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DECLARATION OF COVENANTS AND RESTRICTIONS

OF

BRADFORD PLACE

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DECLARATION OF COVENANTS AND RESTRICTIONS OF
BRADFORD PLACE

THIS DECLARATION made this 31st day of March 1995, by BRADFORD DEVELOPMENT CORPORATION, an Indiana corporation ("Declarant")

W I T N E S S E T H :

WHEREAS, the following facts are true:

A. Declarant is the sole owner in fee simple title to certain real estate located in Johnson County, Indiana, more particularly described in the attached Exhibit A, which is incorporated herein by reference (hereinafter referred to as the "Real Estate").

B. Declarant by execution of this Declaration assures that all properties which are conveyed which are a part of the Real Estate shall be conveyed subject to the terms and conditions of this Declaration, which shall run with the Real Estate and be binding upon all parties having any right, title or interest in the Real Estate, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner.

NOW, THEREFORE, Declarant hereby makes this Declaration as follows

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

(a) "Additional Real Estate" means any real estate now owned or hereafter acquired by Declarant adjoining the Real Estate and made subject to this Declaration.

(b) "Applicable Date" means the date determined pursuant to paragraph 9 of this Declaration.

(c) "Articles" or "Articles of Incorporation" means the Articles of Incorporation of the Association, as hereinafter defined, filed, or to be filed, with the Office of the Secretary of State of Indiana, as the same are or hereafter may be amended from time to time. The Articles of Incorporation are incorporated herein by reference

(d) "Association" means the Bradford Place Homeowners Association, Inc., a formed or to-be-formed Indiana nonprofit corporation, its successors and assigns, whose members shall be the Owners of Lots, or appointees as provided in Paragraph 9 of this Declaration, such Association being more particularly described in Paragraphs 9 and 10 of this Declaration.

(e) "Board of Directors" or "Board" means the governing body of the Association elected by the Members in accordance with the By-Laws of the Association.

(f) "Bradford Place" means the name by which the Real Estate, as described in Paragraph A above, which is the subject of this Declaration, and which the Association manages, shall be known.

(g) "Builder" means an Owner that has acquired a Lot for the purpose of constructing a building thereon for sale to another person, except to the extent the Builder owns the Lot for a period of longer than six (6) months.

(h) "Building" means any one of the separated structures which has one Dwelling Unit.

(i) "By-Laws" shall mean the By-Laws of the Association and shall provide for the election of directors and officers and other governing officials of the Association. A copy of the By-Laws is incorporated herein by reference.

(j) "Common Area" means those portions of the Real Estate, if any, designated on the Final Plat as Common Area (including any Wetland Common Area) and which are for the use, benefit and enjoyment of all Owners.

(k) "Common Expense" means expenses for administration of the Association and expenses for the upkeep, maintenance, repair and replacement of the Common Area, with the exception of the Entrance Area, as herein defined, and all sums lawfully assessed against the Members of the Association.

(l) "Declarant" shall mean and refer to Bradford Development Corporation, an Indiana corporation, and its successors and assigns as a declarant.

(m) "Dwelling Unit" means one of the living units located upon a Lot.

(n) "Final Plat" means any plat or plats of the Real Estate, including the plat prepared by Major Land Surveying, Inc., certified by a registered land surveyor, under date of Mar. 27, 1995, and recorded in the Office of the Recorder of Johnson County, Indiana, as Instrument No. 95005798, and any subsequently prepared plat or plats recorded in the office of the Recorder of Johnson County, Indiana.

(o) "Lot" means any plot of ground designated as such upon any recorded Final Plat of Bradford Place or any part thereof and upon which one (1) Dwelling Unit is constructed, is to be constructed or has existed. When Lot is used it shall be deemed to include the Dwelling Unit, if any, located thereon.

(p) "Member" means a member of the Association.

(q) "Mortgagee" means the holder of a first mortgage lien on a Lot.

(r) "Owner" means a person, firm, corporation, partnership, association, limited liability company, trust or other legal entity, or any combination thereof, who owns the fee simple title to a Lot, but excluding any party holding the fee simple title merely as security for the performance of an obligation specifically indicated to the contrary..

(s) "Bradford Place Homeowners Association" means the association or entity designated in the Declaration and responsible for the ownership and maintenance of the Common Area.

(t) "Real Estate" means the real estate described in Paragraph A above and any additions annexed thereto for which a Final Plat has been or will be recorded in the Office of the Recorder of Johnson County, Indiana, pursuant to this Declaration, as amended or supplemented.

2. Declaration. Declarant hereby expressly declares that the Real Estate shall be held, conveyed and transferred in accordance with the provisions of this Declaration.

3. Description of Bradford Place. Bradford Place consists of two sections having a total of one hundred ten (110) lots numbered 1 through 110 inclusive and the Common Area as designated on any Final Plat . The Common Area and the size of the Lots are as designated on such Final Plat (s). The legal description for each Lot in Bradford Place shall be as follows:

Lot ___ in Bradford Place, Section 1, a subdivision in Johnson County, Indiana, as per the plat thereof which plat was recorded April 27,, 1995 as Instrument Number 95005798, in the Office of the Recorder of Johnson County, Indiana.

4. Lots. The boundaries of each Lot in Bradford Place shall be as shown on the Final Plat .

5. Common Area. The Common Area shall be, subject to the rights granted to public utilities under the Final Plat for the common use and enjoyment of the Members, as provided herein, but not for use by the general public.

6. Owners' Easements of Enjoyment of Common Area. Every Owner shall have a non-exclusive right and easement of enjoyment, in common with all Owners, in and to the Common Area, which right and easement shall be appurtenant to and shall pass with title to every Lot. The use and enjoyment of any Wetland Common Area shall at all times be subject to applicable laws and regulations pertaining to wetlands, including, but not limited to, Clean Water Act 33 USC § 1251 et seq. and the conditions of any permit granted with respect thereto. No Owner or delegee of Owner shall create or cause to create any adverse impact upon such Wetland Common Area in violation of applicable laws or regulations.

7. Delegation of Use of the Common Area. Any Member may delegate, in accordance with the By-Laws and any reasonable and non-discriminatory rules and regulations promulgated from time to time by the Association, such Member's right of enjoyment and use of the Common Area to family members, guests, tenants or contract purchasers who reside on any Lot.

8. Conveyance of Common Areas. Upon final completion of The Common Areas, Developer shall convey all of its right, title and interest in and to such areas to the Association by quitclaim deed, and such areas shall then be the property of the Association, provided, however, that the conveyance of any Wetland Common Area shall be subject to the obligations of the Declarant or officer of Declarant with respect to the Wetland Common Areas under any permits, laws or regulations with respect thereto and Declarant or officer of Declarant shall be permitted to enter upon the Wetland Common Area to perform such obligations.

