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DECLARATIONS AND COVENANTS, CONDITIONS AND RESTRICTIONS
RECEIVED FOR RECORD OF
91 APR 12 AM 10:39 KNOLLWOOD AT THE CREEK

JOHN H. ROMERIL
MARION COUNTY RECORDER

THIS DECLARATION, made on this 11th day of April, 1991, by Knollwood Development Corp., an Indiana corporation (hereinafter referred to as "Declarant");

WITNESSETH:

WHEREAS, Declarant is the owner of certain real estate located in Marion County, Indiana, which is more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof (hereinafter referred to as "Property");

WHEREAS, Declarant desires to subdivide and develop the Property as generally shown on the Final Plat for Knollwood at the Creek Section One (hereinafter sometimes referred to as the "Plat" and sometimes referred to as the "Development"), by designating certain portions of the Property as "Common Area" (as hereinafter defined) and by designating certain other portions of the Property as Lots (as hereinafter defined);

WHEREAS, Declarant intends to sell and convey the residential lots situated within the platted areas of the Development and before doing so desires to subject to and impose upon all real estate within the platted areas of the Development mutual and beneficial restrictions, covenants, conditions and charges (hereinafter referred to as the "Restrictions"), under a general plan or scheme of improvements for the benefit and compliment of the lots and lands in the Development and future home owners thereof.

NOW, THEREFORE, Declarant hereby declares that all of the platted lots and lands located within the Development as they become platted are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved, subject to the following Restrictions, all of which are declared and agreed to be in furtherance of a plan for the improvement and sale of said lots and

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LAWRENCE TOWNSHIP
ASSESSOR

lands in the Development and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of the Development as a whole and of each of said lots situated therein. All of the Restrictions shall run with the land and shall be binding upon Declarant and upon the parties having or acquiring any right, title or interest, legal or equitable, in and to the real property or any part of parts thereof subject to such Restrictions, and shall inure to the benefit of Declarant's successors in title to any real estate in the Development. Declarant specifically reserves unto itself the right and privilege, prior to the recording of the plat by Declarant of a particular lot or tract within the Development as described in Exhibit A, to exclude any real estate as shown from the Development, or to include additional real estate.

ARTICLE I

NAME

The subdivision of the Property created by this Declaration shall be known and designated as Knollwood at the Creek, Section One, a subdivision located in Marion County, Indiana.

ARTICLE II

DEFINITIONS

Section 2.1: "Association" shall mean Knollwood at the Creek Homeowners Association, Inc., an Indiana not-for-profit corporation and its membership shall consist of lot owners who pay mandatory assessments for snow removal for the streets and owner's driveways, liability insurance, maintenance of the common area landscaping, irrigation water, maintenance of the irrigation system, mowing and chemical treatment of Owner's lawns, and Common Area facilities' operation and maintenance.

Section 2.2: "Articles" means the Articles of Incorporation of the Association filed with the Office of the Secretary of State of Indiana, as the same are or hereafter may be amended from time to time.

Section 2.3: "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot or more persons or entities, of the fee simple title to any Lot or Block which is a part of the Property, including contract sellers, but otherwise excluding those having such interest merely as security for the performance of any obligation. Unless specifically indicated to the contrary, the term Owner as used herein shall include the Declarant, so long as the Declarant shall own any Lot.

Section 2.4: "Property means the real estate described in Exhibit "A".

Section 2.5: "Plat" means the subdivision plat of the Property identified as the Primary Plat of Knollwood At The Creek or any subsequent Final Plats in whole or as sections of Knollwood at the Creek recorded in the Office of the Recorder of Marion County, Indiana, as the same may be hereafter amended or supplemented.

Section 2.6: "Lot" means any parcel of land shown upon the Final Plat of Knollwood at the Creek and identified as a Lot.

Section 2.7: "Declarant" shall mean Knollwood Development Corp., an Indiana Corporation, its successors and assigns as a Declarant.

Section 2.8: "Board of Directors" means the Board of Directors of the Association.

Section 2.9: "Common Area" means those portions of the Properties (including improvements thereto), facilities and personal property owned or leased by the Association from time to time for the common use, benefit and enjoyment of its members. Unless expressly stated to the contrary, the term Common Area as used

herein (whether or not so expressed) shall include all of the Property not designated as Lots on the Final Plat of Knollwood at the Creek. The Common Area is to be owned by the Association at the time of the conveyance of the first Lot to an owner.

Section 2.10: "Development Period" means the period of time commencing with Declarant's acquisition of the Property and ending when Declarant has completed the development and sale of, and no longer owns, any Lot or any other portion of the real estate described in Exhibit A.

Section 2.11: "Committee" shall mean the Development Control Committee, composed of three (3) members appointed by Declarant who shall be subject to removal by Declarant at any time with or without cause. Any vacancies from time to time existing shall be filled by appointment of Declarant until such time as the subdivision is completely developed, at which time the Knollwood at the Creek Homeowners Association, Inc., shall appoint from its membership this Committee.

Section 2.12: Approvals, determinations, permissions or consents required herein of the Declarant shall be deemed given only if they are given in writing and signed, by the Declarant.

ARTICLE III

PROPERTY RIGHTS

Section 3.1: 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 shall be appurtenant to and shall pass with title to every Lot in the form of a right to membership in the Association, subject to the following provisions:

- (a) the right of the Association to charge reasonable admission and other fees for the use of any facilities, if any, situated upon the Common Area.
- (b) the right of the Association to suspend the voting rights and right to use of any facilities by any Owner for any period during which any assessment remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.
- (c) the right of the Association to promulgate reasonable rules and regulations governing the use of the Common Area including, without limitation, restrictions on the use of and quality, kind and nature of any improvements, additions, or alterations to any and all landscaping areas, and other provisions of the Property included in the Common Area;
- (d) the rights of Declarant as provided in this Declaration;
- (e) all other rights, obligations and duties as set forth in this Declaration, as the same may be from time to time amended or supplemented.
- (f) the easements reserved elsewhere in this Declaration and the right of the Association to grant further reasonable utility easements across and through the Common Area for the benefit of its members; and
- (g) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be set forth in the instrument of dedication or transfer, upon the approval of two-thirds (2/3) of the membership of each class of members of the Association.
- (h) the foregoing notwithstanding the Declarant, and after the sale of all Lots, the Association shall not have the right to restrict the use of the public streets by an owner for the purpose of ingress and egress to Owner's Lot.

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Section 3.2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws and any reasonable and nondiscriminatory rules and regulations promulgated from time to time by the Association and subject to the rights of others as set forth in Section 3.1., his or her right of enjoyment of the Common Area to family members, to a lessee, or contract purchaser of his Lot or to guests.

Section 3.3. Certain Obligations and Access Rights to the Common Area.

(a) The Association, subject to the rights of the Owners as set forth in this Declaration, shall be responsible for the management and control, for the exclusive benefit of the Owners as provided herein, of the Common Area and for the maintenance of the same in good, clean, attractive, safe and sanitary condition, order and repair.

(b) The Association shall have and is hereby granted an easement and right of access to all of the Common Area for the purpose of maintaining or repairing or causing the same to be maintained or repaired as is its obligation and duty under this Declaration. The easements and rights specified herein also are reversed for the benefit of Declarant so long as Declarant owns any portion of the Property.

Section 3.4. Drainage, Utility, Sewer and Other Development Easements.

(a) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, an undefined easement ("Drainage, Utility and Sewer Easement") for drainage, utility and sewer purposes in, on and over all of the Common Area, so as to permit Declarant to properly install and allow to be maintained all electrical, telephone, water, gas, sanitary and storm sewer, irrigation, television (including but not limited to cable and/or satellite) transmission facilities, security systems and other utility services, antennae and

other equipment and facilities to serve the Lot and the single family residential dwelling to be constructed on each Lot. No improvements or permanent structure (except walkways, pathways, fences, signs, lighting, landscaping and pavement on streets and driveways) shall be placed within any Drainage, Utility and Sewer Easement, and any fences so installed are subject to the rights (including the right to remove where reasonable necessary without duty of replacement or reimbursement) of any public or private utility to construct, maintain, repair, or remove any necessary facilities and the rights of Declarant and the Association to provide for and maintain appropriate drainage.

(b) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, the right and an undefined easement ("Sign and Facility Easement") to install, erect, construct and maintain an entrance sign or signs, directional signs, lighting, walkways, pathways, fences, walls, and any other landscaping, architectural and recreational features or facilities considered necessary, appropriate, useful or convenience, anywhere upon the Property (except upon any Lot after the first conveyance thereof). Any signs shall comply with any applicable zoning requirements and all such facilities shall be maintained by the Association as a part of its Common Area maintenance obligations.

(c) Declarant reserves unto itself during the Development Period and thereafter: unto the Association, the full right, title, and authority (i) to relocate, alter or otherwise change the location of any Drainage, Utility and Sewer Easement, the Sign and Facilities Easement, or any facility at any time located therein or thereon; (ii) to grant such further easements, licenses and rights of way, temporary or permanent, exclusive or non-exclusive, surface or otherwise, as Declarant may deem necessary or appropriate, for ingress, egress, utility and similar purposes on or within any Lot; and (iii) to describe more specifically or to change the description of any Drainage, Utility and Sewer Easement, the Sign and Facilities Easement or any other easement, license or right of way now or hereafter

existing on the Property, by written instrument, amended Plat or amendment to the Plat recorded in the Office of the Recorder of Marion County, Indiana.

(d) The title of the Association (as to the Common Area during the Development Period) and of any Owner of any Lot shall be subject to the rights and easements reserved herein. Provided, however, that the rights reserved in this Section 3.4 shall not be exercised after the conveyance of any Lot in a manner that unreasonably and adversely affects any single family residential dwelling or portion thereof located upon such Lot or the Owner's use or enjoyment thereof, or which unreasonably restricts the rights of ingress and egress to such Lot. The rights and easements reserved by Declarant in this Section 3.4 shall run with the land, and Declarant's right to further alter or grant easements shall automatically terminate and pass to the Association one (1) year after Declarant shall have conveyed the last Lot within the Property.

ARTICLE IV

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 4.1: Membership. Initially, to satisfy the requirements of the Indiana Not-for-Profit Corporation Act, the three (3) persons who serve as incorporators of the Association shall be the members (the "initial members"). The Initial Members shall remain members of the Association until three (3) persons have become Class A or Class B members, at which time the Initial Members shall cease to be members unless they also qualify as Class A or Class B members. Every owner of a Lot shall be a member of the Association. Apart from the Initial Members, membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot.

Section 4.2: Classes of Membership and Voting Rights. The Association shall have two (2) classes of voting membership:

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Class A. Class A members shall be all Owners with the exception of the Declarant. Class A member shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members; the vote for such Lot shall be exercised as the members holding an interest in such Lot determine among themselves, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The class B member shall be Knollwood Development Corp., the Declarant. The Declarant shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total number of votes outstanding in the Class A membership is equal to the total number of votes outstanding in the class B membership; or
- (b) on January 1, 1995.

Section 4.3: Board of Directors. The Owners shall elect a Board of Directors of the Association as prescribed by the Association's Articles and By-Laws. The Board of Directors shall manage the affairs of the Association.

Section 4.4: Professional Management. No contract or agreement for professional management of the Association, no any other contract between Declarant and the Association, shall be for a term in excess of three (3) years.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 5.1: Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot now or hereafter owned by it within the

Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association: (1) Regular Assessments (for maintenance, repairs, and ordinary operating expenses); (2) Special Assessments for (a) capital improvements and operating deficits, as provided for herein; and (b) for special maintenance or repairs as provided for herein; and (3) any Insurance as provided for herein. Such assessments shall be established, shall commence upon such dates and shall be collected as hereinafter provided. All such assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which such such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the Owner. Past due assessments shall run with the land and pass with title.

Section 5.2: Purpose of Regular Monthly Assessments. The Regular Monthly Assessments levied by the Association shall be used exclusively, in the reasonable discretion of the Board of Directors of the Association, for the promotion of the health, safety and welfare of the residents in the Property, for the improvement, maintenance and repair of the Common Area, for the performance of the obligations and duties of the Association and for otherwise allocated in a reserve fund for the purpose of providing repair and replacement of the Common Area and other capital improvements which the Association is required to maintain.

