on any portion of the Common Areas. No fenced dog runs shall be allowed.

If an Owner elects to install any type of "invisible fence" or similar electronic restraining device to keep a household pet from leaving the boundaries of that Owner's Lot, the perimeter of any such invisible fence or similar electronic restraint will not be permitted to extend beyond the front building set back line as described herein or otherwise on any Plat. In the case of any corner Lot located at the intersection of two streets, having a front building set back line from both streets, the restrictions set forth herein shall apply to both front set back lines.

**Section 10.6. Quiet Enjoyment.** No portion of the Property shall be used, in whole or in part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, things, or material be kept upon any portion of the Property that will emit foul or obnoxious odors or that will cause any noise or their condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious, illegal, or offensive activity shall be carried on upon any portion of the Property. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Property. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted within the Property. No electric insect killers may be used. The Developer or the Association may order the relocation of any woodpiles that are unsightly.

~~Section 10.7. Unsightly or Unkempt Conditions.~~ It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly or unkempt condition on his or her Lot. The pursuit of hobbies or other activities, specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Property. Nothing which could cause embarrassment, discomfort, annoyance or nuisance to the occupants of other portions of the Community or which result in a cancellation of any insurance for any portion of the Community, or which would be in violation of any law or governmental code or regulation shall be permitted in the Community. Without limiting the generality of the foregoing provisions, no horns, whistles, bells or other sound devices, except security and fire alarm devices used exclusively for such purposes, shall be located, used, or placed within the Community. Any Owner, or his family, tenants, guests, invitees, servants, or agents, who dumps or places any trash or debris upon any portion of the Community shall be liable to the Association for the actual costs of removal thereof or the sum of \$150.00, whichever is greater, and such sum shall be added to and become a part of that portion of any assessment next becoming due to which such Owner and his Lot are subject.

**Section 10.8 Antennas.** No exterior antennas, aerials, satellite dishes, or other telecommunication apparatus (herein collectively referred to as "Antenna Systems") larger than Two (2) meter (i.e. 39.37") in diameter (the "Maximum Size") and intended for the reception of television, radio, satellite or other telecommunication signals of any kind shall be placed, allowed, or maintained upon any portion of any Lot. Any such Antenna System that does not exceed the Maximum Size shall be permitted on a Lot only if such Antenna System is aesthetically concealed by landscaping or otherwise installed so as not to constitute a nuisance or to otherwise be offensive to any other Lot Owners. Under no circumstances shall any such Antenna System be maintenance or use of any such Antenna System and, in this regard, neither the Board nor the Architectural Standards Committee will (i) unreasonably delay or prevent installation, maintenance or use of any such Antenna System, (ii) impose any requirement which would unreasonably increase the cost of installation, maintenance or use of any such Antenna System, or (iii) preclude reception of an acceptable quality signal by any such Antenna System.

No radio or television signals, nor electromagnetic radiation, shall be permitted to originate from any Lot which may unreasonably interfere with the reception of television or radio signals within the Community, provided however that the Developer and/or the Association shall have the right, without obligation, to erect an Antenna System or cable system for the benefit of all or a portion of the Property, should any such master system or systems be utilized by the Association in a manner that requires the use of any such Antenna System. Except for the rights expressly reserved herein for the benefit of the Association, no commercial telecommunications towers may be placed on any Lot or on any Common Properties, without the approval of the Board, or if such decision is delegated to it, the Architectural Standards Committee. In either case, the Board or the Architectural Standards Committee will not impair installation,

**Section 10.9. Garbage Cans, Tanks, Etc.** No storage tanks of any kind shall be allowed upon a Lot. No rubbish, trash or garbage containers shall be stored or maintained outdoors except for such temporary storage necessary for immediate pick up of the trash and, in that event, trash shall be stored in appropriate containers.

~~Section 10.10. Subdivision of Lot and Timing Sharing.~~ Except for changes made by the Developer with respect to Lots it owns, no Lot shall be subdivided or its boundary lines changed except with the prior written approval of the Board.

No Lot shall be made subject to any type of timesharing, fraction-sharing or similar program whereby the right to exclusive use of the Lot rotates among members of the program on a fixed or floating time schedule over a period of years.

**Section 10.11. Firearms.** The discharge of firearms within the Community is prohibited. The term "firearms" includes "B-B guns, pellet guns, paint guns and other firearms of all types, regardless of size. Notwithstanding anything to the contrary contained herein or in the By-Laws, the Association shall not be obligated to take action to enforce this section.

**Section 10.12. Pools.** No above ground swimming pools shall be erected, constructed or installed on any Lot; provided, nothing herein shall preclude installation and use of hot tubs, spas or in ground pools with prior approval pursuant to Article IX of this Declaration.

**Section 10.13. Tents, Trailers and Temporary Structures.** Except as may be permitted by the Developer or the NCC during initial construction within the Property, no tent, shack, trailer or other structure of a temporary nature shall be placed upon a Lot or the Common Areas. Notwithstanding the above, party tents or similar temporary structures may be erected for special events with prior written approval of the Board or the Developer and children's overnight camping tents will be allowed as long as they are not up longer than forty-eight (48) hours.

**Section 10.14 Outbuildings.** No mini barns or outside storage facilities of any type are allowed.

**Section 10.15. Drainage, Water Wells and Septic Systems.**

(a). Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Person other than the Developer may obstruct or rechannel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains. The Developer hereby reserves for itself and the Association a perpetual easement across the Property for the purpose of altering drainage and water flow.

(b) No private water wells may be drilled or maintained and no septic tanks or similar sewerage facilities may be installed or maintained on any Lot, except for wells maintained solely for irrigation purposes. All such irrigation wells must receive the prior written approval of the ASC.

**Section 10.16. Tree Removal.** No trees shall be removed except for diseased or dead trees and trees needing to be removed to promote the growth of other trees or for safety reasons, unless approved in accordance with Article IX of this Declaration. In the event of an intentional or unintentional violation of this section, the violator may be required by the committee having jurisdiction to replace the removed tree with one (1) or more trees of such size and number, and in such locations, as such committee may determine in its sole discretion.