9. Association; Membership; Voting; Functions.

(a) Membership in Association. The person who serves as incorporator of the Association shall be the initial member (the "Initial Member"). Declarant and each Owner of a Lot which is subject to assessment shall, automatically upon becoming an Owner, be and become a Member of the Association and shall remain a Member until such time as his ownership of a Lot ceases. Membership shall terminate when any Owner ceases to be an Owner, and membership will transfer to the new Owner of the Lot; provided, however, that any person or entity who holds the interest of an Owner in a Lot merely as security for the performance of an obligation shall not be a Member until and unless such person or entity realizes upon its security, at which time such person or entity shall automatically be and become an Owner and a Member of the Association.

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

(i) Class A. Class A Members shall be all Owners except Class B Members. Each Class A Member, except any Class A Member which is a Builder (which shall have no voting rights), shall be entitled to one (1) vote for each Lot of which such Member is the Owner with respect to each matter submitted to a vote of Members upon which the Class A Members are entitled to vote. When more than one (1) person constitutes the Owner of a particular Lot, all such persons shall be Members of the Association, but all of such persons shall have only one (1) vote for such Lot, which vote shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Lot.

(ii) Class B. Class B Members shall be Declarant and all successors and assigns of Declarant designated by Declarant as Class B Members in a written notice mailed or delivered to the resident agent of the Association. Each

Class B Member shall be entitled to three (3) votes for each Lot of which it is the Owner on all matters requiring a vote of the Members of the Association. The Class B membership shall cease and terminate upon the Applicable Date, which shall be the first to occur of (i) the date upon which the written resignation of the Class B Members as such is delivered to the resident agent of the Association, (ii) when the total number of votes outstanding in the Class A membership is equal to or exceeds the total number of votes outstanding in the Class B membership, or (iii) December 31, 2000.

(c) Functions. The Association has been or will be formed for the purpose of providing for the maintenance, repair, upkeep, replacement, administration, operation and ownership of the Common Area, if any.

10. Board of Directors.

(a) Management. The business and affairs of the Association shall be governed and managed by the Board of Directors. No person shall be eligible to serve as a member of the Board of Directors unless such person is, or is deemed in accordance with this Declaration to be, an Owner, including a person appointed by Declarant as provided in subparagraph (b) of this Paragraph 10.

(b) Initial Board of Directors. The Initial Board of Directors shall be composed of three individuals (herein referred to as the "Initial Board"), all of whom have been or shall be appointed by Declarant. Notwithstanding anything to the contrary contained in this Paragraph 10 or any other provisions of this Declaration, the Articles or the By-Laws (i) the Initial Board shall hold office until the Applicable Date, and (ii) in the event of any vacancy or vacancies occurring in the Initial Board for any reason or cause whatsoever prior to the Applicable Date, determined as provided above, every such vacancy shall be filled by a person appointed by Declarant, who shall thereafter be deemed a member of the Initial Board. Each person serving on the Initial Board, whether as an original member thereof or as a member thereof appointed by Declarant to fill a vacancy, shall be deemed a Member of the Association and an Owner solely for the purpose of qualifying to act as a member of the Board of Directors and for no other purpose. No such person serving on the Initial Board shall be deemed or considered a Member of the Association nor an Owner of a Lot for any other purpose (unless he is actually the Owner of a Lot and thereby a Member of the Association).

(c) Additional Qualifications. If an Owner consists of more than one person or is a partnership, corporation, trust or other legal entity, then one of the persons constituting the multiple Owner, or a partner, an officer or trustee, respectively, shall be eligible to serve on the Board of Directors, except that no single Lot or Dwelling Unit may be represented on the Board of Directors by more than one person at a time.

(d) Term of Office and Vacancy. Subject to the provisions of subparagraph (b) of this Paragraph 10, one (1) member of the Board of Directors shall be elected at each annual meeting of the Association. The Initial Board shall be deemed to be elected and re-elected as the Board of Directors at each annual meeting until the Applicable Date provided herein. After the Applicable Date, each member of the Board of Directors shall be elected for a term of three (3) years, except that at the first election after the Applicable Date one member of the Board of Directors shall be elected for a three (3) year term one for a two (2) year term and one for a one (1) year term so that the terms of one-third (1/3) of the members of the Board shall expire annually. There shall be separate nominations for the office of each member of the Board to be elected at such first election after the Applicable Date. Each Director shall hold office throughout the elected term and until a successor is elected and qualified. Subject to the provisions of subparagraph (b) of this Paragraph 10 as to the Initial Board, any vacancy or vacancies occurring in the Board shall be filled by a vote of a majority of the remaining members of the Board or by vote of the Owners if a Director is removed in accordance with subparagraph (e) of this Paragraph 10. The Director so filling a vacancy shall serve until the next annual meeting of the members and until his successor is elected and qualified. At the first annual meeting following any such vacancy, a Director shall be elected for the balance of the term of the Director so removed or in respect to whom there has otherwise been a vacancy.

(e) Removal of Directors. A Director or Directors, except the members of the Initial Board, may be removed with or without cause by vote of a majority of the votes entitled to be cast at a special meeting of the Owners duly called and constituted for such purpose. In such case, a successor or successors shall be elected at the same meeting from eligible Owners nominated at the meeting. The Director or Directors so elected shall serve until the next annual meeting of the Owners and until a successor or successors is duly elected and qualified.

(f) Duties of the Board of Directors. The Board of Directors shall be the governing body of the Association representing all of the Owners and be responsible for the functions and duties of the Association, including, but not limited to, providing for the administration of the Real Estate, the management, maintenance, repair, upkeep and replacement of the Common Area (unless the same are otherwise the responsibility or duty of Owners), and the collection and disbursement of the Common Expenses. The Board may, on behalf of the Association, employ a reputable and recognized professional property management agent (herein called the "Managing Agent") upon such terms as the Board shall find, in its discretion, reasonable and customary, provided any such management agreement shall be for a term of three (3) years or less and shall provide that any such agreement may be terminated by the Managing Agent upon ninety (90) days written notice to the Association, and by the Association upon thirty (30) days written notice to the Managing Agent. The Managing Agent, if one is employed, shall assist the Board in carrying out its duties, which include, but are not limited to:

(i) repair, maintenance, protection and surveillance of the Common Area, provided, however, this duty shall not include or be deemed or interpreted as a requirement that the Association, the Board or any Managing Agent must provide any on-site or roving guards, security service or security system for protection or surveillance, and the same need not be furnished;

(ii) snow removal, street cleaning or other street maintenance responsibilities that are not required to be performed by a governmental agency;