Section 5.3: Maximum Regular Monthly Assessments.

(a) Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum Regular Monthly Assessment on any Lot conveyed by Declarant shall be Seventy Dollars (\$70.00).

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(b) From and after January 1 of such year, the maximum Regular Monthly Assessment may be increased each calendar year not more than 20% above the maximum Regular Monthly Assessment for the previous year, except with the approval of two-thirds (2/3) of those members of each class of members who cast votes in person or by proxy at a meeting duly called for this purpose.

(d) The Board of Directors from time to time may fix the Regular Monthly Assessment, without any vote of the membership, at any amount not in excess of the maximum.

Section 5.4: Special Assessments for Capital Improvements and Operating Deficits. In addition to the Regular Monthly Assessments authorized above, the Association may levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction repair or replacement of any capital improvement which the Association is required to maintain, or to recover any operating deficits which the Association may from time to time incur, provided that any such assessment shall have the consent of two-thirds (2/3) of those members of each class of members who cast votes in person or by proxy at a meeting duly called for this purpose. The foregoing notwithstanding, the Declarant shall not pay any special assessments levied for construction, reconstruction, repair or replacement for any capital improvements which the Association is required to maintain, as long as it is the owner of three (3) or more Lots.

Section 5.5: Notice and Quorum for Any Action Authorized Under Section 5.3 and 5.4. Written notice of any meeting called for the purpose of taking any action authorized under Section 5.3 or 5.4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty per cent (60%) of all the votes of the membership shall

constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5.6: Uniform Rate Assessment. Regular Monthly Assessments and Special Assessments for capital improvements and to recover operating deficits must be fixed at a uniform rate for all Lots.

Section 5.7: Date of Commencement of Assessments; Due Dates. The Regular Assessment provided for herein shall commence as to each Lot on the date of conveyance of such Lot by declarant.

The provisions of this Section 5.7 notwithstanding, the owner shall pay on the day of conveyance in advance his or her share of the Regular Assessment for the balance of the calendar month in which the conveyance takes place.

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; provided, however, Owners may elect to pay assessments semi-annually or annually in advance.

The Board of Directors shall fix any increase in the amount of such assessments at least thirty (30) days in advance of the effective date of such increase. Written notice of any increase in the Regular Assessment, and written notice of any Special Assessment and such other assessment notices as the Board of Directors shall deem appropriate, shall be sent to every Owner subject thereto. The due dates for all assessments, and the assessment and collection period (i.e.,

annual, monthly, lump sum or otherwise) for any Special Assessments, shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate in recordable form signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate from the Association regarding the status of assessments for any Lot shall be binding upon the Association as of the date of its issuance.

Section 5.8: Effect of Nonpayment of Assessments: Remedies of the Association. If any assessment (or periodic installment of such assessment, if applicable) is not paid on the due date established therefor pursuant to Section 5.7 hereof, then the entire unpaid assessment (together with interest thereon, costs and attorney's fees as hereinafter provided and as provided in Section 5.1) shall become delinquent and shall constitute a continuing lien on the Lot to which such assessments relates, binding upon then Owner, his or hers, devisees, successors and assigns. The personal obligation of the then Owner to pay such assessment, however, shall not pass to such Owner's successors in title unless expressly assumed by them. If any assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen per cent (18%) per annum and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property or both. In such event, there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action; and in the event a judgment is obtained such judgment shall include interest on the assessment as above provided, costs of the action and reasonable attorney's fees to be fixed by the court. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 5.9: Subordination of the Lien to Mortgages; Sale or Transfer. The lien of the assessments provided for herein shall be subordinated to the lien of any first mortgage. The sale or transfer of any Lot pursuant to the foreclosure of any first mortgage on such Lot (without the necessity of joining the Association in any such foreclosure action) or any proceedings or deed in lieu thereof shall extinguish the lien of all assessments becoming due or from the lien thereof; and, except as hereinabove provided, the sale or transfer of any Lot shall not affect the lien of assessments becoming due prior to the date of such sale or transfer except to the extent that a purchaser may be protected against the lien for prior assessments by a binding certificate from the Association, issued pursuant to Section 5.7, as to whether or not such assessments have been paid.

ARTICLE VI

USE AND RESTRICTIONS AND ARCHITECTURAL CONTROL

Section 6.1: Lot Use and Conveyance. All Lots shall be used exclusively for single-family residential purposes, except that Declarant, during the Development Period, reserves the rights provided herein respecting the Property generally. Except as herein provided, no Lot shall be subdivided to form units of less area. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the covenants, conditions, and restrictions contained herein.

Section 6.2: Accessory Outbuilding Prohibited. No accessory outbuildings shall be erected on any of the residential Lots.

Section 6.3: Occupancy or Residential Use of Partially Completed Dwelling House Prohibited. No dwelling house constructed on any of the residential Lots shall be occupied or used for residential purposes or human

habitation until it shall have been substantially completed for occupancy in accordance with the approved building plan. The determination of whether the house shall have been substantially completed in accordance with the approved building plan shall be made by the Committee and such decision shall be binding on all parties.

Section 6.4: Other Restrictions. All tracts of ground in the Development shall be subject to the easements, restrictions and limitations of record and to all governmental zoning authority and regulations affecting the Development, all of which are incorporated herein by reference.

Section 6.5: Restrictions Concerning Size, Placement and Maintenance of Dwelling Houses and Other Structures.

A. Minimum Living Space Areas. All dwellings will have two, three, or four bedrooms, a two car garage and a minimum of 1900 square feet of living area for a one story structure and 1200 square feet of minimum main floor area in two story dwellings.

B. Fences, Light Fixtures, Mailboxes, Lawns and Trees. In order to preserve the natural quality and an aesthetic appearance of the existing geographic areas within the Development, any fence or light fixture must be approved by the Committee as to size, location, height and composition before it may be installed. A standard mailbox and post will be adopted for the development and installed by the Declarant.

C. Exterior Construction. All utility facilities in the Development will be underground, except where required to place above-ground by the individual utility supplier. Each driveway in the Development will be of concrete or asphalt material. No additional parking will be permitted on a lot other than in the existing driveway. Each dwelling

will have a continuous concrete sidewalk from the driveway to the front porch. All garage doors in the Development will be of a Masonite or wood material. No outside fuel storage tanks will be permitted above or below ground in the Development. All metal windows in the Development will be factory painted, no raw aluminum windows will be permitted and all windows will have an approved thermal break. All gutters and downspouts in the Development will be painted or of a colored material other than gray galvanized. All roofing in the Development will be of a shingle-type material with weight no less than two hundred twenty (220) pounds and rating of Class A. All roof pitches will be four and one-half (4 1/2) or greater. Plumbing vent stacks shall be placed in inconspicuous locations. No metal, fiberglass or similar type material awnings or patio covers will be permitted in the Development. Modular-type construction is not permitted in the Development.

D. Heating Plants. Every dwelling in the Development must contain a heating plant installed in compliance with the required codes. Heating plants shall have ductwork capable of handling central air conditioning.

E. Damaged Structures. No improvement which has partially or totally been destroyed by fire or otherwise, shall be allowed to remain in such state for more than three (3) months from the time of such destruction or damage.

F. Prohibition of Used Structures and Modular Homes. All structures constructed or placed on any numbered Lot in the Development shall be constructed with substantially all new materials, and no used structures shall be relocated or placed on any such lot, nor shall modular constructed structures be placed on any Lot.

G. Maintenance of Lots and Improvements. The Owner of any Lot in the Development shall at all times maintain the Lot and any improvements

situated thereon in such a manner as to prevent the lot or improvements from becoming unsightly; and, specifically, such Owner shall:

- (i) Remove all debris or rubbish.
- (ii) Prevent the existence of any other condition that reasonably tends to detract from or diminish the aesthetic appearance of the Development.
- (iii) Keep the exterior of all improvements in such a state of repair or maintenance as to avoid their becoming unsightly.

H. Declarant's Right to Perform Certain Maintenance. In the event that the Owner of any lot in the Development shall fail to maintain his lot or any improvements situated thereon in accordance with the provisions of these restrictions, Declarant shall have the right, but not the obligation, by and through its agents and employees or contractors, to enter upon said lot and repair, clean or perform such other acts as may be reasonably necessary to make such lot and improvements thereon, if any, conform to the requirements of these restrictions. The cost therefor to Declarant shall be collected in any reasonable manner from Owner. Neither Declarant nor any of its agents, employees or contractors shall be liable for any damage which may result from any maintenance work performed hereunder. At the time dwellings are constructed upon lots, the Association shall succeed to the rights of the Declarant herein.

Section 6.6: Restrictions as to Owners. The Owners, further, shall be subject to the following use restrictions:

- (i) Obstructions. There shall be no obstruction of the Common Area, nor shall anything be kept or stored on any part of the Common Area without the prior written consent of the Association except construction materials and equipment during the construction period or except as

specifically provided herein. Nothing shall be altered on, constructed on, or removed from the Common Area except upon prior written consent of the Association.

(ii) Prohibition of Damage and Certain Activities.

Nothing shall be done or kept on any Common Area or any part thereof which would increase the rate of insurance on the Common Area or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Association. Nothing shall be done or kept on any Lot in any single family residential dwelling or on any Common Area or any part hereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Area or any part thereof shall be committed by any Owner or any invitee or tenant of any Owner and each Owner shall indemnify and hold the Association and the Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees or tenants, to the Association and other Owners. No noxious, destructive or offensive activity shall be allowed on any Lots or in the Common Area or any part thereof, nor shall anything be done thereon which may be or may become a nuisance to any other Owner or to any other person at any time lawfully residing on the Property; provided, however, that no act, conduct, activity or operation which Declarant is authorized or permitted to do hereunder shall ever be deemed to be noxious, destructive, offensive nor a nuisance for purposes of this Section.

(iii) Fences, Walls and Patios. No Owner shall relocate, heighten, lower or otherwise move or change any fence, wall, or patio upon the Property except with approval of the Association as provided herein.

(iv) No Unsightly Uses. No clothes, sheets, blankets or laundry of any kind or other articles shall be hung out on any portion of the Common Area, or on a Lot so as to be visible from outside the Lot. The Common Area shall be kept free and clean of all rubbish, debris and other unsightly materials.

(v) Animals. No animals, rabbits, livestock, fowl or poultry of any kind shall be raised, bred or kept in or on any Lot or on the Common Area or any part hereof, except household pets, subject to rules and regulations adopted by the Board provided that they are not kept, bred, or maintained for any commercial purposes; provided, further, that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property subject to these restrictions upon three days' written notice from the Board, and provided, further, that upon written request of 25% of the voting power of the Association, the Board of Directors shall have the authority to and shall order the removal of, any pet.

(vi) Prohibited Structures. No structure of a temporary character, trailer, boat, camper-bus, basement, tenant, storage tanks, or shack shall be maintained on any Lot nor shall any garage or other building except a permanent residence, be used on any Lot at any time as a residence or sleeping quarters for more than 72 hours.

(vii) Storage. Outside storage of any items, except outdoor cooking equipment, including but without limiting the generality of the foregoing, sporting equipment, toys, yard and garden tools and equipment and trash and garbage containers, shall not be allowed. The storage or collection of rubbish of and character whatsoever, any material that emits foul or obnoxious odors, the growing of any noxious or illegal weed or other natural substance, and the harboring of the source of any

noise or activity which disturbs the peace, comfort, or serenity of residents is prohibited. Notwithstanding the foregoing, no boats, snowmobiles, recreational vehicles, trailers, camping vehicles, buses, mobile homes, tractor/trailers, trucks, motorcycles, mini-bikes, unlicensed or inoperable vehicles, or any other vehicles of any description other than normal passenger automobiles shall at any time be stored or parked on any Lot outside of a garage, on any part of the Common Area, or on any street, for more than 72 hours without permission by the Association.

(viii) Antennae. Except with prior written approval and the authorization of the Association's Board of Directors, no exterior television or radio antennae of any sort, including discs shall be placed, allowed or maintained upon any portion of the improvements or structures to be located upon the Property, or on the Property itself.