~~Section 10.17. Traffic Regulation and Sight Distance at Intersections. All Lots~~

located at street intersections shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain wherein it would create a traffic or sight problem. All vehicular traffic on the private streets and roads in the Community shall be subject to the provisions of the laws of the State of Indiana, Johnson County, concerning operation of motor vehicles on public streets. The Association is hereby authorized to promulgate, administer, and enforce reasonable rules and regulations governing vehicular and pedestrian traffic, including modifications of those in force on public streets, within the Community. The Association shall be entitled to enforce same by establishing such enforcement procedures, as it deems necessary, including levying fines for the violation thereof as provided for in Section 8.4(c). In the event of a conflict between such provisions of the laws of the State of Indiana, Johnson County and/or the Town of Greenwood, on one hand, and such rules and regulations promulgated by the Association, on the other hand, any such conflict will be resolved in favor of application of any governmental rules and regulations, unless the rules and regulations imposed by the Association (i) are more stringent than those established by governmental authorities, and (ii) do not conflict with those rules and regulations established by governmental authorities. Only drivers licensed to operate motor vehicles by the State of Indiana or by any other state in the United States may operate any type of motor vehicle within the Community. All vehicles of any kind and nature which are operated on the streets in the Community shall be operated in a careful, prudent, safe and quiet manner and with due consideration for the rights of all residents of the Community.

Section 10.18. Utility Lines. No overhead utility lines, including lines for cable television, shall be permitted within the Community, except for temporary lines as required during construction and high voltage lines if required by law for safety purposes.

Section 10.19. Air Conditioning Units. Except as may be permitted by the Board, no window air conditioning units may be installed in any Lot.

Section 10.20. Lighting. Except for seasonal Christmas decorative lights, which may be displayed between Thanksgiving and January 10 only, all exterior lights must be approved in accordance with Article IX of this Declaration; provided, however, each Owner must continually maintain at its own expense a dusk-to-dawn garage light pursuant to Section 9.13.

Section 10.21. Energy Conservation Equipment. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed on any Lot unless it is an integral and harmonious part of the architectural design of a structure, as determined in the sole discretion of the appropriate committee pursuant to Article IX hereof.

Section 10.22. Artificial Vegetation and Exterior Sculpture and Flags. No artificial vegetation shall be permitted on the exterior of any portion of the Property. Exterior sculptures, fountains, flags, and similar items must be approved in accordance with Article IX of this Declaration. See "Architectural Standards and Guidelines".

Section 10.23. Driveways. All driveways will be constructed by a builder of the Dwelling Unit that it serves. Owners shall maintain and replace the driveway of their Lot thereafter so as to maintain the same appearance as provided at the time of original

construction, ordinary wear and tear accepted. Each Dwelling Unit shall have a continuous sidewalk from the driveway to the front porch or entry.

**Section 10.24. Wetlands, Lakes and Water Bodies.** All wetlands, lakes, ponds, and streams within the Property, if any, shall be aesthetic amenities only, and no other use thereof, including without limitation, fishing, swimming, boating, playing or use of personal flotation devices, shall be permitted without the prior approval of the Board. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of lakes, ponds or streams within the Property. No docks, piers, or other structures shall be constructed on or over any body of water within the Property, except such as may be constructed by the Developer or the Association.

**Section 10.25. Fences.** No walls, dog runs, animal pens or fences of any kind shall be permitted on any Lot except as approved in accordance with Article IX of this Declaration. See "Architectural Standards and Guidelines" for detailed fencing specifications.

**Section 10.26. Business Uses.** No garage sale, moving sale, rummage sale or similar activity shall be conducted by an Owner within the Community without the approval of the Association. No trade or business may be conducted in or from any Lot, except that an Owner or occupant residing in a Dwelling Unit may conduct business activities within the Dwelling Unit so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Dwelling Unit; (b) the business activity conforms to all zoning requirements for the Property; (c) the business activity does not involve persons coming onto the Property who do not reside in the Property or door-to-door solicitation of residents of the Community; and (d) the business activity is consistent with the residential character of the Community and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Property, as may be determined in the sole discretion of the Board.

The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involve the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefore. Notwithstanding the above, the leasing of a Lot or Dwelling Unit shall not be considered a trade or business within the meaning of this section. This section shall not apply to any commercial property within the Community nor shall it apply to any activity conducted by the Developer or a builder approved by the Developer with respect to its development and sale of the Property or its use of any Lots or Dwelling Units which it owns within the Property.

**Section 10.27. Basketball Goals, Playground Equipment, Etc.** No basketball goals shall be attached to any Dwelling. All backboards shall be made of transparent materials only and the location of any basketball goal shall be subject to the approval of the ASC. No playground equipment, tree houses, or similar structures shall be erected on any Lot except in accordance with the most current "Architectural Standards and Guidelines" established by the Board from time to time or as otherwise approved by the Board. Portable goals are allowed. However, they must be kept away from public streets and must be kept in the garage

when not in use. Small portable children's goals made of plastic are allowable so long as goals are kept away from public streets. All temporary goals shall be kept in the garage when not in use.

**Section 10.28. On-Site Fuel Storage.** No on-site storage of gasoline, heating or other fuels shall be permitted on any part of the Property except that up to five (5) gallons of fuel may be stored on each Lot for emergency purposes and operation of lawn mowers and similar tools or equipment, and the Association shall be permitted to store fuel for operation of maintenance vehicles, generators and similar equipment.

**Section 10.29. Laws and Ordinances.** Every Owner and occupant of any Lot or Dwelling Unit, their guests and invitees, shall comply with all laws, statutes, ordinances and rules of federal, state and municipal governments applicable to the Property and any violation thereof may be considered a violation of this Declaration; provided, however, the Board shall have no obligation to take action enforce such laws, statutes, ordinances and rules.

**Section 10.30. Sales and Construction.** Notwithstanding any provisions or restrictions contained in this Declaration to the contrary, it shall be expressly permissible for the Developer and its agents, employees, successors, and assigns to maintain and carry on such facilities and activities as may be reasonably required, convenient, or incidental to the completion, improvement, and sale of Lots and Dwelling Units or the developing of Lots and Dwelling Units, Common Areas, and Additional Property, including, without limitation, the installation and operation of sales and construction trailers and offices, signs and model houses, all as may be approved by the Developer from time to time, provided that the location of any construction trailer of any assignees of the Developer's rights under this Section 10.29 shall be subject to the Developer's approval. The right to maintain and carry on such facilities and activities shall include specifically the right to use Dwelling Units as model residences, and to use any Dwelling Unit as an office for the sale of Lots and Dwelling Units and for related activities.

**Section 10.31. Occupants Bound.** All provisions of the Declaration, By-Laws and of any rules and regulations or use restrictions promulgated pursuant thereto which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all occupants, guests and invitees of any Lot. Every Owner shall cause all occupants of his or her Lot to comply with the Declaration, By-Laws, and the rules and regulations adopted pursuant thereto, and shall be responsible for all violations and losses to the Common Areas caused by such occupants, notwithstanding the fact that such occupants of a Lot are fully liable and may be sanctioned for any violation of the Declaration, By-Laws and rules and regulations adopted pursuant thereto.