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

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

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

(vi) keeping a current, accurate and detailed record of receipts and expenditures affecting the business and affairs of the Association, specifying and itemizing the Common Expenses; all records and vouchers (including current copies of the Declaration, Articles of Incorporation, By-Laws and Rules) shall be available for examination by an Owner, Mortgagee, insurer or guarantor of a first mortgage at any time during normal business hours;

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

(viii) furnishing, upon request of any Mortgagee, insurer or guarantor of first mortgage, an audited financial statement for the immediately preceding fiscal year;

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

(i) to employ a Managing Agent to assist the Board in performing its duties;

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

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

(iv) to employ, designate, discharge and remove such personnel as in the judgment of the Board of Directors may be necessary for the Board of Directors to perform its duties;

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

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

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

(h) Limitation on Board Action. After the Applicable Date, the authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than \$2,500.00 without the Board amending the budget, after notice to (but not approval of) the Owners, except that in the following cases such amendment and notice shall not be necessary:

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

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

(i) Compensation. No Director shall receive any compensation for such person's services as such except to such extent as may be expressly authorized by a majority vote of the Owners. The Managing Agent, if any is employed, shall be entitled

to reasonable compensation for its services, the cost of which shall be a Common Expense.

(j) Non-Liability of Directors. The Directors shall not be liable to the Owners or any other persons for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith or gross negligence. To the extent permitted by law, the Association shall indemnify and hold harmless and defend each of the Directors against any and all liability to any person, firm or corporation arising out of contracts made by the Board on behalf of the Association, unless any such contract shall have been made in bad faith. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Association.

(k) Additional Indemnity of Directors. The Association shall indemnify, hold harmless and defend the Directors as provided in the Articles of Incorporation of the Association.

(l) Bond. The Board of Directors may provide blanket fidelity bonds for the Managing Agent (if any), the treasurer of the Association, and such other officers or directors of the Association that handle or are responsible for funds indemnifying the Association against larceny, theft, embezzlement, forgery, misappropriation, wrongful abstraction, willful misapplication, and other acts of fraud or dishonesty, in such sums and with such sureties as may be approved by the Board of Directors (provided, however, in no event shall the aggregate amount of the bond be less than a sum equal to three (3) months aggregate assessments on all Dwelling Units) and any such bond shall specifically include protection for any insurance proceeds received for any reason by the Board. Fidelity bonds shall name the Association as an obligee and shall contain waivers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. Such bonds shall provide that they may not be canceled or substantially modified for any reason without at least ten (10) days prior written notice to the Association. The expense of any such bonds shall be a Common Expense.

11. Initial Management. The Board of Directors has entered or may hereafter enter into a management agreement with Declarant or with a corporation or other entity affiliated with Declarant or designated by Declarant for a term not to exceed three (3) years with Declarant having the right to terminate upon ninety (90) days' notice and the Association having the right to terminate upon thirty (30) days' notice under which Declarant (or such other corporation or entity as appropriate) will provide supervision, management and maintenance of the Common Area, and in general perform all of the duties and obligations of the Association. Such management agreement may be renewed by the parties for additional terms of three (3) or less years or a new management agreement with different parties may be executed under similar terms and conditions. Any management agreement is or will be subject to termination by Declarant (or such other corporation or entity as appropriate) at any time prior to expiration of

its term, in which event the Association shall thereupon and thereafter resume performance of all of its duties and obligations. Notwithstanding anything to the contrary contained herein, so long as a management agreement between the Association and Declarant (or such other corporation or entity as appropriate) is in effect, Declarant (or such other corporation or entity as appropriate) shall have and Declarant hereby reserves to itself (or such other corporation or entity as appropriate), the exclusive right to manage the Real Estate and perform all the functions of the Association.

12. Real Estate Taxes. Real estate taxes are to be separately assessed and taxed to each Lot. Any real estate taxes or other assessments which are chargeable against the Common Area shall be paid by the Association and treated as a Common Expense.

13. Utilities. Utilities serving the Common Areas shall be treated as and paid as part of the Common Expense unless otherwise determined by the Association.

14. Maintenance, Repairs and Replacements. Maintenance, repairs, replacements and upkeep of the Common Area shall be furnished by the Association, as a part of its duties, and the cost thereof shall constitute a part of the Common Expenses. In addition to the maintenance of the Common Areas, the Association, as part of its duties, and as part of the Common Expenses, shall provide for maintenance of the storm water drainage system for the Real Estate, including but not limited to, the maintenance of all lakes, inlets, open ditches, pipes, swales, manholes and detention ponds. The cost and expenses of such maintenance of the storm water drainage system shall be assessed as part of the general assessment against the Owners as provided in the Declaration and shall be secured by a lien against all lots in the Real Estate. Sump pumps, gravity drains and all other drains serving individual residents on Lots shall outfall only into drainage swales included in the storm water drainage system for the Real Estate.

15. Architectural Control.

(a) The Architectural Review Board. As a standing committee of the Association, there shall be, and hereby is, established an Architectural Review Board consisting of three (3) or more persons as may, from time to time, be provided in the By-Laws. Until the Applicable Date, the Architectural Review Board shall be the Initial Board of Directors, which may delegate its responsibilities to one or more of such Directors. After the Applicable Date, the Architectural Review Board shall be appointed by the Board of Directors or if not so appointed the Architectural Review Board shall be the same as the Board of Directors.

(b) Purposes. The Architectural Review Board shall regulate the external design, appearance, use, location and maintenance of residences, structures or other improvements on the Real Estate in such manner as to preserve and enhance values and to maintain a harmonious relationship among structures, improvements and the natural vegetation and topography.

(c) Conditions. No dwelling unit, building, structure, fence, wall or other improvement shall be commenced, erected, maintained, improved, altered, made or done on any Lot without the prior written approval of the Architectural Review Board.

(d) Procedures. A decision of the Architectural Review Board (if a different board than the Board of Directors) may be appealed to the Board of Directors which may reverse or modify such decision by at least two-thirds (2/3) vote of the Directors then serving. The Architectural Review Board may establish committees consisting of two (2) or more of its members, which committees shall exercise such powers of the Board as may be delegated to them.

(e) Liability of Committee. Neither the Architectural Review Board, Declarant, the Association nor any agent of any of the foregoing shall be responsible in any way for any defects in any plans, specifications or other materials submitted to it, nor for any defects in any work done according thereto.

(f) Inspection. The Architectural Review Board may inspect work being performed to assure compliance with this Declaration and the materials submitted to it pursuant to this Paragraph 15. However, no such inspection, or failure to inspect, by the Architectural Review Board shall result in any liability on the part of the Architectural Review Board, nor shall the Owner be relieved of any obligation to painting, construction or improvements in accordance with the approved plans therefor.