(ix) Electric Bug Killers. All exterior electric bug killers, "zappers" or similar devices are prohibited, unless otherwise approved by the Association.

(x) Window Coverings. Owners of individual units shall install and maintain window coverings such as curtains and blinds such that the window coverings shall not be unsightly from the exterior.

(xi) Mailboxes. All mailboxes shall be of the same style and color.

(xii) Yard Lights. All yard lights shall be of the same style and kind.

(xiii) Swimming Pools. No out-of-ground swimming pools shall be permitted to exist on any Lot.

Section 6.7: Architectural Control. No buildings, fence, wall or other structure, except original construction of the single family residential dwelling by

or on behalf of Declarant, shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein, be made until the plans and specifications showing the nature, kind, shape, height, materials, colors and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Development Control Committee. Any change in the appearance or the color of any part of the exterior of a residence shall be deemed to change thereto and shall require the approval therefor as above provided. In the event that written approval is not received as required hereunder within twenty one (21) days from the date requested, the failure to issue such written approval shall be construed as the disapproval of the request made.

Section 6.8: Signs. No sign of any kind (other than designations in such styles and materials as the Association shall by rule or regulation approve, of street addresses and names of occupants) shall be displayed unless it is in such form as the Committee may require, and except that Declarant shall be permitted to erect and maintain upon the Property such signs as it deems appropriate to advertise the development during the construction and sale periods.

Section 6.9: Home Occupations. No home occupation shall be conducted or maintained on any Lot other than one which is incidental to a business, profession or occupation of the Owner or occupant of any such Lot, and which is generally or regularly conducted in another location away from such Lot.

Section 6.10: Rules and Regulations. The Board of Directors from time to time may promulgate further rules and regulations concerning the use of Lots and Common Area. A majority of those Owners voting at a meeting called for the purpose

may rescind or modify any rule or regulation adopted by the Board of Directors. Copies of rules and regulations shall be furnished by the Board to the Owners prior to the time when the same shall be effective.

Section 6.11: Development and Sale Period. Nothing contained in this Article VI shall be construed or interpreted to restrict the activities of Declarant in connection with the development of the Property and sale of Lots. During the Development Period, Declarant shall be entitled to engage in such activities and to construct, install, erect and maintain such facilities, upon any portion of the Property at any time owned or leased by Declarant, as in the sole opinion of Declarant may be reasonably required, or convenient or incidental to, the development of the Property and sale of the Lots; such facilities may include, without limitation, storage areas, signs, parking areas, model residences, construction offices, storage buildings, sales offices and business offices.

ARTICLE VII

MAINTENANCE OF BUILDINGS

Section 7.1: Maintenance of Owners. The Owner of each Lot shall furnish and be responsible for at his or her own expense all the maintenance and repair of such Owner's residence and the maintenance of such Owner's Lot, except as provided for herein as the responsibility of the Association under Section 7.2(c), including but not limited to the replacement of plantings provided by Declarant and located within Owner's Lot.

Section 7.2: Exterior Maintenance Obligations of Association with Respect to Common Area.

(a) The exclusive management and control of the Common Area shall be vested with the Association who shall keep the same in a good, clean and

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attractive manner, order and repair. Such responsibility to the extent the same is not otherwise herein declared or stated to be the obligation or responsibility of Owners of Lots, shall include but not be limited to the following: the maintenance and repair of the Common Area, sidewalks and all other improvements or materials located within or used in connection with the Common Area. Without limiting the generality of the foregoing, if a retention facility is installed as part of the storm and surface water drainage system of the property, such water retention facility shall be a part of the Common Area to be operated, managed, controlled, repaired and maintained by the Association. Under no circumstances shall any obligation for the maintenance of any water retention facility be imposed upon, or implied as an obligation of any governmental agency, unless such obligation is specifically and expressly issued or accepted by any such governmental agency. As part of its management and control of the Common Area, the Association will, at its expense, snow plow the streets.

(b) The Association shall maintain and/or replace the plantings provided by the Declarant from time to time as it is reasonably required with the Common Area.

(c) The Association or its duly authorized agent at its expense, shall regularly mow the grass on all Lots and shall have the grass chemically treated. In addition, the Association shall provide snow removal for the streets, the sidewalks and all private driveways. The Association shall also provide all maintenance and repairs required to the automated lawn sprinkling system and shall pay the cost of the water used by such system.

ARTICLE VIII

INSURANCE

Section 8.1: Liability Insurance. The Association shall purchase a master comprehensive public liability insurance policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time. Such comprehensive public liability insurance policy shall cover the Association, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Association, all Owners and all other persons entitled to occupy a lot.

Section 8.2: Miscellaneous Insurance Provisions. The Association shall also obtain any other insurance required by law to be maintained, including but not limited to workmen's compensation insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate. 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, its Board of Directors and any managing agent acting on behalf of the Association. Each owner shall be deemed to have delegated to the Board of Directors his right to adjust with the insurance companies all losses under policies purchased by the Association.

Section 8.3: Payment of Insurance. The premiums for the insurance described above shall be paid by the Association.

Section 8.4: Additional Insurance. Each Owner shall be solely responsible for and obtain such additional insurance as he deems necessary or desirable at his own expense affording coverage upon his real and personal property.

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hereof, except that Declaration shall not affect any of the following changes without the approval of two thirds (2/3) of the first mortgages of the Lots (based upon one (1) vote for each mortgage) and two thirds (2/3) of the Owners of Lots (excluding Declarant):

- (a) the abandonment, partition, subdivision, encumbrance, sale, or transfer (other than to the Association) of any Common Area (other than the granting or altering of utility and drainage easements);

The covenants, restrictions and all other provisions of this Declaration shall run with the land and shall be binding upon all persons claiming under them for a period of twenty (20) years from the date of recordation, and thereafter shall automatically extend for successive periods of ten (10) years each unless prior to the expiration of any such ten (10) year period this Declaration is amended or changed in whole or in part as hereinabove provided.

Section 9.4: Mortgagee Rights. In addition to any other rights provided elsewhere in this Declaration to mortgagees, any lender or lenders holding a first mortgage or first mortgages upon any lot or lots, jointly or singly, may pay any real estate taxes or other taxes or charges or lien against any Common or Limited Common Area or any property owned by the Association; and may pay any overdue premiums on any hazard, casualty, liability or other insurance policies or secure new insurance coverage on the lapse of any policies for any such property owned by the Association or covering any property for which the Association has an obligation to maintain insurance coverage. Any such lender or lenders making payments in accordance with this section shall be entitled to immediate reimbursement therefor from the Association along with any costs incurred, including reasonable attorney's fees.

Section 9.5: Notice to Mortgagees. The Association, upon request, shall provide to any lender holding a first mortgage upon any Lot, a written certificate or notice specifying unpaid assessments and other defaults of the Owner of such Lot, if any, in the performance of such Owner's obligations under this Declaration, the Articles of Incorporation of the Association, its By-Laws or any other applicable documents, which default has not been cured within sixty (60) days. A reasonable charge may be made by the Association for the issuance of any such certificate or notice, and any such certificate properly executed by an officer of the Association shall be binding upon the Association, as provided herein.

Section 10: Commitments Made in Connection with a Rezoning of Property. The commitments concerning the use and development of the property made by the Declarant and dated February 15, 1989, as recorded in the office of the Recorder of Marion County, Indiana, on the 29th day of March, 1990, as Instrument No. 900028794 are incorporated herein by reference, as if originally set forth herein.

Section 11: Metropolitan Development Commission. Its successors and assigns, shall have no right, power or authority, to enforce any covenants, commitments, restrictions or other limitations contained in this plat other than those covenants, commitments, restrictions or limitations that expressly run in favor of the Metropolitan Development Commission; provided further, that nothing herein shall be construed to prevent the Metropolitan Development Commission from enforcing any provisions of the Subdivision Control Ordinance, 58-A0-3, as amended, or any conditions attached to approval of this plat by the Plat Committee.

Section 12: Sight Distance at Intersections. No fence, hedge, tree or shrub planting which obstructs sight lines at elevations between two (2) feet and

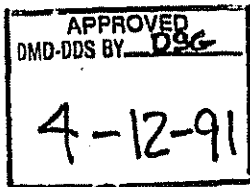
six (6) feet above the street shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street right-of-way lines and a line connecting points twenty-five (25) feet from the intersection of said street lines or in the case of a rounded property corner, from the intersection of the street right-of-way lines extended. The same sight line limitations shall apply to any Lot within ten (10) feet of the intersection of a street right-of-way line with the edge of a driveway, pavement or alley line. No tree shall be permitted to remain within such distances of such intersection unless the foliage is maintained at sufficient height to prevent obstruction of the sight line.

IN WITNESS WHEREOF, Knollwood Development Corp., an Indiana corporation, has caused this Declaration to be executed as of the date first written above.

Knollwood Development Corp.

By: David L. Gradison

David L. Gradison, President



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STATE OF INDIANA
COUNTY OF MARION

Before me, a Notary Public, in and for said county and state, personally appeared David L. Gradison, known to me as President of Knollwood Development corp., who having been first duly sworn, acknowledged the execution of the foregoing Declaration for and on behalf of said corporation.

WITNESS my hand and seal this 11th day of April, 1991

Jody L. Thomas
Signature

Jody L. Thomas
Printed

Residing in Hancock County, Indiana

My Commission Expires:

January 31, 1995

THIS INSTRUMENT WAS PREPARED BY:
James J. Nelson
NELSON & FRANKENBERGER, P.C.
3021 E. 98TH STREET, SUITE 220
Indianapolis, Indiana 46280
(317) 844-0106

FILED
APR 12 1991
LAWRENCE TOWNSHIP
ASSESSOR

910633501

LEGAL DESCRIPTION

I, the undersigned, a Registered Land Surveyor in the State of Indiana, do hereby certify that the within plat represents a subdivision of a part of the North half of Section 38, Township 17 North, Range 4 East of the Second Principal Meridian, Marion County, Indiana, more particularly described as follows:

Commencing at the Southeast corner of the Plat of Fairwood Hills, First Section, Revised, as recorded in Plat Book 30, Pages 158-159 in the Office of the Recorder of Marion County, Indiana, said Southeast corner being the intersection of the centerlines of Fall Creek Road and Sargent Road as shown on said Plat; thence North 23 degrees 20 minutes 58 seconds East 78.79 feet with the centerline of said Sargent Road to the Northwest corner of a 1.20 acre tract of land conveyed to the Consolidated City of Indianapolis, Department of Transportation as described in a Deed recorded as Instrument #8280117 in said Recorders Office and to the POINT OF BEGINNING of the property herein described; thence with the centerline of said Sargent Road, North 23 degrees 20 minutes 58 seconds East 804.21 feet; thence North 31 degrees 28 minutes 29 seconds East 149.41 feet; thence leaving the centerline of said Sargent Road South 58 degrees 31 minutes 31 seconds East 50.00 feet; thence South 46 degrees 42 minutes 42 seconds East 177.87 feet; thence South 38 degrees 08 minutes 02 seconds East 72.14 feet; thence South 79 degrees 41 minutes 18 seconds East 83.83 feet; thence North 42 degrees 56 minutes 14 seconds East 92.88 feet; thence South 81 degrees 54 minutes 49 seconds East 157.12 feet; thence Northeasterly 10.31 feet on a curve to the left having a radius of 275.00 feet and subtended by a long chord bearing North 22 degrees 45 minutes 00 seconds East a distance of 10.31 feet; thence North 21 degrees 40 minutes 34 seconds East 24.88 feet; thence South 65 degrees 43 minutes 50 seconds East 148.42 feet; thence South 60 degrees 00 minutes 00 seconds East 328.20 feet to the Westerly line of the Plat of Creekwood recorded as Instrument #7783728 in said Recorders Office; thence with said Westerly line, South 55 degrees 47 minutes 22 seconds West 81.38 feet; thence South 34 degrees 09 minutes 22 seconds West 219.82 feet; thence South 43 degrees 10 minutes 22 seconds West 97.50 feet; thence South 25 degrees 53 minutes 22 seconds West 134.22 feet to the Northeast corner of the aforesaid 1.20 acre tract of land conveyed to the Consolidated City of Indianapolis, Department of Transportation; thence with the Northerly line of said 1.20 acre tract South 75 degrees 12 minutes 43 seconds West 58.41 feet; thence South 73 degrees 22 minutes 32 seconds West 284.85 feet; thence South 81 degrees 38 minutes 41 seconds West 183.08 feet; thence South 88 degrees 05 minutes 18 seconds West 258.89 feet; thence South 88 degrees 53 minutes 22 seconds West 278.88 feet to the Point of Beginning. Containing 17.311 Acres (754,075 Square Feet +/-).