## ARTICLE XI

### RULEMAKING

**Section 11.1. Rules and Regulations.** Subject to the provisions hereof, the Board may establish reasonable rules and regulations concerning the use of Lots and Dwelling Units, and the amendments thereto shall be furnished by the Association to all Members prior to the effective date upon the Owners, their families, tenants guests, invitees, servants and agents, until and unless any such rule or regulations be specifically overruled, cancelled, or modified by the Board or in a regular or special meeting of the Association by a majority of

the Total Vote cast by the Members as set forth in the By-Laws, provided that in the event of such vote, such action must also be approved by the Developer for so long as the Developer owns any Lot or holds the unexpired option to submit Additional Property to the Community.

#### Section 11.2. Authority and Enforcement.

(a) Upon the violation of this Declaration, the By-Laws, or any rules and regulations duly adopted hereunder, including, without limitation, the failure to timely pay any assessments, the Board shall have the power, after fifteen (15) days written notice to the Owner or the occupant of said violation, and failure by said Owner or occupant to cure the violation:

- (i) to cause the Association to correct the violation at its own cost and expense, which said cost and expense shall constitute a continuing lien upon the Lot of the Owner or the occupant who is guilty of such violation;
- (ii) to suspend an Owner's right to vote in the Association; and
- (iii) to suspend an Owner or occupant's right (and the right of his or her family, guests, and tenants) to use any of the Common Areas.
- (iv) to impose special assessment and fines as set out in Section 8.4

The Board shall have the power to impose all or any combination of these sanctions. An Owner or occupant shall be subject to the foregoing sanctions in the event of such a violation by him or her, his or her family, guests, or tenants. Any such suspension of rights may be for the duration of the infraction and or any additional period thereafter, such additional period not to exceed thirty (30) days per violation.

(b) Notwithstanding subsection (a) above, a violation or threatened violation of any of the covenants and restrictions contained in this Declaration and the provisions contained in the Articles of Incorporation and By-Laws of the Association, or any rules and regulations adopted hereunder, shall be grounds for an action at law or equity instituted by the Developer, the Association, or any Owner against any person violating or threatening to violate any such covenant, restriction, rule, or regulation. Available relief in any such action shall include the recovery of damages; injunctive relief, either to restrain the violation or threatened violation or to compel compliance with the covenants, restrictions, rules or regulations; declaratory relief; the enforcement of any lien created by these covenants, restrictions, rules, or regulations; and the recovery of costs and attorneys' fees incurred by any party successfully enforcing such covenants, restrictions, rules, or regulations. Failure by the Developer, the Association, or any Owner to enforce any covenant, restriction, rule, or regulation shall in no event be deemed a waiver of the right to do so thereafter; provided, however, that no action shall be brought against either the Developer or the Association for failing to enforce or carry out any such covenants, restrictions, rules, or regulations.

## ARTICLE XII

### GENERAL PROVISIONS

**Section 12.1. Control by the Developer.** NOTWITHSTANDING ANY OTHER LANGUAGE OR PROVISION TO THE CONTRARY IN THIS DECLARATION, IN THE ARTICLES OF INCORPORATION, OR IN THE BY-LAWS OF THE ASSOCIATION, the Developer hereby retains the right to appoint and remove any member or members of the Board of the Association until the termination of the the Class B Control Period as provided by Section 4.2 if the Declaration and the By-Laws. Every grantee of any interest in the Community, by acceptance of a deed or other conveyance of such interest, agrees that the Developer shall have the authority to appoint and remove directors of the Association in accordance with these provisions. Upon the expiration of the period of the Developer's right to appoint and remove directors of the Association, such right shall pass to the voting Members, as more specifically set forth in the By-Laws. At such time, the Developer shall deliver to the new Board all books, accounts, and records, if any, which the Developer has kept on behalf of the Association and any agreements or contracts executed by or on behalf of the Association during such period and which the Developer has in its possession.

**Section 12.2. Term.** The covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any property subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of sixty (60) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by more than seventy percent (70%) of the then Owners has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change said covenants and restrictions, in whole or in part, in which case this Declaration shall be modified as specified therein. The number of ten (10) year renewal periods shall be unlimited.

**Section 12.3. Amendment.** Prior to the conveyance of the first Lot to an Owner, the Developer may unilaterally amend this Declaration. After such conveyance, the Developer may unilaterally amend this Declaration at any time and from time to time if such amendment is (a) necessary to bring any provision hereof into compliance with any applicable governmental statutes, rules or regulations, or judicial determination; (b) necessary to enable any reputable title insurance company to issue title insurance coverage on the Lots and the Dwellings; (c) required by an institutional or governmental agency or lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to acquire or purchase mortgage loans on the Lots and the Dwellings; or (d) necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Lots; provided, however, any such amendment shall not adversely affect the title to any Lot unless the Owner shall consent thereto in writing. Additionally, so long as it still owns any Property, the Developer may unilaterally amend this Declaration for any purpose provided the amendment has no materially adverse effect upon any right of the Owner.

Thereafter and otherwise, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of voting Members representing at least two-thirds (2/3) of the Total Vote, and the consent of the Class B Member, so long as such.

membership exists. Any amendment to be effective must be recorded in the public records of Johnson County, Indiana.

If an Owner consents to any amendment to this Declaration or the By-Laws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No amendment may remove, revoke, or modify any right or privilege of Developer without the written consent of the Developer or the assignee of such right or privilege.

**Section 12.4. Indemnification.** The Association shall indemnify every officer, director, and committee member against any and all expenses, including counsel fees, reasonably incurred by or imposed upon such officer, director, or committee member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director or committee member. The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association and the Association shall indemnify and forever hold each such officer, director and committee member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director, or committee member or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

**Section 12.5. Easements for Utilities, Etc.** There is hereby reserved unto the Developer, so long as the Developer owns any Property, the Association, and the Designees of each (which may include, without limitation, a neighboring town or Johnson County, Indiana, and any utility), blanket easements upon, across, over and under all of the Property as more specifically set forth in Article III, Section 3.4 of this Declaration. Without limiting the generality of the foregoing, there are hereby reserved for the water company supplying water to the Community, its successors and assigns, easements across all Lots and the Common Areas for ingress, egress, installation, reading, replacing, repairing, and maintaining water meter boxes.

**Section 12.6. Interpretation.** In all cases, the provisions set forth or provided for in this Declaration shall be construed together and given that interpretation or construction which, in the opinion of the Developer or the Board will best effect the intent of the general plan of development. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective. The provisions of this Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes that are less restrictive. The effective date of this Declaration shall be the date of its filing in the public records of Johnson County, Indiana. The captions of each Article and Section hereof as to the contents of each Article and Sections are inserted only for limiting, extending, or otherwise modifying or adding to the particular Article or Section to which they refer. This Declaration shall be construed under and in accordance with the laws of the State of Indiana.