(g) Non-Application to Declarant. Notwithstanding the provisions of this Paragraph 15 or any other provisions of this Declaration requiring the approval of the Architectural Review Board, Declarant and any entity related to Declarant shall not be required to apply for or secure the approval of the Architectural Review Board in connection with any construction, installation, painting or repainting by Declarant, or any entity related to Declarant of any residence, building, structure, or other improvement on the Real Estate or the installation or removal of any trees, shrubs or other landscaping on the Real Estate.

16. Assessments.

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

(b) Proposed Annual Budget. Annually, before the date of the annual meeting of the Association, the Board of Directors shall cause to be prepared a proposed annual budget for the next fiscal year estimating the total amount of the Common Expenses for the next fiscal year and shall furnish a copy of such proposed budget to each Owner at

or prior to the time the notice of such annual meeting is mailed or delivered to such Owners. The annual budget shall be submitted to the Owners at the annual meeting of the Association for adoption and, if so adopted, shall be the basis for the Regular Assessments (hereinafter defined) for the next fiscal year. At the annual meeting of the Owners, the budget may be approved in whole or in part or may be amended in whole or in part by a majority vote of the Owners; provided, however, that in no event shall the annual meeting of the Owners be adjourned until an annual budget, either the proposed annual budget or the proposed annual budget as amended, is approved and adopted at such meeting.

The annual budget and the Regular Assessments shall, in addition, be established to include the creation and maintenance of a replacement reserve fund for capital expenditures and replacement and repair of the Common Area which replacement reserve fund shall be used for those purposes and not for usual and ordinary repair expenses. Such replacement reserve fund for capital expenditures and replacement and repair of the Common Area shall be maintained by the Association in a separate interest bearing account or accounts with one or more banks or savings and loan associations authorized to conduct business in Johnson County, Indiana selected from time to time by the Board.

The failure or delay of the Board of Directors to prepare a proposed annual budget and to furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner of the obligations of the Owners to pay the Common Expenses as herein provided, whenever determined. Whenever, whether before or after the annual meeting of the Association, there is no annual budget approved by the Owners as herein provided for such next fiscal year, the Owners shall continue to pay Regular Assessments based upon the last approved budget or, at the option of the Board, based upon one hundred and ten percent (110%) of such last approved budget, as a temporary budget.

(c) Regular Assessments. The annual budget as adopted by the Owners shall, based on the estimated cash requirement for the Common Expenses in the next fiscal year as set forth in said budget, contain a proposed assessment against each Lot, which shall be the same amount for each Lot. Immediately following the adoption of the annual budget, each Owner shall be given written notice of such assessment against such Owner's Lot (herein called the "Regular Assessment"). In the event the Regular Assessment for a particular fiscal year is initially based upon a temporary budget, such Regular Assessment shall be revised, within fifteen (15) days following adoption of the final annual budget by the Owners, to reflect the assessment against each Lot based upon such annual budget as finally adopted by the Owners. The aggregate amount of the Regular Assessments shall be equal to the total amount of expenses provided and included in the final annual budget, including reserve funds as hereinabove provided. The Regular Assessment against each Lot shall be paid in advance in equal monthly installments commencing on the first day of the first month of each fiscal year and monthly thereafter through and including the first day of the last month of such fiscal year. Payment of the monthly installments of the Regular Assessment shall be made to

the Board of Directors or the Managing Agent, as directed by the Board of Directors; provided, however, Owners may elect to pay assessments quarterly, semi-annually or annually in advance. In the event the Regular Assessment for a particular fiscal year of the Association was initially based upon a temporary budget, then the following shall apply:

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

(ii) if the Regular Assessment based upon the temporary budget exceeds the Regular Assessment based upon the final annual budget adopted by the Owners, such excess shall be credited against the next payment or payments of the Regular Assessment coming due, until the entire amount of such excess has been so credited;

provided, however, that if an Owner had paid his Regular Assessment either quarterly, semi-annually or annually in advance, then the adjustments set forth under (i) or (ii) above shall be made by a cash payment by, or refund to, the Owner on the first day of the second month following the determination of the Regular Assessment based upon the annual budget finally adopted by the Owners.

The Regular Assessment for the current fiscal year of the Association shall become a lien on each separate Lot subject to assessment as of the first day of each fiscal year of the Association, even though the final determination of the amount of such Regular Assessment may not have been made by that date. The fact that an Owner has paid his Regular Assessment for the current fiscal year in whole or in part based upon a temporary budget and thereafter, before the annual budget and Regular Assessment are finally determined, approved and adjusted as herein provided, sells, conveys or transfers his Lot or any interest therein, shall not relieve or release such Owner or his successor as Owner of such Lot from payment of the Regular Assessment for such Lot as finally determined, and such Owner and his successor as Owner of such Lot shall be jointly and severally liable for the Regular Assessment as finally determined. Any statement of unpaid assessments furnished by the Association prior to the final determination and adoption of the annual budget and Regular Assessment for the year in which such statement is made shall state that the matters set forth therein are subject to adjustment upon determination and adoption of the final budget and Regular Assessment for such year, and all parties to whom any such statement may be delivered or who may rely thereon shall be bound by such final determinations. Monthly installments of Regular Assessments shall be due and payable automatically on their respective due dates without any notice from the Board or

Association, and neither the Board nor the Association shall be responsible for providing any notice or statements to Owners for the same.

(d) Special Assessments. From time to time Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time and provided that any such assessment shall have the assent of two-thirds (2/3rds) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, and further provided that the Declarant shall not be any Owner's agent, attorney-in-fact or proxy in this vote pursuant to the third sentence of Paragraph 10(b) of this Declaration, the Board of Directors shall have the full right, power and authority to make special assessments which, upon resolution of the Board, shall become a lien on each Lot, prorated in equal shares except as hereinbefore provided with respect to Owners of Lots in the Real Estate and Additional Real Estate (herein called "Special Assessment"). Without limiting the generality of the foregoing provisions, Special Assessments may be made by the Board of Directors from time to time to pay for capital expenditures, operating deficits and to pay for the cost of any repair or reconstruction of damage caused by fire or other casualty or disaster to the extent insurance proceeds are insufficient therefor under the circumstances described in this Declaration.