Subject to all Pertinent Easements and Rights-of-Way of Record.

This subdivision consists of 28 lots, numbered 1-18 inclusive and 38-47 inclusive, together with streets, easements and common areas as shown on the within plat. The size of the lots and width of the streets are shown in feet and decimal parts thereof.

Certified this 10th day of APRIL, 1991.

David B. Holley
Registered Land Surveyor
Indiana No. 880028

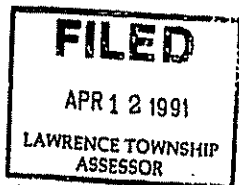
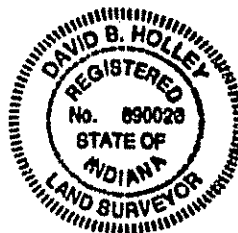


EXHIBIT "A"

910033501

LEGAL DESCRIPTION

I, the undersigned, a Registered Land Surveyor in the State of Indiana, do hereby certify that the within plat represents a subdivision of a part of the North half of Section 30, Township 17 North, Range 4 East of the Second Principal Meridian, Marion County, Indiana, more particularly described as follows:

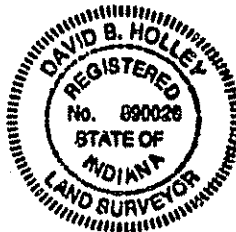
Commencing at the Southeast corner of the Plat of Fairwood Hills, First Section, Revised, as recorded in Plat Book 30, Pages 158-159 in the Office of the Recorder of Marion County, Indiana, said Southeast corner being the intersection of the centerlines of Fall Creek Road and Sargent Road as shown on said Plat; thence North 23 degrees 20 minutes 55 seconds East 78.79 feet with the centerline of said Sargent Road to the Northwest corner of a 1.20 acre tract of land conveyed to the Consolidated City of Indianapolis, Department of Transportation as described in a Deed recorded as Instrument #8280117 in said Recorder's Office and to the POINT OF BEGINNING of the property herein described; thence with the centerline of said Sargent Road, North 23 degrees 20 minutes 55 seconds East 804.21 feet; thence North 31 degrees 28 minutes 29 seconds East 148.41 feet; thence leaving the centerline of said Sargent Road South 58 degrees 31 minutes 31 seconds East 50.00 feet; thence South 48 degrees 42 minutes 42 seconds East 177.87 feet; thence South 38 degrees 08 minutes 02 seconds East 72.14 feet; thence South 78 degrees 41 minutes 18 seconds East 83.83 feet; thence North 42 degrees 58 minutes 14 seconds East 82.89 feet; thence South 81 degrees 54 minutes 49 seconds East 157.12 feet; thence Northeasterly 10.31 feet on a curve to the left having a radius of 275.00 feet and subtended by a long chord bearing North 22 degrees 45 minutes 00 seconds East a distance of 10.31 feet; thence North 21 degrees 40 minutes 34 seconds East 24.98 feet; thence South 65 degrees 43 minutes 50 seconds East 148.42 feet; thence South 80 degrees 00 minutes 00 seconds East 328.20 feet to the Westerly line of the Plat of Creekwood recorded as Instrument #7763729 in said Recorder's Office; thence with said Westerly line, South 55 degrees 47 minutes 22 seconds West 81.38 feet; thence South 34 degrees 09 minutes 22 seconds West 219.82 feet; thence South 43 degrees 10 minutes 22 seconds West 97.50 feet; thence South 25 degrees 53 minutes 22 seconds West 134.22 feet to the Northeast corner of the aforesaid 1.20 acre tract of land conveyed to the Consolidated City of Indianapolis, Department of Transportation; thence with the Northerly line of said 1.20 acre tract South 75 degrees 12 minutes 43 seconds West 58.41 feet; thence South 73 degrees 22 minutes 32 seconds West 294.85 feet; thence South 81 degrees 38 minutes 41 seconds West 183.08 feet; thence South 89 degrees 05 minutes 18 seconds West 258.89 feet; thence South 88 degrees 53 minutes 22 seconds West 278.88 feet to the Point of Beginning. Containing 17.311 Acres (754,075 Square Feet +/-).

Subject to all Pertinent Easements and Rights-of-Way of Record.

This subdivision consists of 28 lots, numbered 1-18 inclusive and 38-47 inclusive, together with streets, easements and common areas as shown on the within plat. The size of the lots and width of the streets are shown in feet and decimal parts thereof.

Certified this 10th day of APRIL, 1991.

David B. Holley
Registered Land Surveyor
Indiana No. 880028



FILED
APR 12 1991
LAWRENCE TOWNSHIP
ASSESSOR

EXHIBIT "A"

910033501

CROSS REFERENCE

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S.S.
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FIRST AMENDMENT TO DECLARATION AND COVENANTS,
CONDITIONS AND RESTRICTIONS OF KNOLLWOOD AT THE CREEK

This First Amendment made this 17 day of December,
1992 by Knollwood Development Corp., an Indiana corporation
("Declarant").

W I T N E S S E T H:

WHEREAS, the following facts are true:

A. Declarant recorded the Declaration and Covenants,
Conditions and Restrictions of Knollwood at the Creek on
April 12, 1991 as Instrument No. 91-33501 and re-recorded such
Declaration on July 13, 1992 as Instrument No. 92-91159
("Declaration").

B. The purpose of this Amendment is to clarify what real
estate could become subject to the Declaration and to
specifically provide for certain additional real estate to
become subject to the Declaration and to make such other
changes in the Declaration as are necessary or appropriate to
accomplish that task.

C. Declarant is making this First Amendment to
Declaration and is executing this First Amendment pursuant to
Section 9.3 of the Declaration.

NOW, THEREFORE, THE DECLARATION IS AMENDED AS FOLLOWS:

1. In the recitals between the second and third
"WHEREAS" clauses, the following additional "WHEREAS" clause is
inserted:

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92 DEC 22 11:28 AM '92
JOHN H. ROYER
MARION COUNTY RECORDER

WHEREAS, Declarant is also the owner of certain additional real estate located in Marion County, Indiana, adjacent to the Property described in Exhibit "A" to the Declaration, as more particularly described in Exhibit "B" attached hereto and made a part hereof (hereinafter referred to as the "Tract").

2. At the end of the "NOW, THEREFORE" clause of the recitals, the following is added:

Declarant reserves unto itself the right and privilege, but not the requirement, to file a plat for all or any portion of the Tract and to make all or any portion of the Tract subject to the Declaration upon the filing of a Supplemental Declaration as provided in paragraph 5 of this First Amendment.

3. Article II of the Declaration is hereby amended as follows:

(a) Section 2.4 is hereby amended to read as follows:

"Property" means the real estate described in Exhibit "A" to the Declaration and such portions of the Tract which have, as of any given time been subjected to the Declaration by a Supplemental Declaration as herein provided.

(b) Section 2.9 is hereby amended by changing the word "Properties" in the first line of Section 2.9 to the word "Property" and to insert after the word "Lots" in the second sentence "or not designated as dedicated streets."

(c) Section 2.10 is hereby amended to read as follows:

"Development Period" means the period of time commencing with Declarant's acquisition of the Property and ending when Declarant has completed the development and sale of and no longer owns any Lot in Knollwood at the Creek or any other portion of the Property.

4. Article II is further hereby amended by adding the following definitions:

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(a) Section 2.13. "Tract" means the real estate described in Exhibit "B."

(b) Section 2.14. "Knollwood at the Creek" means the name by which the real estate that is subjected to the Declaration shall be known.

(c) Section 2.15. "Development" shall mean the development of the Property as such may exist from time to time.

5. Article III of the Declaration is amended by adding a new Section 3.5 as follows:

Section 3.5 EXPANDABLE DEVELOPMENT. Knollwood at the Creek is and shall be expandable, and Declarant expressly reserves the right and option to expand the Property in accordance with the following provisions:

(a) The real estate described and defined in the Declaration as the Property (Exhibit "A" to the Declaration) is the real estate that has been subjected to the Declaration and constitutes the first phase of the Development. The Tract is the area into which expansion of Knollwood at the Creek or the Development may be made by Declarant. Knollwood at the Creek may be expanded by Declarant to include additional portions of the Tract in one or more additional phases by the recording of one or more plats and recording of one or more amendments or supplements to the Declaration; provided, however, that no

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for expenses assessed to or against a Lot prior to such recording.

(e) Each Owner by acceptance of the deed conveying his Lot agrees for himself and all those claiming under him, including mortgagees, that this Declaration may be amended and supplemented to include the Tract as part of the Declaration.

6. The title to Section 7.2 and Section 7.2(a) are hereby amended as follows:

(a) The title to Section 7.2 is amended to add to the title "and Lots."

(b) The third sentence in Section 7.2(a) is hereby amended to read as follows:

Without limiting the generality of the foregoing, (i) if a retention facility is installed as part of the storm and surface water drainage system of the property, or (ii) if any portion of the sewer system is not dedicated and accepted by the applicable governmental body, such water retention facility, or sewer system, shall be a part of the Common Area to be operated, managed, controlled, repaired and maintained by the Association.

IN WITNESS WHEREOF, Knollwood Development Corp., an Indiana corporation, has caused this Declaration to be executed as of the date first written above.

KNOLLWOOD DEVELOPMENT CORP.

By: 
David L. Gradison, President

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single exercise of such right and option of expansion as to any part or parts of the Tract shall preclude Declarant from thereafter from time to time further expanding Knollwood at the Creek to include other portions of the Tract, and such right and option of expansion may be exercised by Declarant from time to time as to all or any portion of the Tract so long as such expansion is done on or before January 1, 1997. Such expansion is entirely at the discretion of Declarant, and nothing contained in the Declaration or otherwise shall require Declarant to expand Knollwood at the Creek beyond the Property described in Exhibit "A" to the Declaration or any other portion of the Tract which Declarant may voluntarily and in its sole discretion from time to time, subject to the Declaration by amendments or supplements to this Declaration as provided above.

(b) Simultaneously with the recording of amendments or supplements to the Declaration expanding Knollwood at the Creek, Declarant shall record a final plat platting such area into Lots.

(c) That portion of the Tract described in each such amendment or supplement to this Declaration shall be governed in all respect by the provisions of the Declaration.

(d) The recording of any amendment or supplement to this Declaration shall not alter the amount of the lien

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STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared David L. Gradison, by me known and by me known to be the President of Knollwood Development Corp., who acknowledged the execution of the foregoing "First Amendment to Declaration and Covenants, Conditions and Restrictions of Knollwood at the Creek" on behalf of said corporation.

Witness my hand and Notarial Seal this 18th day of December, 1992.



Cindy L. Miller
Notary Public

CINDY L. MILLER
HAMILTON COUNTY RESIDENT
(Printed Signature) BY COMMISSION EXPIRES 2-9-94

My Commission Expires: _____

My County of Residence: _____

This instrument prepared by Philip A. Nicely, Attorney-at-Law,
Bose McKinney & Evans, 8888 Keystone Crossing, Suite 1201,
Indianapolis, Indiana 46240.