~~Section 12.7. Right of Entry.~~ The Association shall have the right, but not the obligation, to enter onto any Lot for emergency, security, and safety reasons, and to inspect for the purpose of ensuring compliance with this Declaration, the By-Laws, and the Association rules, which right may be exercised by the Association's Board, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner or occupant directly affected thereby. This right of entry shall include the right of the Association to enter a Lot and Dwelling to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after request by the Board.

Section 12.8. Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration would be unlawful, void, or voidable for violation of the common law rule against perpetuities, then such provisions shall continue on for the maximum amount of time as allowed by Indiana Code 32-1-4.5-1, et seq: As amended from time to time.

Section 12.9. Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote representing at least two-thirds (2/3) of the Total Vote. However, this Section shall not apply to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) actions brought for collection of assessments, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. This section shall not be amended unless such amendment is made by the Developer or is approved as set forth in Section 12.3.

Section 12.10. Use of the Word "WOODFIELD". No person shall use the word "WOODFIELD" or any derivative thereof in any printed or promotional material without the prior written consent of the Developer. However, Owners may use the term "WOODFIELD" in printed or promotional matter where such term is used solely to specify that particular property is located within WOODFIELD, and the Association shall be entitled to use the word "WOODFIELD" in their respective names.

Section 12.11. Security. The Association may, but shall not be obligated to, maintain or support certain activities within the property designed to make the property safer than it otherwise might be. Neither the Association, the Developer, nor any Successor Developer shall in any way be considered insurers or guarantors of security within the Property, nor be held liable for loss or damage to property, not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. All Owners and occupants of any Lot, tenants, guests and invitees of any Owner, as applicable, acknowledge that the Association, its Board of Committees, Developer, or any Successor Developer are not insurers and that each Owner and occupant of any Lot and each tenant, guest and invitee of any Owner assumes all risks for loss or damage to persons, to Lots and dwellings and to the contents of Lots and dwellings and further acknowledges that the Association, its Board and Committees, Developer, or any Successor Developer have made no representations or warranties nor has any Owner, occupant, tenant, guest, or invitee relied upon any representations or warranties expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to

~~any fire and/or burglar alarm systems or other security systems recommended or installed or any security measures undertaken within the property~~

**Section 12.12. Notice of Sale or Transfer of Title.** In the event that any Owner desires to sell or otherwise transfer title to his or her Lot, such Owner shall give the Board at least seven (7) days prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. Until the Board receives such written notice, the transferor shall continue to be jointly and severally responsible for all obligations of the Owner of the Lot hereunder, including payment of assessments, notwithstanding the transfer of title to the Lot.

**Section 12.13. Gender and Grammar.** The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provision hereof apply either to corporations or other entities or to individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

**Section 12.14. Severability.** Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of the Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end the provisions of this Declaration are declared to be severable.

**Section 12.15. Rights of Third Parties.** This Declaration shall be recorded for the benefit of the Developer, the Owners and their Mortgagees as herein provided, and by such recording, no adjoining property owner or third party shall have any right, title or interest whatsoever in the Community, except as provided for herein, or in the operation or continuation thereof or in the enforcement of any of the provisions hereof, and subject to the rights of the Developer and the Mortgagees as herein provided, the Owners shall have the right to extend, modify, amend, or otherwise change the provisions of this Declaration without the consent, permission, or approval of any adjoining owner or third party.

**Section 12.16. No Trespass.** Whenever the Association, the Developer, the New Construction Committee, the Architectural Standards Committee, and their respective successors, assigns, agents, or employees are permitted by this Declaration to enter upon or correct, repair, clean, maintain, preserve, or do any other action within any portion of the Community, the entering thereon and the taking of such action shall not be deemed to be a trespass.

**Section 12.17. Notices.** Notices required hereunder shall be in writing and shall be hand delivered or sent by United States Mail, postage prepaid. All notices to Owners shall be sent or delivered to such addresses as have been designated in writing to the Association, or if no address has been so designated, at the addresses of such Owners' respective Lots or Dwellings. All notices to the Association shall be delivered or sent in care of the Developer at the following address:

PRECEDENT RESIDENTIAL DEVELOPMENT, LLC  
9339 Priority Way South Drive, Suite 100  
Indianapolis, Indiana 46240

Or to such other address as the Association may from time to time notify the Owners. All notices to the Developer shall be delivered or sent to the Developer at the above address or such other address as the Developer may from time to time notify the Association.

## ARTICLE XIII

### DEVELOPER'S RIGHTS

Any or all of the special rights and obligations of the Developer may be transferred to other Persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Developer and duly recorded in the public records of Johnson County, Indiana; provided, however, the Developer may assign any and all of its rights to the Association upon the end of the Class B Control Period. Nothing in this Declaration shall be construed to require the Developer or any successors to develop any Additional Property.

Notwithstanding any provisions contained in the Declaration to the contrary, so long as the initial sale of Lots shall continue, it shall be expressly permissible for the Developer to maintain and carry on upon portions of the Common Areas such facilities and activities as are convenient or incidental to the sale of such Lots, including, but not limited to, business offices, signs, model units, and sales offices, and the Developer shall have an easement for access to and use of such facilities. The right to maintain and carry on such facilities and activities shall include specifically, without limitation, the right to use Lots owned by the Developer and any clubhouse or community center that may be owned by the Association, as models and sales offices, respectively.

Notwithstanding anything contained herein to the contrary, during the Class B Control Period, the Developer hereby reserves to itself the exclusive right to perform all the functions and responsibilities of the Association and to manage the Community in accordance with this Declaration. During such time, the Developer will have the right to appoint any entity, including itself or an affiliated entity, to perform such management functions provided the compensation payable is comparable to the charge that would be made by any non-affiliated entity and any such management agreement shall be subject to cancellation by the Association upon no more than ninety (90) days notice.

So long as the Developer continues to have rights under this Article, no Person shall record any declaration of covenants, conditions and restrictions, or similar instrument affecting any portion of the Property without the Developer's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Developer.

This Article may not be amended without the express written consent of the Developer; provided, however, the rights contained in this article shall terminate upon the earlier of (a) December 31, 2020, or (b) upon recording by the Developer of a written statement that all sales activity has ceased.

IN WITNESS WHEREOF, a duly authorized officer of the undersigned Developer has executed this Declaration this 5<sup>th</sup> day of August, 2004.