(e) Regular Assessments Prior to the Applicable Date. During the period that Dwelling Units are being constructed within the Real Estate or any Additional Real Estate, it is difficult to accurately allocate the Common Expenses to the individual Lots. The purpose of this section is to provide the method for the payment of the Common Expenses during the period prior to the Applicable Date to enable the Association to perform its duties and functions. Accordingly and notwithstanding any other provision contained in the Declaration, the Articles or the By-Laws or otherwise, prior to the Applicable Date, the annual budget and all Regular Assessments and Special Assessments shall be established by the Initial Board without any meeting or concurrence of the Owners; provided, however, the Regular Assessments shall be determined in accordance with the provisions contained in this Paragraph 16.

The Association will enter into a management agreement with Declarant (or a corporation or other entity designated by Declarant) (hereinafter referred to as "Management Agent" or "Managing Agent") in accordance with the provisions of Paragraph 10(f) of this Declaration. So long as such management agreement (or similar agreement) remains in effect, the Common Expenses or Regular Assessments shall be paid by Owners to Management Agent. Declarant shall guarantee that until the earlier of (1) the termination of said Management Agreement or (2) January 1, 1996, the monthly Regular Assessment (excluding any amount assessed by Bradford Place Homeowners' Association, Inc.) shall not exceed Ten Dollars (\$10.00) (the "Guaranteed Charge"). After January 1, 1996, (assuming that said management agreement or similar agreement is still in effect) and so long thereafter as said management agreement (or similar agreement) remains in effect and Management Agent continues to perform such functions, Declarant guarantees that the monthly Regular Assessment shall not exceed the amount of the Guaranteed Charge plus a maximum of a fifteen percent (15%) increase in the Guaranteed

Charge for each year. Such adjustment to the Guaranteed Charge (up to a 15% increase as determined by the Board) shall be made annually on January 1 of each year so long as said management agreement remains in effect and Management Agent continues to perform such functions. Such monthly charge during such guaranteed period shall entirely defray the Owner's obligation for such Owner's share of Common Expenses, or shall be the Owner's entire Regular Assessment. Declarant shall be responsible for any deficit during such guaranteed period; provided, however, that this guarantee is not intended to include, and does not include, major physical alterations or other unusual expenditures not ordinarily anticipated in normal maintenance operations. Such expenditures would be covered through Special Assessments or, if sufficient, the Replacement Reserve Fund.

At least fifteen percent (15%) of the Regular Assessment (excluding any amount assessed by Bradford Place Homeowners Association, Inc.) shall be designated as a reserve fund for maintenance, repairs or replacement of any Common Areas that must be repaired and replaced on a periodic basis.

That portion of the Regular Assessment collected by Declarant prior to the Applicable Date applicable to the replacement reserve shall be held by the Initial Board and, if required, applied to the replacement of Common Areas. To the extent that such replacement reserve is not so applied, the balance thereof shall be retained by the Association at the Applicable Date.

Payment of the Regular Assessment prior to the Applicable Date with respect to each Lot (that is not owned by Declarant) shall commence on the date of conveyance by Declarant to such new owner. The first payment shall be payable on the date of conveyance prorated to the first day of the calendar month next ensuing. Thereafter, payment of the Regular Assessment shall be paid the first day of each calendar month during the period prior to the Applicable Date.

Each Owner hereby authorizes the Association and the Board of Directors and its officers to enter into the aforesaid management agreement described in Paragraph 16(e) of this Declaration and to adhere to and abide by the same.

(f) Failure of Owner to Pay Assessments. No Owner may exempt itself from paying Regular Assessments or Special Assessments, or from contributing toward the Common Expenses or toward any other expense lawfully agreed upon by waiver of the use or enjoyment of the Common Area or by abandonment of its Lot. Each Owner shall be personally liable for the payment of all Regular and Special Assessments. If an Owner constitutes more than one person, the liability of such persons shall be joint and several. If any Owner shall fail, refuse or neglect to make any payment of any Regular Assessment or Special Assessment when due, the lien for such assessment on the Owner's Lot and Dwelling Unit may be filed and foreclosed by the Board of Directors for and on behalf of the Association as a mortgage on real property or as otherwise provided by law. Upon the failure of the Owner to make timely payments of any Regular Assessment or Special Assessment when due, the Board may in its discretion accelerate the entire balance of unpaid assessments and declare the same immediately due

and payable, notwithstanding any other provisions hereof to the contrary. In any action to foreclose the lien for any assessments the Owner and any occupant of the Lot and Dwelling unit shall be jointly and severally liable for the payment to the Association of reasonable rental for such Lot and Dwelling Unit and the Board shall be entitled to the appointment of a receiver for the purpose of preserving the Lot and Dwelling Unit and to collect the rentals and other profits therefrom for the benefit of the Association to be applied to the unpaid Regular Assessments or Special Assessments. The Board may at its option bring suit to recover a money judgment for any unpaid Regular Assessment or Special Assessment without foreclosing or waiving the lien securing the same. In any action to recover a Regular Assessment or Special Assessment, whether by foreclosure or otherwise, the Board for and on behalf of the Association shall be entitled to recover from the Owner of the respective Lot and Dwelling Unit costs and expenses of such action incurred (including but not limited to reasonable attorneys fees) and interest from the date such assessments were due until paid at the rate equal to the Indiana statutory interest rate on judgments. The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage.

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

(h) Notwithstanding anything contained herein to the contrary, neither the Declarant nor a Builder shall be liable for Regular Assessments or Special Assessments with respect to Lots they own, nor shall such lots be subject to the lien for such assessments.

17. Mortgages.

(a) Notice to Corporation. Any Owner who places a first mortgage lien upon such Owner's Lot, or the Mortgagee, shall notify the Secretary of the Association thereof and provide the name and address of the Mortgagee. A record of such Mortgagee and name and address shall be maintained by the Secretary and any notice required to be

given to the Mortgagee pursuant to the terms of this Declaration, the By-Laws or otherwise shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record at the time provided. Unless notification of any such mortgage and the name and address of Mortgagee are furnished to the Secretary, either by the Owner or the Mortgagee, no notice to any Mortgagee as may be otherwise required by this Declaration, the By-Laws or otherwise shall be required and no Mortgagee shall be entitled to vote on any matter to which it otherwise may be entitled by virtue of this Declaration, the By-Laws, a proxy granted to such Mortgagee in connection with the mortgage, or otherwise.

The Association shall, upon request of a Mortgagee who has furnished the Association with its name and address as hereinabove provided, furnish such Mortgagee with written notice of any default in the performance by its borrower of any obligations of such borrower under this Declaration or the By-Laws which is not cured within sixty (60) days.