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EXHIBIT "B"

LEGAL DESCRIPTION
KNOLLWOOD AT THE CREEK
SECTION TWO

A part of the North half of Section 36, Township 17 North, Range 4 East of the Second Principal Meridian, Marion County, Indiana, more particularly described as follows:

Commencing at the Southeast corner of the Plat of Fairwood Hills, First Section, Revised, as recorded in Plat Book 30, Pages 156-159 in the Office of the Recorder of Marion County, Indiana, said Southeast corner being the intersection of the centerlines of Fall Creek Road and Sargent Road as shown on said Plat; thence North 23 degrees 20 minutes 55 seconds East 76.79 feet with the centerline of said Sargent Road to the Northwest corner of a 1.20 acre tract of land conveyed to the Consolidated City of Indianapolis, Department of Transportation as described in a Deed recorded as Instrument 882-60117 in said Recorder's Office; thence with the centerline of said Sargent Road, North 23 degrees 20 minutes 55 seconds East 904.21 feet; thence North 31 degrees 28 minutes 29 seconds East 149.41 feet to the Northwesterly corner of Knollwood at the Creek, Section One, as shown on the Plat thereof recorded as Instrument 191-33502 in said Recorder's Office and to the POINT OF BEGINNING of the property herein described; thence with the centerline of said Sargent Road North 31 degrees 28 minutes 29 seconds East 490.40 feet; thence North 41 degrees 57 minutes 09 seconds East 233.18 feet to the Southwesterly corner of a tract of land conveyed to Mackinac Family Club, Inc. as described in a Deed recorded as Instrument 174-64698 in said Recorder's Office; thence leaving the centerline of said Sargent Road, South 48 degrees 02 minutes 51 seconds East 265.00 feet with the Southwesterly line of said Mackinac Family Club, Inc. and with the Southwesterly line of a tract of land also conveyed to Mackinac Family Club, Inc. as described in a Deed recorded as Instrument 174-71651 in said Recorder's Office; thence North 82 degrees 35 minutes 55 seconds East 103.59 feet with the Southeasterly line of said Mackinac Family Club, Inc.; thence North 41 degrees 57 minutes 09 seconds East 133.00 feet with the Easterly line of said Mackinac Family Club, Inc. to the Southerly line of a tract of land conveyed to Mackinac Family Swim Club, Inc. as described in a Deed recorded as Instrument 176-40619 in said Recorder's Office; thence South 55 degrees 11 minutes 44 seconds East 506.85 feet with said Southerly line to the Westerly line of Creekwood, as shown on the Plat thereof recorded as Instrument 177-63729 in said Recorder's Office; thence with said Westerly line South 24 degrees 25 minutes 22 seconds West 245.61 feet; thence South 19 degrees 45 minutes 22 seconds West 164.15 feet; thence South 25 degrees 52 minutes 22 seconds West 259.93 feet; thence South 55 degrees 47 minutes 22 seconds West 10.59 feet to the

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Southeasterly Corner of said Knollwood at the Creek, Section One; thence with the Northerly line of said Knollwood at the Creek, Section One, North 60 degrees 00 minutes 00 seconds West 329.20 feet; thence North 65 degrees 43 minutes 50 seconds West 149.42 feet; thence South 21 degrees 40 minutes 34 seconds West 24.98 feet; thence Southwesterly 10.31 feet on a curve to the right having a radius of 275.00 feet and subtended by a long chord bearing South 22 degrees 45 minutes 00 seconds West a distance of 10.31 feet; thence 62 degrees 54 minutes 49 seconds West 157.12 feet; thence South 42 degrees 56 minutes 14 seconds West 92.99 feet; thence North 79 degrees 41 minutes 18 seconds West 63.63 feet; thence North 39 degrees 08 minutes 02 seconds West 72.14 feet; thence North 46 degrees 42 minutes 42 seconds West 177.87 feet; thence North 58 degrees 31 minutes 31 seconds West 50.00 feet to the Point of Beginning, Containing 15.269 Acres (669,136 Square Feet 1/)

Except the following:

Commencing at the Northeasterly corner of the above described 15.269 acre tract, said Northeasterly corner being the intersection of the Westerly line of the above described Creekwood with the Southerly line of the above described Mackinac Family Swim Club, Inc. property; thence North 55 degrees 11 minutes 44 seconds East 95.73 feet with said Southerly line; thence leaving said Southerly line South 34 degrees 52 minutes 43 seconds West 13.40 feet to the Point of Beginning of the property herein described; thence South 59 degrees 02 minutes 59 seconds East 38.80 feet; thence South 30 degrees 32 minutes 01 seconds West 41.14 feet; thence North 60 degrees 13 minutes 47 seconds West 32.84 feet; thence North 30 degrees 12 minutes 24 seconds East 41.46 feet to the Point of Beginning, Containing 0.034 of an acre (1472 Square Feet +/-).

Containing 15.215 Acres (663,664 Square Feet +/-) after said exception.

Subject to all Pertinent Easements and Rights-of-Way of Record.

Prepared from Record Bookcase by
Kimbley & DeVoss, Inc.
2421 Production Drive, Suite 110
Indianapolis, IN 46241
(317)486-5555

December 21, 1992
Job No. 92191

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DECLARATIONS AND COVENANTS, CONDITIONS AND RESTRICTIONS
OF
KNOLLWOOD AT THE CREEK

29

THIS DECLARATION, made on this 8th day of February, 1994, by Garrison Development Corp., an Indiana corporation (hereinafter referred to as "Declarant");

WITNESSETH:

WHEREAS, Declarant is the owner of certain real estate located in Marion County, Indiana, which is more particularly shown on the within Plat attached hereto and by this reference made a part hereof (hereinafter referred to as "Property");

WHEREAS, Declarant desires to subdivide and develop the Property as generally shown on the Final Plat for Knollwood at the Creek Section One and two (hereinafter sometimes referred to as the "Plat" and sometimes referred to as the "Development"), by designating certain portions of the Property as "Common Area" (as hereinafter defined) and by designating certain other portions of the Property as Lots (as hereinafter defined);

WHEREAS, Declarant intends to sell and convey the residential lots situated within the platted areas of the Development and before doing so desires to subject to and impose upon all real estate within the platted areas of the Development mutual and beneficial restrictions, covenants, conditions and charges (hereinafter referred to as the "Restrictions"), under a general plan or scheme of improvements for the benefit and compliment of the lots and lands in the Development and future home owners thereof.

NOW, THEREFORE, Declarant hereby declares that all of the platted lots and lands located within the Development as platted are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved, subject to the following Restrictions, all of which are declared and agreed to be in furtherance of a plan for the improvement and sale of said lots and lands in the Development and are established and agreed upon for the purpose of enhancing and

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Inst # 1994-0025532

protecting the value, desirability and attractiveness of the Development as a whole and of each of said lots situated therein. All of the Restrictions shall run with the land and shall be binding upon Declarant and upon the parties having or acquiring any right, title or interest, legal or equitable, in and to the real property or any part of parts thereof subject to such Restrictions, and shall inure to the benefit of Declarant's successors in title to any real estate in the Development.

ARTICLE I

NAME

The subdivision of the Property created by this Declaration shall be known and designated as Knollwood at the Creek, Section One and Two, a subdivision located in Marion County, Indiana.

ARTICLE II

DEFINITIONS

Section 2.1: "Association" shall mean Knollwood at the Creek Homeowners Association, Inc., an Indiana not-for-profit corporation and its membership shall consist of lot owners who pay mandatory assessments for snow removal for the streets and owner's driveways, liability insurance, maintenance of the common area landscaping, irrigation water, maintenance of the irrigation system, mowing and chemical treatment of Owner's lawns, and Common Area facilities' operation and maintenance.

Section 2.2: "Articles" means the Articles of Incorporation of the Association filed with the Office of the Secretary of State of Indiana, as the same are or hereafter may be amended from time to time.

Section 2.3: "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot or more persons or entities, of the fee simple title to any Lot or Block which is a part of the Property, including contract sellers, but otherwise excluding those having such interest merely as security for the performance of any obligation. Unless specifically indicated to

the contrary, the term Owner as used herein shall include the Declarant, so long as the Declarant shall own any Lot.

Section 2.4: "Property means the real estate as shown on the within Plat.

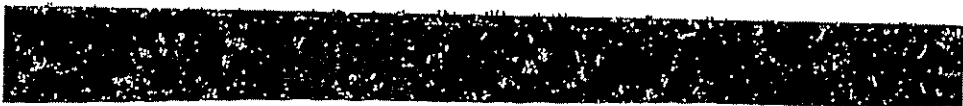
Section 2.5: "Plat" means the subdivision plat of the Property identified as the Final Plat of Knollwood At The Creek One or Two or any subsequent Final Plats in whole or as sections of Knollwood at the Creek recorded in the Office of the Recorder of Marion County, Indiana, as the same may be hereafter amended or supplemented.

Section 2.6: "Lot" means any parcel of land shown upon the Final Plat of Knollwood at the Creek Section One and Two and identified as a Lot.

Section 2.7: "Declarant" shall mean Garrison Development Corp., an Indiana Corporation, its successors and assigns as a Declarant.

Section 2.8: "Board of Directors" means the Board of Directors of the Association.

Section 2.9: "Common Area" means those portions of the Properties (including improvements thereto), facilities and personal property owned or leased by the Association from time to time for the common use, benefit and enjoyment of its members. Unless expressly stated to the contrary, the term Common Area as used herein (whether or not so expressed) shall include all of the Property not designated as Lots on the Final Plat of Knollwood at the Creek Section One and Two. The Common Area is to be owned by the Association at the time of the conveyance of the first Lot to an owner.



Section 2.10: "Development Period" means the period of time commencing with Declarant's acquisition of the Property and ending when Declarant has completed the development and sale of, and no longer owns, any Lot or any other portion of the real estate shown on the within Plat.

Section 2.11: "Committee" shall mean the Development Control Committee, composed of three (3) members appointed by Declarant who shall be subject to removal by Declarant at any time with or without cause. Any vacancies from time to time existing shall be filled by appointment of Declarant until such time as the subdivision is completely developed, at which time the Knollwood at the Creek Homeowners Association, Inc., shall appoint from its membership this Committee.

Section 2.12: Approvals, determinations, permissions or consents required herein of the Declarant shall be deemed given only if they are given in writing and signed, by the Declarant.

ARTICLE III

PROPERTY RIGHTS

Section 3.1: 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 shall be appurtenant to and shall pass with title to every lot in the form of a right to membership in the Association, subject to the following provisions:

- (a) the right of the Association to charge reasonable admission and other fees for the use of any facilities, if any, situated upon the Common Area.
- (b) the right of the Association to suspend the voting rights and right to use of any facilities by any Owner for any period during which any assessment



(b) the right of the Association to suspend the voting rights and right to use of any facilities by any Owner for any period during which any assessment remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.

(c) the right of the Association to promulgate reasonable rules and regulations governing the use of the Common Area including, without limitation, restrictions on the use of and quality, kind and nature of any improvements, additions, or alterations to any and all landscaping areas, and other provisions of the Property included in the Common Area;

(d) the rights of Declarant as provided in this Declaration;

(e) all other rights, obligations and duties as set forth in this Declaration, as the same may be from time to time amended or supplemented.

(f) the easements reserved elsewhere in this Declaration and the right of the Association to grant further reasonable utility easements across and through the Common Area for the benefit of its members; and

(g) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be set forth in the instrument of dedication or transfer, upon the approval of two-thirds (2/3) of the membership of each class of members of the Association.

(h) the foregoing notwithstanding the Declarant, and after the sale of all Lots, the Association shall not have the right to restrict the use of the public streets by an owner for the purpose of ingress and egress to Owner's Lot.

Section 3.2: Delegation of Use. Any owner may delegate, in accordance with the By-Laws and any reasonable and nondiscriminatory rules and regulations promulgated from time to time by the Association and subject to the rights of others

as set forth in Section 3.1., his or her right of enjoyment of the Common Area to family members, to a lessee, or contract purchaser of his Lot or to guests.

Section 3.3: Certain Obligations and Access Rights to the Common Area.

(a) The Association, subject to the rights of the Owners as set forth in this Declaration, shall be responsible for the management and control, for the exclusive benefit of the Owners as provided herein, of the Common Area and for the maintenance of the same in good, clean, attractive, safe and sanitary condition, order and repair.

(b) The Association shall have and is hereby granted an easement and right of access to all of the Common Area for the purpose of maintaining or repairing or causing the same to be maintained or repaired as is its obligation and duty under this Declaration. The easements and rights specified herein also are reversed for the benefit of Declarant so long as Declarant owns any portion of the Property.