PRECEDENT RESIDENTIAL DEVELOPMENT, LLC

By: Douglas B. Wagner  
Douglas B. Wagner, Vice President

STATE OF INDIANA     )  
  ) SS:  
COUNTY OF MARION    )

Before me, a Notary Public in and for said County and State, personally appeared Douglas B. Wagner, on behalf of Precedent Residential Development, LLC, who acknowledged the execution of the foregoing instrument, and who, having been duly sworn, stated that any representations contained therein are true.

Witness my hand and notarial seal this 5 day of August, 2004.

My Commission Expires:

8-27-2011

Signature Stacey Unversaw

Printed Stacey Unversaw

Notary Public

County of Residence:

Marion

This instrument prepared by J. Randall Aikman, Attorney-at-Law

EXHIBIT A

LEGAL DESCRIPTION

PART OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 13 NORTH, RANGE 3 EAST AND PART OF THE NORTHEAST AND NORTHWEST QUARTERS OF SECTION 12, TOWNSHIP 13 NORTH, RANGE 3 EAST OF THE SECOND PRINCIPAL MERIDIAN, JOHNSON COUNTY, INDIANA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER SECTION; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST (ASSUMED BEARING) ALONG THE NORTH LINE OF LAST SAID QUARTER SECTION 1154.58 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID NORTH LINE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST 1081.26 FEET TO A POINT 462.50 FEET EAST OF THE NORTHWEST CORNER OF SAID SOUTHEAST QUARTER; THENCE PARALLEL WITH THE WEST LINE OF SAID SOUTHEAST QUARTER SOUTH 00 DEGREE 54 MINUTES 52 SECONDS EAST 535.00 FEET; THENCE PARALLEL WITH THE NORTH LINE OF SAID SOUTHEAST QUARTER SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST 462.50 FEET TO THE WEST LINE OF SAID SOUTHEAST QUARTER; THENCE ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER SOUTH 00 DEGREES 54 MINUTES 52 SECONDS EAST 2123.18 FEET TO THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 12; THENCE ALONG THE NORTH LINE THEREOF SOUTH 89 DEGREES 37 MINUTES 55 SECONDS WEST 16.50 FEET; THENCE PARALLEL WITH THE EAST LINE OF SAID QUARTER SECTION SOUTH 00 DEGREES 49 MINUTES 35 SECONDS EAST 1335.25 FEET; THENCE NORTH 89 DEGREES 49 MINUTES 55 SECONDS EAST 1368.67 FEET TO THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE ALONG THE WEST LINE THEREOF SOUTH 00 DEGREES 52 MINUTES 00 SECONDS EAST 1331.97 FEET TO THE SOUTH LINE OF SAID QUARTER SECTION; THENCE ALONG SAID SOUTH LINE NORTH 89 DEGREES 41 MINUTES 24 SECONDS EAST 699.97 FEET; THENCE PERPENDICULAR TO SAID SOUTH LINE NORTH 00 DEGREES 18 MINUTES 36 SECONDS WEST 439.45 FEET; THENCE PARALLEL WITH SAID SOUTH LINE NORTH 89 DEGREES 41 MINUTES 24 SECONDS EAST 648.52 FEET TO THE EAST LINE OF SAID QUARTER SECTION; THENCE ALONG SAID EAST LINE NORTH 00 DEGREES 54 MINUTES 26 SECONDS WEST 1085.31 FEET; THENCE SOUTH 89 DEGREES 05 MINUTES 34 SECONDS WEST 250.00 FEET; THENCE NORTH 00 DEGREES 54 MINUTES 26 SECONDS WEST 38.62 FEET; THENCE SOUTH 89 DEGREES 05 MINUTES 34 SECONDS WEST 141.20 FEET; THENCE SOUTH 00 DEGREES 54 MINUTES 26 SECONDS EAST 54.71 FEET; THENCE SOUTH 89 DEGREES 49 MINUTES 55 SECONDS WEST 152.18 FEET; THENCE NORTH 53 DEGREES 16 MINUTES 02 SECONDS WEST 127.86 FEET; THENCE NORTH 29

DEGREES 01 MINUTE 30 SECONDS WEST 6.65 FEET; THENCE NORTH 00 DEGREES 10 MINUTES 05 SECONDS WEST 39.00 FEET; THENCE SOUTH 89 DEGREES 49 MINUTES 55 SECONDS EAST 150.00 FEET; THENCE SOUTH 00 DEGREES 10 MINUTES 05 SECONDS EAST 46.40 FEET TO A CURVE CONCAVE EASTERLY THE RADIUS OF SAID CURVE BEARS NORTH 89 DEGREES 49 MINUTES 55 SECONDS EAST 120.00 FEET; THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 02 DEGREES 07 MINUTES 25 SECONDS 4.45 FEET; THENCE SOUTH 87 DEGREES 42 MINUTES 29 SECONDS EAST 201.42 FEET; THENCE NORTH 00 DEGREES 10 MINUTES 05 SECONDS WEST 80.31 FEET; THENCE SOUTH 89 DEGREES 49 MINUTES 55 SECONDS WEST 141.20 FEET; THENCE SOUTH 00 DEGREES 10 MINUTES 05 SECONDS EAST 18.60 FEET; THENCE SOUTH 89 DEGREES 49 MINUTES 55 SECONDS WEST 201.20 FEET; THENCE NORTH 00 DEGREES 09 MINUTES 51 SECONDS WEST 831.83 FEET; THENCE SOUTH 89 DEGREES 58 MINUTES 26 SECONDS WEST 169.59 FEET; THENCE NORTH 68 DEGREES 18 MINUTES 25 SECONDS WEST 67.87 FEET; THENCE SOUTH 89 DEGREES 10 MINUTES 25 SECONDS WEST 51.42 FEET; THENCE NORTH 00 DEGREES 38 MINUTES 17 SECONDS EAST 325.26 FEET; THENCE NORTH 33 DEGREES 12 MINUTES 56 SECONDS WEST 170.11 FEET; THENCE NORTH 01 DEGREE 00 MINUTES 30 SECONDS WEST 881.24 FEET; THENCE NORTH 89 DEGREES 10 MINUTES 25 SECONDS EAST 64.57 FEET; THENCE NORTH 00 DEGREES 51 MINUTES 19 SECONDS WEST 434.78 FEET; THENCE SOUTH 89 DEGREES 10 MINUTES 25 SECONDS WEST 31.23 FEET; THENCE NORTH 00 DEGREES 49 MINUTES 35 SECONDS WEST 188.60 FEET; THENCE NORTH 89 DEGREES 10 MINUTES 25 SECONDS EAST 159.73 FEET; THENCE NORTH 00 DEGREES 51 MINUTES 19 SECONDS WEST 33.65 FEET TO A CURVE CONCAVE SOUTHWESTERLY THE RADIUS OF SAID CURVE BEARS SOUTH 89 DEGREES 08 MINUTES 41 SECONDS WEST 95.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 23 DEGREES 31 MINUTES 57 SECONDS 39.02 FEET; THENCE NORTH 65 DEGREES 36 MINUTES 44 SECONDS EAST 214.33 FEET; THENCE SOUTH 00 DEGREES 51 MINUTES 19 SECONDS EAST 7.74 FEET; THENCE NORTH 89 DEGREES 08 MINUTES 41 SECONDS EAST 123.60 FEET; THENCE SOUTH 00 DEGREES 51 MINUTES 19 SECONDS EAST 2.76 FEET; THENCE NORTH 89 DEGREES 08 MINUTES 41 SECONDS EAST 183.60 FEET; THENCE NORTH 00 DEGREES 51 MINUTES 19 SECONDS WEST 65.57 FEET; THENCE NORTH 01 DEGREE 15 MINUTES 01 SECOND WEST 123.70 FEET; THENCE NORTH 00 DEGREES 57 MINUTES 09 SECONDS WEST 224.59 FEET; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST 150.00 FEET; THENCE NORTH 01 DEGREE 00 MINUTES 30 SECONDS WEST 290.40 FEET TO THE POINT OF BEGINNING.