(b) Notice of Unpaid Assessments. The Association shall, upon request of a Mortgagee, a proposed mortgagee, or a proposed purchaser who has a contractual right to purchase a Lot, furnish to such Mortgagee or purchaser a statement setting forth the amount of the unpaid Regular Assessments or Special Assessments or other charges against the Lot, which statement shall be binding upon the Association and the Owners, and any Mortgagee or grantee of the Lot shall not be liable for nor shall the Lot conveyed be subject to a lien for any unpaid assessments or charges in excess of the amounts set forth in such statement or as such assessments may be adjusted upon adoption of the final annual budget, as referred to in Paragraph 16 hereof.

(c) Right of Mortgagee to Pay Real Estate Taxes or Insurance Premiums. Mortgagees shall have the right, but not the obligation, (1) to pay any taxes or other charges against the Common Area which are in default and (2) to pay any overdue premiums on hazard insurance for the Common Area or to secure new hazard insurance for the Common Area on the lapse of a policy. Any Mortgagee making such payment shall be immediately reimbursed by the Association.

(d) Notice of Condemnation or Casualty Loss. Mortgagees shall be timely notified of any condemnation loss or casualty loss which affects a material portion of the Common Areas or buildings or improvements on any Lot securing its mortgage. Mortgagees shall also be timely notified of any lapse, cancellation or material modification of any insurance policy or fidelity bond held by the Association.

(e) Notice to Insurers and Guarantors. Any guarantor of a first mortgage or any insurer shall, upon notification and request to the Association, receive the same notices as are required to be given to Mortgagees.

18. Insurance.

(a) Casualty Insurance. The Association shall purchase a casualty insurance policy affording fire and extended coverage insurance insuring all of the Common Area, as applicable, in an amount consonant with the full replacement value of the improvements which, in whole or in part, comprise the Common Area. If the Board of Directors can obtain such coverage for reasonable amounts, they shall also obtain "all risk" coverage. The Board of Directors shall be responsible for reviewing at least annually the amount and type of insurance and shall purchase such additional insurance as is necessary to provide the insurance required above.

All proceeds payable as a result of casualty losses sustained which are covered by insurance purchased by the Association as hereinabove set forth shall be paid to it or to the Board of Directors, who shall use or disburse such fund as appropriate.

(b) Public Liability Insurance. The Association shall also purchase a comprehensive public liability insurance policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time but not less than \$1,000,000 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Such comprehensive public liability insurance policy shall cover the Association, the Board of Directors, any committee or organ of the Association or Board, any Managing Agent appointed or employed by the Association and all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Real Estate. Such public liability insurance policy shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association or other Owners. Such public liability insurance policy shall contain a provision that such policy shall not be cancelled or substantially modified without at least ten (10) days written notice to the Association.

(c) Other Insurance. The Association shall also obtain any other insurance required by law to be maintained, including but not limited to workmen's compensation and occupational disease insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate, including, but not limited to, liability insurance on vehicles owned or leased by the Association and officers' and directors' liability policies. Such insurance coverage shall also provide for and cover cross liability claims of one insured party against another insured party. Such insurance shall inure to the benefit of each Owner, the Association, the Board of Directors and any Managing Agent acting on behalf of the Association.

(d) General Provisions. The premiums for all insurance hereinabove described shall be paid by the Association as part of the Common Expenses.

In the event of condemnation of all or any part of the Common Area, the Association, as owner of the Common Area, shall represent the Owners in any negotiation or settlement regarding such condemnation. No Owner or any other party shall have priority over any rights of a Mortgagee pursuant to its mortgage in the case of distribution to such Owners of insurance

proceeds or condemnation awards for losses to or a taking of Common Area. Notwithstanding the foregoing, under no circumstances shall any distribution of insurance proceeds or condemnation awards as relates to the Common Area be made by the Association to any Owners or Mortgagees if to do so would be in violation of the Indiana Nonprofit Corporation Act of 1991, Indiana Code 23-17-1-1 et seq. or if the same would constitute a distribution of earnings, profits or pecuniary gain to the members of the Association; in any such event, any such insurance proceeds or condemnation awards shall be retained by the Association for use in the payment of its expenses of operation.

19. Covenants and Restrictions. The following covenants and restrictions on the use and enjoyment of the Lots, Dwelling Units and Common Area shall be in addition to any other covenants or restrictions contained herein and in the Final Plat, and all such covenants and restrictions are for the mutual benefit and protection of the present and future Owners and shall run with the land and inure to the benefit of and be enforceable by any Owner, or by the Association. Present or future Owners or the Association shall be entitled to injunctive relief against any violation or attempted violation of any such covenants and restrictions, and shall, in addition, be entitled to damages for any injuries or losses resulting from any violations thereof, but there shall be no right of reversion or forfeiture resulting from such violation. These covenants and restrictions are as follows:

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

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

(c) No Owner shall cause or permit anything to be hung or displayed on the outside of the windows of such Owner's Dwelling Unit or placed on the outside walls of any building, and no sign, awning, canopy, shutter or radio or television antenna or other attachment or thing shall be affixed to or placed upon the exterior walls or roofs or any other parts of any building without the prior consent of the Architectural Review Board. No satellite dishes having a diameter exceeding twenty-four inches (24"), above-ground pools, outbuildings or chain link fences shall be permitted. Approved wood fences and free-standing basketball goals with clear acrylic backboards, may be constructed upon approval of the Architectural Review Board. Basketball goals attached to garages shall not be permitted.

(d) No animals, livestock or poultry of any kind shall be raised, bred or kept in any Dwelling Unit or on any Lot or any of the Common Area, except that pet dogs, cats or customary household pets may be kept in a Dwelling Unit, provided that such pet is not kept, bred or maintained for any commercial purpose, and does not create a nuisance. The Board may adopt such other rules and regulations regarding pets as it may deem necessary from time to time. Any pet which, in the judgment of the Board, is causing or creating a nuisance or unreasonable disturbance or noise, shall be permanently

removed from the Real Estate within ten (10) days after written notice from the Board to the respective Owner to do so.

(e) All clotheslines, equipment, garbage cans, service yards, woodpiles or storage piles shall be kept from view of neighboring homes and streets. All rubbish, trash or garbage shall be stored in closed sanitary containers in areas designated by the Association, shall be regularly removed from the premises, and shall not be allowed to accumulate on any part of the Real Estate. All clotheslines shall be confined to patio areas and shall be below the height of the patio fence. No clothes, sheets, blankets, rugs, laundry or other things shall be hung out or exposed on, or so as to be visible from, any part of the Common Area.

(f) No industry, trade, or other commercial or religious activity, educational or otherwise, designed for profit, altruism or otherwise, shall be conducted, practiced or permitted on the Real Estate.

(g) No signs or banners, other than "for sale" signs or "for lease" signs, or other window or advertising display shall be maintained or permitted on any part of the Real Estate, any Lot or any Dwelling Unit without the prior consent of the Board.