Section 3.4: Drainage, Utility, Sewer and Other Development Easements.

(a) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, an undefined easement ("Drainage, Utility and Sewer Easement") for drainage, utility and sewer purposes in, on and over all of the Common Area, so as to permit Declarant to properly install and allow to be maintained all electrical, telephone, water, gas, sanitary and storm sewer, irrigation, television (including but not limited to cable and/or satellite) transmission facilities, security systems and other utility services, antennae and other equipment and facilities to serve the Lot and the single family residential dwelling to be constructed on each Lot. No improvements or permanent structure (except walkways, pathways, fences, signs, lighting, landscaping and pavement on

streets and driveways) shall be placed within any Drainage, Utility and Sewer Easement, and any fences so installed are subject to the rights (including the right to remove where reasonable necessary without duty of replacement or reimbursement) of any public or private utility to construct, maintain, repair, or remove any necessary facilities and the rights of Declarant and the Association to provide for and maintain appropriate drainage.

(b) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, the right and an undefined easement ("Sign and Facility Easement") to install, erect, construct and maintain an entrance sign or signs, directional signs, lighting, walkways, pathways, fences, walls, and any other landscaping, architectural and recreational features or facilities considered necessary, appropriate, useful or convenience, anywhere upon the Property (except upon any Lot after the first conveyance thereof). Any signs shall comply with any applicable zoning requirements and all such facilities shall be maintained by the Association as a part of its Common Area maintenance obligations.

(c) Declarant reserves unto itself during the Development Period and thereafter unto the Association, the full right, title, and authority (i) to relocate, alter or otherwise change the location of any Drainage, Utility and Sewer Easement, the Sign and Facilities Easement, or any facility at any time located therein or thereon; (ii) to grant such further easements, licenses and right of way, temporary or permanent, exclusive or non-exclusive, surface or otherwise, as Declarant may deem necessary or appropriate, for ingress, egress, utility and similar purposes on or within any Lot; and (iii) to describe more specifically or to change the description of any Drainage, Utility and Sewer Easement, the Sign and Facilities Easement or any other easement, license or right of way now or hereafter existing on the Property, by written instrument, amended Plat or amendment to the Plat recorded in the Office of the Recorder of Marion County, Indiana.

(d) The title of the Association (as to the Common Area during the Development Period) and of any Owner of any Lot shall be subject to the rights and

easements reserved herein. Provided, however, that the rights reserved in this Section 3.4 shall not be exercised after the conveyance of any Lot in a manner that unreasonably and adversely affects any single family residential dwelling or portion thereof located upon such Lot or the Owner's use or enjoyment thereof, or which unreasonably restricts the rights of ingress and egress to such Lot. The rights and easements reserved by Declarant in this Section 3.4 shall run with the land, and Declarant's right to further alter or grant easements shall automatically terminate and pass to the Association one (1) year after Declarant shall have conveyed the last Lot within the Property.

ARTICLE IV

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 4.1. Membership. Initially, to satisfy the requirements of the Indiana Not-for-Profit Corporation Act, the three (3) persons who serve as incorporators of the Association shall be the members (the "initial members"). The Initial Members shall remain members of the Association until three (3) persons have become Class A or Class B members, at which time the Initial Members shall cease to be members unless they also qualify as Class A or Class B members. Every owner of a Lot shall be a member of the Association. Apart from the Initial Members, membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot.

Section 4.2. Classes of Membership and Voting Rights. The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant. Class A member shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members; the vote for such Lot shall be exercised as the members holding an interest in such

Lot determine among themselves, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The class B member shall be Garrison Development Corp., the Declarant. The Declarant shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total number of votes outstanding in the Class A membership is equal to the total number of votes outstanding in the class B membership; or
- (b) on January 1, 1995.

Section 4.3: Board of Directors. The Owners shall elect a Board of Directors of the Association as prescribed by the Association's Articles and By-Laws. The Board of Directors shall manage the affairs of the Association.

Section 4.4: Professional Management. No contract or agreement for professional management of the Association, no any other contract between Declarant and the Association, shall be for a term in excess of three (3) years.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 5.1: Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot now or hereafter owned by it within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association: (1) Regular Assessments (for maintenance, repairs, and ordinary operating expenses); (2) Special Assessments for (a) capital improvements and operating deficits, as provided for herein; and (b) for

special maintenance or repairs as provided for herein; and (3) any Insurance as provided for herein. Such assessments shall be established, shall commence upon such dates and shall be collected as hereinafter provided. All such assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the Owner. Past due assessments shall run with the land and pass with title.

Section 5.2: Purpose of Regular Monthly Assessments. The Regular Monthly Assessments levied by the Association shall be used exclusively, in the reasonable discretion of the Board of Directors of the Association, for the promotion of the health, safety and welfare of the residents in the Property, for the improvement, maintenance and repair of the Common Area, for the performance of the obligations and duties of the Association and for otherwise allocated in a reserve fund for the purpose of providing repair and replacement of the Common Area and other capital improvements which the Association is required to maintain.

Section 5.3: Maximum Regular Monthly Assessments.

(a) Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum Regular Monthly Assessment on any Lot conveyed by Declarant shall be Seventy Dollars (\$70.00).

(b) From and after January 1 of such year, the maximum Regular Monthly Assessment may be increased each calendar year not more than 20% above the maximum Regular Monthly Assessment for the previous year, except with the approval of two-thirds (2/3) of those members of each class of members who cast votes in person or by proxy at a meeting duly called for this purpose.

(d) The Board of Directors from time to time may fix the Regular Monthly Assessment, without any vote of the membership, at any amount not in excess of the maximum.

Section 5.4: Special Assessments for Capital Improvements and Operating Deficits. In addition to the Regular Monthly Assessments authorized above, the Association may levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction repair or replacement of any capital improvement which the Association is required to maintain, or to recover any operating deficits which the Association may from time to time incur, provided that any such assessment shall have the consent of two-thirds (2/3) of those members of each class of members who cast votes in person or by proxy at a meeting duly called for this purpose. The foregoing notwithstanding, the Declarant shall not pay any special assessments levied for construction, reconstruction, repair or replacement for any capital improvements which the Association is required to maintain, as long as it is the owner of three (3) or more Lots.

Section 5.5: Notice and Quorum for Any Action Authorized Under Section 5.3 and 5.4. Written notice of any meeting called for the purpose of taking any action authorized under Section 5.3 or 5.4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty per cent (60%) of all the votes of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5.6: Uniform Rate Assessment. Regular Monthly Assessments and Special Assessments for capital improvements and to recover operating deficits must be fixed at a uniform rate for all Lots.

Section 5.7: Date of Commencement of Assessments; Due Dates. The Regular Assessment provided for herein shall commence as to each Lot on the date of conveyance of such Lot by declarant.

The provisions of this Section 5.7 notwithstanding, the owner shall pay on the day of conveyance in advance his or her share of the Regular Assessment for the balance of the calendar month in which the conveyance takes place.

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; provided, however, Owners may elect to pay assessments semi-annually or annually in advance.

The Board of Directors shall fix any increase in the amount of such assessments at least thirty (30) days in advance of the effective date of such increase. Written notice of any increase in the Regular Assessment, and written notice of any Special Assessment and such other assessment notices as the Board of Directors shall deem appropriate, shall be sent to every Owner subject thereto. The due dates for all assessments, and the assessment and collection period (i.e., annual, monthly, lump sum or otherwise) for any Special Assessments, shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate in recordable form signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate from the Association regarding the

status of assessments for any Lot shall be binding upon the Association as of the date of its issuance.

Section 5.8: Effect of Nonpayment of Assessments; Remedies of the Association. If any assessment (or periodic installment of such assessment, if applicable) is not paid on the due date established therefor pursuant to Section 5.7 hereof, then the entire unpaid assessment (together with interest thereon, costs and attorney's fees as hereinafter provided and as provided in Section 5.1) shall become delinquent and shall constitute a continuing lien on the Lot to which such assessments relates, binding upon then Owner, his or hers, devisees, successors and assigns. The personal obligation of the then Owner to pay such assessment, however, shall not pass to such Owner's successors in title unless expressly assumed by them. If any assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen per cent (18%) per annum and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property or both. In such event, there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action; and in the event a judgment is obtained such judgment shall include interest on the assessment as above provided, costs of the action and reasonable attorney's fees to be fixed by the court. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 5.9: Subordination of the Lien to Mortgages; Sale or Transfer. The lien of the assessments provided for herein shall be subordinated to the lien of any first mortgage. The sale or transfer of any Lot pursuant to the foreclosure of any first mortgage on such Lot (without the necessity of joining the Association in any such foreclosure action) or any proceedings or deed in lieu thereof shall extinguish the lien of all assessments becoming due or from the lien

thereof; and, except as hereinabove provided, the sale or transfer of any Lot shall not affect the lien of assessments becoming due prior to the date of such sale or transfer except to the extent that a purchaser may be protected against the lien for prior assessments by a binding certificate from the Association, issued pursuant to Section 5.7, as to whether or not such assessments have been paid.

ARTICLE VI

USE AND RESTRICTIONS AND ARCHITECTURAL CONTROL

Section 5.1. Lot Use and Conveyance. All Lots shall be used exclusively for single-family residential purposes, except that Declarant, during the Development Period, reserves the rights provided herein respecting the Property generally. Except as herein provided, no Lot shall be subdivided to form units of less area. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the covenants, conditions, and restrictions contained herein.

Section 5.2. Accessory Outbuilding Prohibited. No accessory outbuildings shall be erected on any of the residential Lots.

Section 5.3. Occupancy or Residential Use of Partially Completed Dwellings House Prohibited. No dwelling house constructed on any of the residential Lots shall be occupied or used for residential purposes or human habitation until it shall have been substantially completed for occupancy in accordance with the approved building plan. The determination of whether the house shall have been substantially completed in accordance with the approved building plan shall be made by the Committee and such decision shall be binding on all parties.

Section 6.4: Other Restrictions. All tracts of ground in the Development shall be subject to the easements, restrictions and limitations of record and to all governmental zoning authority and regulations affecting the Development, all of which are incorporated herein by reference.

Section 6.5: Restrictions Concerning Site Placement and Maintenance of Dwelling Houses and Other Structures.

- A. Minimum Living Space Areas. All dwellings will have two, three, or four bedrooms, a two car garage and a minimum of 1900 square feet of living area for a one story structure and 1200 square feet of minimum main floor area in two story dwellings.
- B. Fences, Light Fixtures, Mailboxes, Lawns and Trees. In order to preserve the natural quality and an aesthetic appearance of the existing geographic areas within the Development, any fence or light fixture must be approved by the Committee as to size, location, height and composition before it may be installed. A standard mailbox and post will be adopted for the development and installed by the Declarant.
- C. Exterior Construction. All utility facilities in the Development will be underground, except where required to place above-ground by the individual utility supplier. Each driveway in the Development will be of concrete or asphalt material. No additional parking will be permitted on a lot other than in the existing driveway. Each dwelling will have a continuous concrete sidewalk from the driveway to the front porch. All garage doors in the Development will be of a Masonite or wood material. No outside fuel storage tanks will be permitted above or below ground in the Development. All metal windows in the Development will be factory painted, no raw aluminum windows will be permitted and all windows will have an approved thermal break. All gutters and

downspouts in the Development will be painted or of a colored material other than gray galvanized. All roofing in the Development will be of a shingle-type material with weight no less than two hundred twenty (220) pounds and rating of Class A. All roof pitches will be four and one-half (4 1/2) or greater. Plumbing vent stacks shall be placed in inconspicuous locations. No metal, fiberglass or similar type material awnings or patio covers will be permitted in the Development. Modular-type construction is not permitted in the Development.

D. Heating Plants. Every dwelling in the Development must contain a heating plant installed in compliance with the required codes. Heating plants shall have ductwork capable of handling central air conditioning.

E. Damaged Structures. No improvement which has partially or totally been destroyed by fire or otherwise, shall be allowed to remain in such state for more than three (3) months from the time of such destruction or damage.