ALSO INCLUDES:

PART OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 13 NORTH, RANGE 3 EAST AND PART OF THE NORTHEAST QUARTER OF SECTION 12,

TOWNSHIP 13 NORTH, RANGE 3 EAST OF THE SECOND PRINCIPAL  
MERIDIAN, JOHNSON COUNTY, INDIANA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SOUTHEAST  
QUARTER SECTION; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS  
WEST (ASSUMED BEARING) ALONG THE NORTH LINE OF LAST SAID  
QUARTER SECTION 1695.58 FEET; THENCE SOUTH 01 DEGREES 00 MINUTES  
30 SECONDS EAST 690.00 FEET TO THE POINT OF BEGINNING OF THIS  
DESCRIBED TRACT; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS  
WEST 691.17 FEET; THENCE SOUTH 00 DEGREES 51 MINUTES 19 SECONDS  
EAST 1967.40 FEET; THENCE NORTH 89 DEGREES 58 MINUTES 26 SECONDS  
EAST 1009.53 FEET TO THE NORTHEAST CORNER OF THE NORTHEAST  
QUARTER OF SAID SECTION 12; THENCE SOUTH 00 DEGREES 54 MINUTES 26  
SECONDS EAST ALONG THE EAST LINE OF LAST SAID QUARTER SECTION  
1153.62 FEET; THENCE SOUTH 89 DEGREES 49 MINUTES 55 SECONDS WEST  
1693.33 FEET; THENCE NORTH 01 DEGREES 00 MINUTES 30 SECONDS WEST  
3125.65 FEET TO THE NORTH LINE OF SAID SOUTHEAST QUARTER SECTION  
TO THE POINT OF BEGINNING.

IN ALL, CONTAINING 214.55 ACRES MORE OR LESS SUBJECT TO ALL  
PERTINENT RIGHTS-OF-WAY EASEMENTS AND RESTRICTIONS.

EXHIBIT B

HEREBY DESCRIBED AS ANY LAND LYING WITHIN SECTION 1 AND  
SECTION 12, TOWNSHIP 13 NORTH, RANGE 3 EAST.

EXHIBIT "C"

BY-LAWS

OF

WOODFIELD HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME, PRINCIPAL OFFICE AND DEFINITIONS

Section 1.1. Name. The name of Association shall be Woodfield Homeowners Association, Inc. (Hereinafter sometimes referred to as the "Association").

Section 1.2. Principal Office. The principal office of the Association in the State of Indiana shall be located at such place in the State of Indiana as the Board of Directors of the Association shall determine from time to time.

Section 1.3. Definitions. The words used in these By-Laws shall have the same meaning as set forth in that the recorded Declaration of Covenants, Conditions and Restrictions for Woodfield, a subdivision located in Johnson County, Indiana (said Declaration, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), unless the context shall prohibit such meaning.

ARTICLE II

ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES

Section 2.1. Membership. The Association shall have two (2) classes of membership, Class A and Class B, as more fully set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

Section 2.2. Place of Meeting. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Voting Members as may be designated by the Board of Directors either within the Community or at a location as convenient thereto as possible and practical.

Section 2.3. Annual Meeting. The first meeting of the Association, whether a regular or special meeting, shall be held within sixty (60) days after termination of the Class B Control Period. Meeting shall be of the Members. Subsequent regular annual meetings shall be set by the Board so as to occur at least ninety (90) days before the close of the Association's fiscal year on a date and at a time set by the Board of Directors.

**Section 2.4. Special Meetings.** The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of the Board of Directors or upon a petition signed by Members representing at least twenty-five percent (25%) of the total Class A votes of the Association.

A notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

**Section 2.5. Notice of Meetings.** Written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid.

**Section 2.6. Waiver of Notice.** Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed a waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed a waiver of notice of all business transacted thereafter unless objection to the call or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

**Section 2.7. Adjournment of Meetings.** If any meeting of the Association cannot be held because a quorum (as set forth in Section 2.11) is not present, the Members who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. If a quorum is present at the reconvened meeting, any business which might have been transacted at the meeting originally called may be transacted without further notice. If for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

**Section 2.8. Voting.** The voting rights of the Members shall be as set forth in these By-Laws and the Declaration. A proposition submitted for a vote hereunder shall be approved if the number of votes cast for such proposition are equal to or greater than the required minimum percentage as set forth in the Declaration or these By-Laws, Section 2.10.

**Section 2.9. Proxies.** Members may vote by proxy but only upon a written proxy in a form prescribed by the Board.

Section 2.10. Majority. As used in these By-Laws, the term "majority" shall mean those votes, owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total number.

Section 2.11. Quorum. Except as otherwise provided in these By-Laws or in the Declaration, the presence in person of a majority of the Board of Directors representing the Association shall constitute a quorum at all meetings of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

Section 2.12. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 2.13. Action Without a Meeting. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Board Members, may be taken without a meeting if written consent setting forth the action so taken is signed by all of the Board Members entitled to vote with respect to the subject matter thereof, and any such consent shall have the same force and effect as a unanimous vote of the Board Members.

### ARTICLE III

#### BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS

##### A. Composition and Selection.

Section 3.1. Governing Body; Composition. The affairs of the association shall be governed by a Board of Directors, each of whom shall have one (1) vote. Except with respect to directors appointed by the Class B Member, the directors shall be Members or spouses of such Members; provided, however, no person and his or her spouse may serve on the Board at the same time.