(h) All Owners and members of their families, their guests, or invitees, and all occupants of any Dwelling Unit or other persons entitled to use the same, shall observe and be governed by such rules and regulations as may from time to time be promulgated and issued by the Board.

(i) No boats, campers, trailers of any kind, buses, mobile homes, recreational vehicles, trucks (larger than 3/4 ton), motorcycles, mini bikes or mopeds shall be permitted, parked or stored anywhere within the Real Estate except as otherwise specifically permitted by the Board. No repair work shall be done on the Real Estate on any vehicles, including passenger automobiles.

(j) No Owner may rent or lease his Dwelling Unit for transient or hotel purposes.

(k) Until the Applicable Date, no storage barn or other out building shall be constructed on any Lot. After the Applicable Date such structures may be constructed only to the extent this Declaration is amended to so provide.

(l) Any Owner who leases a Dwelling Unit shall lease the entire Dwelling Unit and shall have a written lease which shall provide that the lease is subject to the provisions of the Declaration and any failure of the lessee to comply with the terms of the Declaration, shall be a default under the lease.

(m) All lots shall have matching mailboxes and Dwelling Units shall have matching shingles. All lots shall have dusk to dawn coach lights installed, the maintenance of which shall be the responsibility of the owners.

Notwithstanding anything to the contrary contained herein or in the Articles or By-Laws, including, but not limited to, any covenants and restrictions set forth herein or otherwise, Declarant shall have the right to use and maintain any Lots and Dwelling Units owned by Declarant and other portions of the Real Estate (other than individual Dwelling Units and Lots owned by Owners other than Declarant), all of such number and size and at such locations as Declarant in its sole discretion may determine, as Declarant may deem advisable or necessary in its sole discretion to aid in the sale of Lots or for the conducting of any business or activity attendant thereto, including, but not limited to, model Dwelling Units, storage areas, construction yards, signs, construction offices, sales offices, management offices and business offices. Declarant shall have the right to relocate any or all such facilities so used or maintained by Declarant and such facilities shall not be or become part of the Common Area, unless so designated by Declarant, and Declarant shall have the right to remove the same from the Real Estate at any time.

20. Amendment of Declaration.

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

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

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

(iii) Meeting. The resolution concerning a proposed amendment must be adopted by the designated vote at a meeting duly called and held in accordance with the provisions of the By-Laws.

(iv) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less than seventy-five percent (75%) in the aggregate of the votes of all Owners. In the event any Lot or Dwelling Unit is subject to a first mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the same manner as an Owner if the Mortgagee has given prior notice of its mortgage interest to the Board of Directors in accordance with the provisions hereof.

(v) Special Amendments. No amendment to this Declaration shall be adopted which changes (1) the applicable share of an Owner's liability for the Common Expenses, or the method of determining the same, or (2) the provisions of this Declaration of Paragraph 18 with respect to casualty insurance or fidelity bonds to be maintained by the Association, (3) the provisions of Paragraph 15 of this Declaration establishing the Architectural Review Board and providing for its functions, or (4) the provisions of Paragraph 16 of this Declaration with respect to the commencement of assessments on any Lot, without, in each and any of such circumstances, the unanimous approval of all Owners and of all Mortgagees whose mortgage interests have been made known to the Board of Directors in accordance with the provisions of this Declaration.

(vi) Additional Special Amendments. No amendment to this Declaration shall be adopted which imposes a right of first refusal or similar restriction or which changes (1) the method of voting, or (2) reserves for and responsibility for maintenance, repair and replacement of the Common Area or (3) rights to use the Common Area, or (4) annexation of property to Bradford Place (other than as provided in Paragraph 21), or (5) the boundaries of any Dwelling Unit, or (6) the leasing of Dwelling Units, or (7) termination of the applicability of this Declaration, or (8) any provisions which are for the express benefit of Mortgagees without the consent of at least ninety percent (90%) of the votes of the Owners for the first twenty (20) years after the recording of this Declaration and thereafter at least seventy-five percent (75%) of the votes of Owners and the consent of Mortgagees holding mortgages on fifty percent (50%) of the Dwelling Units subject to mortgages.

(vii) Amendments Requiring FHA/VA Approval. As long as there is a Class B membership, the following action will require the prior approval of the Federal Housing Administration or the Veterans Administration, if required by applicable law: Annexation of additional properties (other than the Additional Real Estate), dedication of Common Area and amendment of this Declaration.

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

(ix) Failure of Mortgagee to Respond. Any Mortgagee who receives a written request to approve an amendment and fails to give a negative response within thirty (30) days after receiving such request shall be deemed to have approved such request.

(b) Amendments by Declarant Only. Notwithstanding the foregoing or anything elsewhere contained herein or in any other documents, the Declarant shall have and hereby reserves the right and power acting alone and without the consent or approval

of the Owners, the Association, the Board of Directors, any Mortgagees or any other Person to amend or supplement this Declaration at any time and from time to time if such amendment or supplement is made (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Association, the Department of Housing and Urban Development, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (ii) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Lots and Dwelling Units, (iii) to bring this Declaration into compliance with any statutory requirements or (iv) to correct clerical or typographical errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to vote in favor of, make, or consent to any amendments described in this Paragraph 20 on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot or Dwelling Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Declarant to vote in favor of, make, execute and record any such amendments. The right of the Declarant to act pursuant to rights reserved or granted under this Paragraph 20 shall terminate at such time as the Declarant no longer holds or controls title to any part or portion of the Real Estate.

(c) Amendment Prior to the Application Date. Notwithstanding anything to the contrary contained herein or in the By-Laws, there shall be no amendment of the Declaration prior to the Applicable Date without the consent and approval of Declarant.

(d) Annexation of Additional Real Estate. In addition to Bradford Place Declarant may acquire the right to purchase any real estate which is located contiguous to Bradford Place ("Additional Real Estate").

21. Annexation of Additional Real Estate. At any time prior to January 31, 2000, Declarant, without the consent of the Owners, may, but is not obligated to, develop the Additional Real Estate or any part thereof, in substantially the same manner as Bradford Place and file one or more Supplemental Declarations and Final Plats for such Additional Real Estate or part thereof as it desires and convey the Common Area thereof to the Association; provided, however, that the maximum number of Dwelling Units which may be contained in the total development shall not be substantially less than the number of Dwelling Units per acre in Bradford Place and such units shall be consistent with the quality of construction of previous units.

In the event the Additional Real Estate or any part of it is platted in a manner similar to Bradford Place, the Owners of such Lots in the Additional Real Estate or parts thereof, shall have the same rights and obligations as the Owners herein, and the Association shall have the same jurisdiction and authority over such Additional Real Estate or parts thereof as its authority and jurisdiction herein.