F. Prohibition of Used Structures and Modular Homes. All structures constructed or placed on any numbered lot in the Development shall be constructed with substantially all new materials, and no used structures shall be relocated or placed on any such lot, nor shall modular constructed structures be placed on any lot.

G. Maintenance of Lots and Improvements. The Owner of any lot in the Development shall at all times maintain the lot and any improvements situated thereon in such a manner as to prevent the lot or improvements from becoming unsightly; and, specifically, such Owner shall:

- (i) Remove all debris or rubbish.
- (ii) Prevent the existence of any other condition that reasonably tends to detract from or diminish the aesthetic appearance of the Development.

(iii) Keep the exterior of all improvements in such a state of repair or maintenance as to avoid their becoming unsightly.

H. Declarant's Right to Perform Certain Maintenance. In the event that the Owner of any Lot in the Development shall fail to maintain his Lot or any improvements situated thereon in accordance with the provisions of these restrictions, Declarant shall have the right, but not the obligation, by and through its agents and employees or contractors, to enter upon said lot and repair, clean or perform such other acts as may be reasonably necessary to make such lot and improvements thereon, if any, conform to the requirements of these restrictions. The cost therefor to Declarant shall be collected in any reasonable manner from Owner. Neither Declarant nor any of its agents, employees or contractors shall be liable for any damage which may result from any maintenance work performed hereunder. At the time dwellings are constructed upon lots, the Association shall succeed to the rights of the Declarant herein.

Section 6.6: Restrictions as to Owners. The Owners, further, shall be subject to the following use restrictions:

(1) Obstructions. There shall be no obstruction of the Common Area, nor shall anything be kept or stored on any part of the Common Area without the prior written consent of the Association except construction materials and equipment during the construction period or except as specifically provided herein. Nothing shall be altered on, constructed on, or removed from the Common Area except upon prior written consent of the Association.

(ii) Prohibition of Damage and Certain Activities.

Nothing shall be done or kept on any Common Area or any part thereof which would increase the rate of insurance on the Common Area or any

part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Association. Nothing shall be done or kept on any Lot in any single family residential dwelling or on any Common Area or any part hereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Area or any part thereof shall be committed by any Owner or any invitee or tenant of any Owner and each Owner shall indemnify and hold the Association and the Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees or tenants, to the Association and other Owners. No noxious, destructive or offensive activity shall be allowed on any Lots or in the Common Area or any part thereof, nor shall anything be done thereon which may be or may become a nuisance to any other Owner or to any other person at any time lawfully residing on the Property; provided, however, that no act, conduct, activity or operation which Declarant is authorized or permitted to do hereunder shall ever be deemed to be noxious, destructive, offensive nor a nuisance for purposes of this Section.

(iii) Fences, Walls and Patios. No Owner shall relocate, heighten, lower or otherwise move or change any fence, wall, or patio upon the Property except with approval of the Association as provided herein.

(iv) No Unsightly Uses. No clothes, sheets, blankets or laundry of any kind or other articles shall be hung out on any portion of the Common Area, or on a Lot so as to be visible from outside the Lot. The Common Area shall be kept free and clean of all rubbish, debris and other unsightly materials.

(v) Animals. No animals, rabbits, livestock, fowl or poultry of any kind shall be raised, bred or kept in or on any Lot or on the Common

Area or any part hereof, except household pets, subject to rules and regulations adopted by the Board provided that they are not kept, bred, or maintained for any commercial purposes; provided, further, that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property subject to these restrictions upon three days' written notice from the Board, and provided, further, that upon written request of 25% of the voting power of the Association, the Board of Directors shall have the authority to and shall order the removal of, any pet.

(vi) Prohibited Structures. No structure of a temporary character, trailer, boat, camper-bus, basement, tenant, storage tanks, or shack shall be maintained on any Lot nor shall any garage or other building except a permanent residence, be used on any Lot at any time as a residence or sleeping quarters for more than 72 hours.

(vii) Storage. Outside storage of any items, except outdoor cooking equipment, including but without limiting the generality of the foregoing, sporting equipment, toys, yard and garden tools and equipment and trash and garbage containers, shall not be allowed. The storage or collection of rubbish of and character whatsoever, any material that emits foul or obnoxious odors, the growing of any noxious or illegal weed or other natural substance, and the harboring of the source of any noise or activity which disturbs the peace, comfort, or serenity of residents is prohibited. Notwithstanding the foregoing, no boats, snowmobiles, recreational vehicles, trailers, camping vehicles, buses, mobile homes, tractor/trailers, trucks, motorcycles, mini-bikes, unlicensed or inoperable vehicles, or any other vehicles of any description other than normal passenger automobiles shall at any time be stored or parked on any Lot outside of a garage, on any part of the

Common Area, or on any street, for more than 72 hours without permission by the Association.

(viii) Antennae. Except with prior written approval and the authorization of the Association's Board of Directors, no exterior television or radio antennae of any sort, including discs shall be placed, allowed or maintained upon any portion of the improvements or structures to be located upon the Property, or on the Property itself.

(ix) Electric Bug Killers. All exterior electric bug killers, "zappers" or similar devices are prohibited, unless otherwise approved by the Association.

(x) Window Coverings. Owners of individual units shall install and maintain window coverings such as curtains and blinds such that the window coverings shall not be unsightly from the exterior.

(xi) Mailboxes. All mailboxes shall be of the same style and color.

(xii) Yard Lights. All yard lights shall be of the same style and kind.

(xiii) Swimming Pools. No out-of-ground swimming pools shall be permitted to exist on any Lot.

Section 6.7: Architectural Control. No buildings, fence, wall or other structure, except original construction of the single family residential dwelling by or on behalf of Declarant, shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein, be made until the plans and specifications showing the nature, kind, shape, height, materials, colors and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Development Control Committee. Any change in the appearance or the color of any part of the exterior of a residence shall be deemed

to change thereto and shall require the approval therefor as above provided. In the event that written approval is not received as required hereunder within twenty one (21) days from the date requested, the failure to issue such written approval shall be construed as the disapproval of the request made.

Section 6.8: Signs. No sign of any kind (other than designations in such styles and materials as the Association shall by rule or regulation approve, of street addresses and names of occupants) shall be displayed unless it is in such form as the Committee may require, and except that Declarant shall be permitted to erect and maintain upon the Property such signs as it deems appropriate to advertise the development during the construction and sale periods.

Section 6.9: Home Occupations. No home occupation shall be conducted or maintained on any Lot other than one which is incidental to a business, profession or occupation of the Owner or occupant of any such Lot, and which is generally or regularly conducted in another location away from such Lot.

Section 6.10: Rules and Regulations. The Board of Directors from time to time may promulgate further rules and regulations concerning the use of Lots and Common Area. A majority of those Owners voting at a meeting called for the purpose may rescind or modify any rule or regulation adopted by the Board of Directors. Copies of rules and regulations shall be furnished by the Board to the Owners prior to the time when the same shall be effective.

Section 6.11: Development and Sale Period. Nothing contained in this Article VI shall be construed or interpreted to restrict the activities of Declarant in connection with the development of the Property and sale of Lots. During the

Development Period, Declarant shall be entitled to engage in such activities and to construct, install, erect and maintain such facilities, upon any portion of the Property at any time owned or leased by Declarant, as in the sole opinion of Declarant may be reasonably required, or convenient or incidental to, the development of the Property and sale of the Lots; such facilities may include, without limitation, storage areas, signs, parking areas, model residences, construction offices, storage buildings, sales offices and business offices.

ARTICLE VII

MAINTENANCE OF BUILDINGS

Section 7.1: Maintenance of Owners. The Owner of each Lot shall furnish and be responsible for at his or her own expense all the maintenance and repair of such Owner's residence and the maintenance of such Owner's Lot, except as provided for herein as the responsibility of the Association under Section 7.2(c), including but not limited to the replacement of plantings provided by Declarant and located within Owner's Lot.

Section 7.2: Exterior Maintenance Obligations of Association with Respect to Common Area.

(a) The exclusive management and control of the Common Area shall be vested with the Association who shall keep the same in a good, clean and attractive manner, order and repair. Such responsibility to the extent the same is not otherwise herein declared or stated to be the obligation or responsibility of Owners of Lots, shall include but not be limited to the following: the maintenance and repair of the Common Area, sidewalks and all other improvements or materials located within or used in connection with the Common Area. Without limiting the generality of the foregoing, if a retention facility is installed as part of the storm and

surface water drainage system of the property, such water retention facility shall be a part of the Common Area to be operated, managed, controlled, repaired and maintained by the Association. Under no circumstances shall any obligation for the maintenance of any water retention facility be imposed upon, or implied as an obligation of any governmental agency, unless such obligation is specifically and expressly issued or accepted by any such governmental agency. As part of its management and control of the Common Area, the Association will, at its expense, snow plow the streets.

(b) The Association shall maintain and/or replace the plantings provided by the Declarant from time to time as it is reasonably required with the Common Area.

(c) The Association or its duly authorized agent at its expense, shall regularly mow the grass on all lots and shall have the grass chemically treated. In addition, the Association shall provide snow removal for the streets, the sidewalks and all private driveways. The Association shall also provide all maintenance and repairs required to the automated lawn sprinkling system and shall pay the cost of the water used by such system.

ARTICLE VIII
INSURANCE

Section 8.1: Liability Insurance. The Association shall purchase a master comprehensive public liability insurance policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time. Such comprehensive public liability insurance policy shall cover the Association, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Association, all Owners and all other persons entitled to occupy a lot.

Section 8.2: Miscellaneous Insurance Provisions. The Association shall also obtain any other insurance required by law to be maintained, including but not limited to workmen's compensation insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate. 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, its Board of Directors and any managing agent acting on behalf of the Association. Each owner shall be deemed to have delegated to the Board of Directors his right to adjust with the insurance companies all losses under policies purchased by the Association.

Section 8.3: Payment of Insurance. The premiums for the insurance described above shall be paid by the Association.

Section 8.4: Additional Insurance. Each Owner shall be solely responsible for and obtain such additional insurance as he deems necessary or desirable at his own expense affording coverage upon his real and personal property.

ARTICLE IX
GENERAL PROVISIONS

Section 9.1: Right of Enforcement. In the event of a violation, or threatened violation, of any of the covenants, conditions and restrictions herein enumerated, Declarant, the Association, or any Owner and all parties claiming under them shall have the right to enforce the covenants, conditions, and restrictions contained herein, and pursue any and all remedies, at law, or in equity, available under applicable Indiana law, with or without proving any actual damages, including the right to secure injunctive relief or secure removal by due process of any structure not in compliance with the covenants, conditions and restrictions contained herein, and shall be entitled to recover reasonable attorneys' fees and the costs and expenses incurred as a result thereof.

Section 9.2: Severability. Invalidation of any one of the covenants, restrictions or provisions contained in this Declaration by judgment or court order shall not in any way affect any of the other provisions hereof, which shall remain in full force and effect.

Section 9.3: Amendment. During the first twenty (20) years following its recordation, this Declaration may be amended or modified at any time by an instrument recorded in the Office of the Recorder of Marion County, Indiana, approved and signed by at least five per cent (75%) of the then Owners, and thereafter by an instrument signed by at least two thirds (2/3) of the then Owners. Provided, however, that none of the rights or duties of Declarant reserved or set out hereunder may be amended or changed without Declarant's prior written approval. This Declaration may also be amended by Declarant if it then has an ownership interest in the Property, at any time within two (2) years after the recordation

hereof, except that Declaration shall not affect any of the following changes without the approval of two thirds (2/3) of the first mortgages of the Lots (based upon one (1) vote for each mortgage) and two thirds (2/3) of the Owners of Lots (excluding Declarant):

- (a) the abandonment, partition, subdivision, encumbrance, sale, or transfer (other than to the Association) of any Common Area (other than the granting or altering of utility and drainage easements);

The covenants, restrictions and all other provisions of this Declaration shall run with the land and shall be binding upon all persons claiming under them for a period of twenty (20) years from the date of recordation, and thereafter shall automatically extend for successive periods of ten(10) years each unless prior to the expiration of any such ten (10) year period this Declaration is amended or changed in whole or in part as hereinabove provided.