Section 3.2. Directors During Class B Control. Subject to the provisions of Section 3.6 below, the directors shall be selected by the Class B Member acting in its sole discretion and shall serve at the pleasure of the Class B Member during the Class B Control Period as defined in Section 4.2(b) of the Declarations.

Section 3.3. Right to Disapprove Actions. This Section 3.3 may not be amended without the express, written consent of the Class B Member as long as the Class B membership exists.

As long as the Class B membership exists, the Class B member shall have a right to disapprove actions of the Board and any committee, as is more fully provided in this Section. This right shall be exercisable only by the Class B Member, its successors, and assigns who

specifically take this power in a recorded instrument. The right to disapprove shall be as follows:

No action authorized by the Board of Directors or any committee shall become effective, nor shall any action, policy, or program be implemented until and unless:

(a) The Class B Member shall have been given written notice of all meetings and proposed actions approved at meetings of the Board or any committee thereof by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Association, as it may change from time to time, which notice complies as to the Board of Directors meetings with Article III, Sections 3.8, 3.9, and 3.10 of these By-Laws and which notice shall, except in the case of the regular meetings held pursuant to the By-Laws, set forth in reasonable particularity the agenda to be followed at said meeting; and

(b) The Class B Member shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program to be implemented by the Board, any committee thereof, or the Association. The Class B Member, its representatives, or agents shall make its concerns, thoughts, and suggestions known to the members of the subject committee and/or the Board. The Class B Member shall have and is hereby granted a right to disapprove any such action, policy, or program authorized by the Board of Directors or any committee thereof if Board, committee, or Association approval is necessary for such action. This right may be exercised by the Class B Member, its representatives, or agents at any time within ten (10) days following the meeting held pursuant to the terms and provisions hereof by providing written notice of such disapproval to the Board of Directors or committee. This right to disapprove may be used to block proposed actions but shall not extend to the requiring of any action or counteraction on behalf of any committee or the Board or the Association. The Class B Member shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

Section 3.4. Number of Directors. The number of directors in the Association shall be five (5), except that during the Class B Control Period the number may be less than five (5) at the option of the Class B Member.

Section 3.5. Election and Term of Office. Notwithstanding any other provision contained herein:

(a) Within sixty (60) days after the time Class A Members, other than the Declarant or a builder holding title solely for purposes of development and sale, own seventy-five percent (75%) of the Lots on the Property or whenever the Class B Member earlier determines, the Association shall nominate and elect a Board of Directors at the annual meeting.

(b) Each director shall serve for a term of three (3) years. Notwithstanding the foregoing, the directors shall hold office until their respective successors have been elected. Directors may be elected to serve any number of consecutive terms.

c) There are to be two directors each from the Chateaux and Trails. The fifth director is "at large" and may be from the Trails, Chateaux or Estates neighborhood.

Section 3.6. Removal of Directors and Vacancies. Any director may be removed, with or without cause, by the majority vote of Members entitled to vote for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall then and there be elected by the Members entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of any assessment or other charge due the Association for more than thirty (30) days may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a director, a vacancy may be declared by the Board, and it may appoint a successor. Any director appointed by the Board shall serve for the remainder of the term of such director who is no longer serving.

#### B. Meetings.

Section 3.7. Annual Meetings. The first annual meeting of the Board of Directors shall be held within ten (10) days following each annual meeting of the membership. Such meeting shall be held at such time and place as shall be fixed by the Board. Subsequent regular annual meetings shall be set by the Board so as to occur at least thirty (30) days but not more than ninety (90) days before the close of the Association's fiscal year on a date and at a time set by the Board of Directors.

Section 3.8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority vote of the directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the time and place of the meeting shall be communicated to directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 3.9. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or by any three (3) directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods:

(a) by personal delivery;

(b) written notice by first class mail, postage prepaid; or

(c) by telephone communication, either directly or to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director.

All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery or telephone shall be delivered or telephoned at least seventy-two (72) hours before the time set for the meeting.

**Section 3.10. Waiver of Notice.** The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

**Section 3.11. Quorum of Board of Directors.** At all meetings of the Board of Directors, the directors representing a majority of the Total Vote shall constitute a quorum for the transaction of business. If any meeting of the Board cannot be held because a quorum is not present, the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

**Section 3.12. Compensation.** No director shall receive any compensation from the Association for acting as such unless approved by a majority of the Total Class A Vote of the Association at a regular or special meeting of the Association; provided any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors.

**Section 3.13. Conduct of Meetings.** The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of meetings of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings.

**Section 3.14. Action Without a Formal Meeting.** Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be

signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

Section 3.15. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do or cause to be done all acts and things as are not by the Declaration, Articles, or these By-Laws directed to be done and exercised exclusively by the membership generally.

The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these By-Laws, by the Declaration, or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to establish policies relating to, and shall be responsible for performing or causing to be performed, the following, by way of explanation, but not limitation:

(a) preparation and adoption, in accordance with the Declaration, of annual budgets in which there shall be established the contribution by each Owner to the Common Expenses and any other expenses provided for in the Declaration;

(b) making assessments to defray the Common Expenses and other expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment; provided, unless otherwise determined by the Board of Directors, the annual assessment for each Lot's proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month;

(c) providing for the operation, care, upkeep, and maintenance of all of the Areas of Common Responsibility;

(d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, operation, repair, and replacement of its property and the Areas of Common Responsibility, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which shall approve, and using the proceeds to operate the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;

- (f) making and amending rules and regulations;
- (g) opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Areas of Common Responsibility in accordance with the other provisions of the Declaration and these By-Laws after damage or destruction by fire or other casualty;
- (i) enforcing by legal means the provision of the Declaration, these By-Laws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Members concerning the Association;
- (j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium costs thereof;
- (k) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Members;
- (l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;
- (m) making available to any prospective purchaser of a Lot, any Owner of a Lot, any first Mortgagee, and the holders, insurers, and guarantors of a first Mortgage on any Lot, current copies of the Declaration, the Articles of Incorporation, the By-Laws, rules governing the Lot and all other books, records, and financial statements of the Association; and
- (n) permitting utility suppliers to use portions of the Common Areas reasonably necessary to the ongoing development or operation of the Property.

**Section 3.16. Management.** The Board of Directors may employ for the Association a professional management agent or agent at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these By-Laws, other than the powers set forth in subparagraphs (a), (b), (f), (g), and (i) of Section 3.15 of this Article. The Developer, or an affiliate of the Developer, may be employed as managing agent or manager.