In the event Declarant decides not to develop or plat the Additional Real Estate or any part of it in a manner similar to Bradford Place, Declarant shall file a Declaration stating that the Additional Real Estate or any part thereof shall not be developed as contemplated herein; provided, however, any part of the Additional Real Estate for which a Supplemental Declaration has not been filed by January 31, 2000, shall be automatically removed from the possibility of having the Association provide for the maintenance, repair, replacement, administration and operation of such part of the Additional Real Estate, unless such is established by the Owners in the Real Estate and those in the Additional Real Estate.

Regardless of the method of development of the Additional Real Estate and whether or not all or any part of the Additional Real Estate comes within the jurisdiction of the Association or subject to the Declaration, Declarant reserves unto itself, its successors and assigns, for the use and benefit of that part of the Additional Real Estate not coming within the jurisdiction of the Association or subject to the Declaration, the right and easement to enter upon the streets of Bradford Place to provide ingress and egress to the Additional Real Estate.

Declarant hereby grants to the Owners in Bradford Place the right and easement to enter upon any streets and roadways that may exist in the Additional Real Estate to provide ingress and egress to Bradford Place as may be necessary.

It is the purpose and intent of the easements herein granted and reserved to provide free and unrestricted use and access across the roadways and streets of the Real Estate and Additional Real Estate, no matter how developed, for the owners of the Real Estate and Additional Real Estate, their guests, invitees, and all public and quasi-public vehicles, including, but not limited to, police, fire and emergency vehicles, trash and garbage collection, post office vehicles and privately owned delivery vehicles.

The assessment which the Owner of each Lot in the Additional Real Estate or part thereof, if within the jurisdiction of the Association, shall be obligated to pay shall be equal to that paid by any Owner herein and shall commence on the date of conveyance of such Lot by Declarant. No assessment (Regular, Special or otherwise) on any Lot in the Additional Real Estate shall be due until such Lot has been conveyed by Declarant or the Dwelling Unit thereon is occupied for residential purposes.

22. Acceptance and Ratification. All present and future Owners, Mortgagees, tenants and occupants of the Lots shall be subject to and shall comply with the provisions of this Declaration, the Articles of Incorporation, and the By-Laws incorporated herein by reference, and the rules and regulations as adopted by the Board of Directors as each may be amended from time to time. The acceptance of a deed of conveyance or the act of occupancy of any Lot shall constitute an agreement that the provisions of this Declaration, the Articles of Incorporation, the By-Laws, and rules and regulations, as each may be amended or supplemented from time to time, are accepted and ratified by such Owner, tenant or occupant, and all such provisions shall be covenants running with the land and shall be binding on any person having at any time any interest or estate in a Lot or the Real Estate as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

All persons, corporations, partnerships, trusts, associations, limited liability companies or other legal entities who may occupy, use, enjoy or control a Lot or Lots or any part of the Real Estate in any manner shall be subject to the Declaration, the Articles of Incorporation, the By-Laws, and the rules and regulations applicable thereto as each may be amended or supplemented from time to time.

23. Negligence. Each Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by such Owner's negligence or by that of any member of such Owner's family or its guests, employees, agents or lessees to the extent that such expense is not covered by the proceeds of insurance carried by the Association. Each Owner shall pay the amount of any increase in insurance premiums occasioned by such Owner's use, misuse, occupancy or abandonment of his Lot or its appurtenances or of the Common Area.

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

25. Waiver. No Owner may exempt himself from liability for his contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Area or Common Area or by abandonment of his Lot.

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

27. Pronouns. Any reference to the masculine, feminine or neuter gender herein shall, unless the context clearly requires to the contrary, be deemed to refer to and include all genders. And the singular shall include and refer to the plural and vice versa as appropriate.

28. Interpretation. The captions and titles of the various articles, sections, subsections, paragraphs and subparagraphs of this Declaration are inserted herein for ease and convenience of reference only and shall not be used as an aid in interpreting or construing this Declaration or any provision hereof.

29. The Plat. The Final Plat of Bradford Place, First Section is incorporated into this Declaration by reference and has been filed in the office of the Recorder of Johnson County, Indiana, as of the 17th day of April 19⁹⁵, as Instrument No. 950 05778. All subsequent Final Plats, if any, shall be deemed incorporated herein by reference upon their recording in the Office of the Recorder of Johnson County, Indiana.

PART OF THE SOUTHWEST QUARTER OF SECTION 15, TOWNSHIP 13 NORTH,
RANGE 3 EAST OF THE SECOND PRINCIPAL MERIDIAN, WHITE RIVER
TOWNSHIP, JOHNSON COUNTY, INDIANA, DESCRIBED AS FOLLOWS:

COMMENCING AT A RAILROAD SPIKE FOUND AND MARKING THE SOUTHWEST
CORNER OF SAID QUARTER SECTION; THENCE NORTH 00 DEGREES 00 MINUTES
00 SECONDS EAST (PREVIOUS DEED BEARING) ALONG THE WEST LINE OF SAID
QUARTER SECTION 1160.17 FEET TO A PK NAIL SET AND MARKING THE POINT
OF BEGINNING OF THIS DESCRIBED TRACT; THENCE CONTINUING NORTH 00
DEGREES 00 MINUTES 00 SECONDS EAST ALONG SAID WEST LINE 728.75 FEET
TO A PK NAIL SET; THENCE SOUTH 89 DEGREES 52 MINUTES 50 SECONDS
EAST AND PARALLEL WITH THE SOUTH LINE OF SAID QUARTER SECTION
1842.87 FEET TO A CAPPED RE-BAR SET; THENCE SOUTH 00 DEGREES 00
MINUTES 00 SECONDS WEST AND PARALLEL WITH THE SAID WEST LINE OF
SAID QUARTER SECTION 944.46 FEET TO A CAPPED RE-BAR FOUND; THENCE
NORTH 89 DEGREES 52 MINUTES 50 SECONDS WEST AND PARALLEL WITH THE
SOUTH LINE OF SAID QUARTER SECTION 1479.71 FEET TO A CAPPED RE-BAR
SET; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST AND
PARALLEL WITH THE SAID WEST LINE OF SAID QUARTER SECTION 198.55
FEET TO A CAPPED RE-BAR SET; THENCE NORTH 87 DEGREES 10 MINUTES 32
SECONDS WEST 363.60 FEET (MEASURED) 363.62 FEET (DEED) TO THE POINT
OF BEGINNING, CONTAINING 38.230 ACRES, MORE OR LESS, SUBJECT TO ALL
LEGAL RIGHTS-OF-WAY, EASEMENTS AND RESTRICTIONS.

EXHIBIT "A"