Section 9.4: Mortgagee Rights. In addition to any other rights provided elsewhere in this Declaration to mortgagees, any lender or lenders holding a first mortgage or first mortgages upon any Lot or Lots, jointly or singly, may pay any real estate taxes or other taxes or charges or lien against any Common or Limited Common Area or any property owned by the Association; and may pay any overdue premiums on any hazard, casualty, liability or other insurance policies or secure new insurance coverage on the lapse of any policies for any such property owned by the Association or covering any property for which the Association has an obligation to maintain insurance coverage. Any such lender or lenders making payments in accordance with this section shall be entitled to immediate reimbursement therefor from the Association along with any costs incurred, including reasonable attorney's fees.

Section 9.5: Notice to Mortgagees. The Association, upon request, shall provide to any lender holding a first mortgage upon any Lot, a written certificate or notice specifying unpaid assessments and other defaults of the Owner of such Lot, if any, in the performance of such Owner's obligations under this Declaration, the Articles of Incorporation of the Association, its By-Laws or any other applicable documents, which default has not been cured within sixty (60) days. A reasonable charge may be made by the Association for the issuance of any such certificate or notice, and any such certificate properly executed by an officer of the Association shall be binding upon the Association, as provided herein.

Section 10: Commitments Made in Connection with a Rezoning of Property. The commitments concerning the use and development of the property made by the Declarant and dated February 15, 1989, as recorded in the office of the Recorder of Marion County, Indiana, on the 29th day of March, 1990, as Instrument No. 900028794 are incorporated herein by reference, as if originally set forth herein.

Section 11: Metropolitan Development Commission. Its successors and assigns, shall have no right, power or authority, to enforce any covenants, commitments, restrictions or other limitations contained in this plat other than those covenants, commitments, restrictions or limitations that expressly run in favor of the Metropolitan Development Commission; provided further, that nothing herein shall be construed to prevent the Metropolitan Development Commission from enforcing any provisions of the Subdivision Control Ordinance, 58-A0-3, as amended, or any conditions attached to approval of this plat by the Plat Committee.

Section 12: Sight Distance at Intersections. No fence, hedge, tree or shrub planting which obstructs sight lines at elevations between two (2) feet and

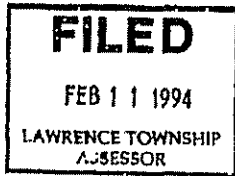
six (6) feet above the street shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street right-of-way lines and a line connecting points twenty-five (25) feet from the intersection of said street lines or in the case of a rounded property corner, from the intersection of the street right-of-way lines extended. The same sight line limitations shall apply to any Lot within ten (10) feet of the intersection of a street right-of-way line with the edge of a driveway, pavement or alley line. No trees shall be permitted to remain within such distances of such intersection unless the foliage is maintained at sufficient height to prevent obstruction of the sight line.

IN WITNESS WHEREOF, Garrison Development Corp., an Indiana corporation, has caused this Declaration to be executed as of the date first written above.

Garrison Development Corp.

By: David L. Gradison

David L. Gradison, Vice President



STATE OF INDIANA

COUNTY OF MARION

Before me, a Notary Public, in and for said county and state, personally appeared David L. Gradison, known to me as Vice President of Garrison Development corp., who having been first duly sworn, acknowledged the execution of the foregoing Declaration for and on behalf of said corporation.

WITNESS my hand and seal this 8th day of February, 1994

Joseph L. Gradison
Signature

Joseph L. Gradison
Printed

Notary Public Residing in Marion County, Indiana

My Commission Expires:

10-27-97

THIS INSTRUMENT WAS PREPARED BY:
James J. Nelson
NELSON & FRANKENBERGER, P.C.
3021 E. 98TH STREET, SUITE 220
Indianapolis, Indiana 46280
(317) 844-0106

JOHN P. VON ARX TOR
FEB 14 10 44 23

1508 612-11

SUPPLEMENTAL DECLARATION FOR
KNOLLWOOD AT THE CREEK

4

This Supplemental Declaration made this 14th day of June, 1994 by Garrison Development Corp., 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 of the fee simple to the following described real estate located in Marion County, Indiana to-wit:

See the legal description attached hereto, made a part hereof and marked Exhibit A (hereinafter referred to as "Phase II" or the "Tract").

B. On the 11th day of April, 1991, Knollwood Development Corp. executed a Declaration and Covenants, Conditions and Restrictions of Knollwood at the Creek which was recorded in the Office of the Recorder of Marion County, Indiana on April 12, 1991 as Instrument No. 91-33503 and rerecorded on July 13, 1992 as Instrument No. 92-91159 which Declaration was amended by First Amendment to Declaration and Covenants, Conditions and Restrictions of Knollwood at the Creek dated December 17, 1992 and recorded on December 22, 1992 as Instrument No. 92-169917 in the Office of the Recorder of Marion County, Indiana (the "Declaration"). The Declaration is incorporated herein by reference and all of the terms and definitions as described therein are hereby adopted and shall have the same meaning in this Supplemental Declaration.

C. Phase II is the property described in Exhibit B to the Declaration and is referred to as the Tract. Section 3.5 of the Declaration provides that all or part of the Tract may be annexed to Knollwood at the Creek, incorporated into the Declaration and the Owners thereof become Members of Knollwood at the Creek Homeowner's Association, Inc. In accordance with the provisions of Section 3.5 of the Declaration and the filing of this Supplemental Declaration by Declarant, all conditions relating to the annexation of Phase II as a part of Knollwood at the Creek have been met and Declarant, by execution of this Supplemental Declaration, hereby incorporates Phase II into Knollwood at the Creek.

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

07/22/94 03:33PM JOAN M. ROMERIL MARION CITY RECORDER RAM 15.03 PAGES: 1

Exhibit "A" Missing
At Time Of Recording

Inst # 1994-0113892

MCR


1. Declaration. Declarant hereby expressly declares that Phase II is hereby annexed to and becomes a part of Knollwood at the Creek as if such had originally been included in the Declaration and Phase II shall become a part of the Property and shall hereafter be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions and provisions of the Declaration as such may be amended from time to time.

2. Acceptance and Ratification. The acceptance of a Deed of conveyance of any Lot within Phase II shall constitute an agreement that the provisions of this Supplemental Declaration as such may be amended from time to time are accepted and ratified by each Owner and all such provisions shall be covenants running with the land and shall bind any person, having at any time, any interest or estate in any Lot as if those provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereon.

3. Plat. The Plat setting forth the Lots in Phase II is incorporated into the Declaration and has been filed in the Office of the Recorder of Marion County, Indiana as of February 11, 1994 as Instrument No. 94-25533.

EXECUTED the day and year first above written.

GARRISON DEVELOPMENT CORP.


By: Thomas C. Garrison
President

STATE OF INDIANA }
 } SS:
COUNTY OF MARION }

Before me, a Notary Public in and for said County and State, personally appeared Thomas Garrison, who, being first duly sworn upon his oath, stated that the facts set forth in the foregoing Supplemental Declaration of Knollwood at the Creek are true and correct.

Susan L. Atwell
Notary Public

Susan L. Atwell
Printed

My Commission Expires:

July 15, 1997

My County of Residence:

T. Harrison

CONSENT

Gradison Building Corp., as the owner of Lot 102 in Section 2 of Knollwood at the Creek the plat of which was recorded in the Office of the Recorder of Marion County, Indiana, as Instrument No. 94-25533, hereby consents to the filing of this Supplemental Declaration.

David Gradison
David Gradison
Title: Pres.

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared David Gradison, who, being first duly sworn upon his oath, stated that the facts set forth in the foregoing Supplemental Declaration for Knollwood at the Creek are true and correct.

Joseph Whelan
Notary Public

Joseph Gradison
(Printed signature)

My Commission Expires:

10-27-97

My County of Residence:

MARION

Prepared By: X Philip Nicely Esq., Case, McKimney & Evans 8888 Keystone Crossing
Suite 1201 Indianapolis IN 46240

Instrument No.:

Cross Reference: 91-33501, 92-91159
92-169917 and
94-0113892

**SECOND AMENDMENT TO DECLARATION
AND COVENANTS, CONDITIONS AND RESTRICTIONS
OF KNOLLWOOD AT THE CREEK**

This Second Amendment made this 11th day of July, 1994 by Garrison Development Corp., an Indiana corporation ("Declarant")

W I T N E S S E T H:

WHEREAS, the following facts are true:

A. Knollwood Development Corp. recorded the Declaration and Covenants, Conditions and Restrictions of Knollwood at the Creek on April 12, 1991 as Instrument No. 91-33501 and rerecorded such Declaration on July 13, 1992 as Instrument No. 92-91159 which Declaration was amended by First Amendment to Declaration and Covenants, Conditions and Restrictions of Knollwood at the Creek dated December 17, 1992 and recorded in the Office of the Recorder of Marion County, Indiana on December 22, 1992 as Instrument No. 92-169917 (the "Declaration").

B. Pursuant to a Corporate Warranty Deed from Knollwood Development Corp. to Declarant dated December 18, 1992 and recorded in the Office of the Recorder of Marion County, Indiana on December 22, 1992 as Instrument No. 92-169918, Knollwood Development Corp. transferred the property subject to the Declaration and all of the Declarant's rights, duties and obligations pursuant to the Declaration to Garrison Development Corp. as Declarant.

C. The purpose of this Amendment is to amend the outside date that the Class B membership in the Knollwood Creek Homeowner's Association would cease and be converted to a Class A membership, and to make such changes in the Declaration as are necessary or appropriate to accomplish that task.

D. Declarant is currently the owner of more than 75% of the Lots in Knollwood at the Creek.

E. Declarant is making the Second Amendment to Declaration and is executing this Second Amendment pursuant to Section 9.3 of the Declaration.

NOW, THEREFORE, the Declaration is amended as follows:

1. Section 4.2 is hereby amended by changing the last line of such section to read as follows:

(b) On January 1, 1998.

01/22/94 09:53:24 JDM H. ROYER MARION CO RECORDER SAM 14-00 PAGES: 1

Inst # 1994-0113893

1. Declaration. Declarant hereby expressly declares that Phase II is hereby annexed to and becomes a part of Knollwood at the Creek as if such had originally been included in the Declaration and Phase II shall become a part of the Property and shall hereafter be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions and provisions of the Declaration as such may be amended from time to time.

2. Acceptance and Ratification. The acceptance of a Deed of conveyance of any Lot within Phase II shall constitute an agreement that the provisions of this Supplemental Declaration as such may be amended from time to time are accepted and ratified by each Owner and all such provisions shall be covenants running with the land and shall bind any person, having at any time, any interest or estate in any Lot as if those provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

3. Plat. The Plat setting forth the Lots in Phase II is incorporated into the Declaration and has been filed in the Office of the Recorder of Marion County, Indiana as of February 11, 1994 as Instrument No. 94-25533.

EXECUTED the day and year first above written.

GARRISON DEVELOPMENT CORP.


By: Thomas C. Garrison
President

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Thomas Garrison, who, being first duly sworn upon his oath, stated that the facts set forth in the foregoing Supplemental Declaration of Knollwood at the Creek are true and correct.

Susan L. Atwell
Notary Public
Susan L Atwell
Printed

My Commission Expires:

June 15, 1997

My County of Residence:

Marion

CONSENT

Gradison Building Corp., as the owner of Lot 102 in Section 2 of Knollwood at the Creek the plat of which was recorded in the Office of the Recorder of Marion County, Indiana, as Instrument No. 94-25533, hereby consents to the filing of this Supplemental Declaration.

David Gradison
David Gradison
Title: Pres.

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared David Gradison, who, being first duly sworn upon his oath, stated that the facts set forth in the foregoing Supplemental Declaration for Knollwood at the Creek are true and correct.

[Signature]
Notary Public

Joseph Gradison
(Printed signature)

My Commission Expires:

10 27 97

My County of Residence:

MARION

Prepared By: [Signature] Phillip A. Nally Esq., Rose McKinney, Esq., 8888 Keptone Crossing
Suite 201, Indianapolis IN 46240