**Section 3.17. Borrowing.** The Board of Directors shall have the power to borrow money for the purpose of maintenance, repair, or restoration of the Areas of Common Responsibility without the approval of the Members of the Association except as provided in the Declaration. The Board shall also have the power to borrow money for other purposes; provided, the Board shall obtain approval in the same manner provided in Article VIII, Section 8.4, of the Declaration for Special Assessments in the event that the proposed

borrowing is for the purpose of modifying, improving, or adding amenities and total amount of such borrowing exceeds or would exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. Notwithstanding anything to the contrary contained in the Declaration, these By-Laws, or the Articles of Incorporation, during the Class B Control Period, no Mortgage lien shall be placed on any portion of the Common Areas without the affirmative vote or written consent, or any combination thereof, of Voting Members representing at least a majority of the Total Vote.

**Section 3.18. Rights of the Association.** With respect to the Areas of Common Responsibility and in accordance with the Articles of Incorporation and the Declaration, the Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, and other owner associations, both within and without the community. Such agreements shall require the consent of majority of all directors of the Association.

The Association shall not be bound, either directly or indirectly, by any management contract executed during the Class B Control Period unless such contract contains a right of termination exercisable by either party without penalty at anytime, with or without cause, upon not more than ninety (90) days notice to the other party.

**Section 3.19. Enforcement.**

(a) Upon the violation by any Owner or occupant of the Declaration, these By-Laws, or any rules and regulations duly adopted hereunder, the Board shall have the power, after fifteen (15) days written notice to an Owner or occupant of said violation, and failure by said Owner or occupant to cure the violation: (1) to cause the Association to correct the violation at its own cost and expense (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations), which said cost and expense shall constitute a continuing lien upon the Lot of the Owner or occupant who is guilty of such violation; (2) to suspend an Owner's right to vote in the Association; or (3) to suspend an Owner's right (and the right of such Owner's family, guest, and tenants) to use any recreational facilities located in the Common Areas.

The Board shall have the power to impose all or any combination of these sanctions. An Owner shall be subject to the foregoing sanction in the event of such a violation by such Owner, his family, guest, or tenants. Any such suspension of rights may be for the duration of the infraction and/or any additional period thereafter, not to exceed thirty (30) days per violation.

(b) Notwithstanding subsection (a) above, a violation or threatened violation of any of the covenants and restrictions contained in the Declaration and the provisions contained in the Articles of Incorporation and these By-Laws, or any rules and regulations adopted hereunder, shall be grounds for an action at law or equity instituted by the Association, acting through its Board of Directors, against any person violating or threatening to violate any such covenant, restriction, rule, or regulation. Available relief in any such action shall include the recovery

of damages; injunctive relief, either to restrain the violation or threatened violation or to compel compliance with the covenants, restrictions, rules, and regulations; declaratory relief, the enforcement of any lien created by the covenants, restrictions, rules, or regulations, and the recovery of costs and attorneys' fees incurred by any party successfully enforcing such covenants, restrictions, rules, or regulations. Failure by the Association to enforce any covenant, restriction, rule, or regulation shall in no event be deemed a waiver of the right to do so thereafter; provided, however, that no action shall be brought against the Association for failing to enforce or carry out any such covenants, restrictions, rules, or regulations.

## ARTICLE IV

### OFFICERS

**Section 4.1. Officers.** The officers of the Association shall be a President, Vice President, Secretary, and Treasurer, to be elected from among the members of the Board. The Board of Directors may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority to perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person.

**Section 4.2. Election, Term of Office, and Vacancies.** The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

**Section 4.3. Removal.** An officer may be removed by a majority vote of the Board of Directors whenever in its judgment the best interests of the Association will be served thereby.

**Section 4.4. Powers and Duties.** The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Vice President shall perform the duties of the President when the President is unable to perform such duties. The Secretary shall have the care and custody of the corporate records, shall attend all meetings of the Board and shall keep, or cause to be kept in a book provided for such purpose, a true and complete record of the proceedings of such meetings when required. He shall also attend to the giving and serving of all notices of the Association. The Treasurer shall have primary responsibility for the care and investment of the Association's funds and for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 4.5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.6. Agreements, Contracts, Deeds, Leases, Checks. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

## ARTICLE V

### COMMITTEES

Section 5.1. General. Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority vote of the directors. Each committee shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

## ARTICLE VI

### MISCELLANEOUS

Section 6.1. Fiscal Year. The fiscal year of the Association shall be set by resolution of the Board of Directors. In the absence of a resolution, the fiscal year shall be the calendar year.

Section 6.2. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Indiana law, the Articles of Incorporation, the Declaration, or these By-Laws.

Section 6.3. Conflicts. If there are conflicts between the provisions of Indiana law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of Indiana law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

Section 6.4. Books and Records.

(a) Inspection by Members and Mortgages. The Declaration, By-Laws, Articles of Incorporation, and any amendments to the foregoing, the rules and regulations of the Association, the membership register, books of account, and minutes of meetings of the

Members, the Board, and committees shall be made available for inspection and copying (at a reasonable cost) by any holder, insurer, or guarantor of a first Mortgage on a Lot, Member of the Association, or by the duly appointed representative of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in the Lot at the office of the Association or at such other place within the Property as the Board shall prescribe.

(b) Rules for Inspection. The Board shall establish reasonable rules with respect to:

- (i) notice to be given to the custodian of the records;
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the cost of reproducing copies of documents requested.

(c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and a copy of relevant documents at the expense of the Association, such expense to be reasonable.

Section 6.5. Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class, postage prepaid:

(a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been substituted, at the address of the Lot of such member, or

(b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as may be designated by notice in writing to the Members pursuant to this Section.

Section 6.6. Amendment. Prior to the conveyance of the first Lot, Developer may unilaterally amend these By-Laws. After such conveyance, the Developer may unilaterally amend these By-Laws at any time and from time to time if such amendment is (a) necessary to bring any provision hereof into compliance with any applicable governmental statutes, rules, or regulations, or judicial determination; (b) necessary to enable any reputable title insurance company to issue title insurance coverage on the Lots and the Dwellings; (c) required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots and the Dwellings; or (d) necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Lots; provided, however, any such amendment shall not adversely affect the title to any Lot unless the Owner shall consent thereto in writing. Additionally, so long as it still owns Property, the Developer may

unilaterally amend these By-Laws for any other purpose, provided the amendment has no material adverse effect upon any rights of any Owner.

Thereafter and otherwise, these By-Laws may be amended upon the affirmative vote or written consent of Members representing two-thirds (2/3) of the Total Votes in the Association, and the consent of the Class B Member, so long as such membership exists. In addition, the approval requirements set forth in Article XIII of the Declaration shall be met, if applicable. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than prescribed percentage of affirmative votes required for action to be taken in that clause.