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LAKE FOREST
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF

THIS DECLARATION is made this 18th day of April, 1990, by
The C. P. Morgan Co., Inc., an Indiana corporation (the "Declarant").

Recitals

1. WHEREAS, Declarant is the owner of certain real estate more particularly described in Exhibit A attached hereto and made a part hereof (the "Real Estate").
2. Declarant intends to subdivide and develop the Real Estate into residential lots as generally shown on the Plats for Lake Forest as hereafter recorded in the office of the Recorder of Hamilton County, Indiana, in Plat Cabinet 1, Slide 25
3. Before so subdividing the Real Estate, Declarant desires to subject the Real Estate to certain rights, privileges, covenants, conditions, restrictions, easements, assessments, charges and liens for the purpose of preserving and protecting the value and desirability of the Real Estate for benefit of each owner of all or any part thereof.
4. Declarant further desires to create an organization to which shall be delegated and assigned the powers of maintaining and administering the common areas and certain other areas of the Real Estate, administering and enforcing the covenants and restrictions contained in this Declaration and the Plats of the Real Estate as hereafter recorded in the office of the Recorder of Hamilton County, Indiana, and collecting and disbursing the assessments and charges as herein provided.

NOW, THEREFORE, Declarant hereby declares that the Real Estate is and shall be held, transferred, sold, conveyed, hypothecated, encumbered, leased, rented, used, improved and occupied subject to the following provisions, agreements, covenants, conditions, restrictions, easements, assessments, charges and liens, which shall run with the land and shall be binding upon, and inure to the benefit of, Declarant and any other person or entity hereafter acquiring or having any right, title or interest in the Real Estate, or any part thereof.

This Instrument Recorded 5-1 1990
Sharon K. Cherry, Recorder, Hamilton County, IN

RECEIVED
MAY 1 2 56 PM '90
SHARON K. CHERRY
RECORDER
HAMILTON COUNTY, IN

INSTR. # 9009835

Declaration

ARTICLE I

DEFINITIONS

The following terms, when used in this Declaration, shall have the following respective meanings:

- 1.1 "Association" means Lake Forest Homeowners' Association, Inc., an Indiana not-for-profit corporation, which Declarant has caused or will cause to be incorporated, its successors and assigns.
- 1.2 "Common Areas" means (i) all portions of the Real Estate (including improvements thereto) shown on any Plat of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana, which are not Lots and which are not dedicated to the public, (ii) any landscape islands located in any public right-of-way within and upon the Real Estate, excluding Limited Common Areas, and (iii) all facilities and personal property owned or leased by the Association from time to time.
- 1.3 "Common Expenses" means (i) expenses of administration of the Association, (ii) expenses of and in connection with the improvement, maintenance, repair and replacement of the Common Areas and the performance of the responsibilities and duties of the Association including, without limitation, expenses for the improvement, maintenance and repair of any easements and Common Areas shown and identified as such on any Plat of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana, (iii) all sums lawfully assessed against the Owners by the Association and (iv) all sums declared by this Declaration to be Common Expenses.
- 1.4 "Declarant" means The C. P. Morgan Co., Inc., an Indiana corporation, and any successors and assigns of it whom it designates in one or more written recorded instruments to have the rights of Declarant hereunder, including, without limitation, any mortgagee acquiring title to any portion of the Real Estate pursuant to the exercise of rights under, or foreclosure of, a mortgage executed by Declarant.
- 1.5 "Development Period" means that period of time commencing with the date of recordation of this Declaration and ending on the date Declarant no longer owns any Lot within or upon the Real Estate.
- 1.6 "Lot" means a numbered parcel of land shown and identified as a lot on any Plat of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana.
- 1.7 "Mortgagee" means the holder of a recorded first mortgage lien on any lot.
- 1.8 "Nonaffiliated Owner" means any "Owner" (hereinafter defined) other than Declarant or any entity related to Declarant.

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1.9 "Owner" means the record owner, whether one or more persons or entities, of fee-simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation unless specifically indicated to the contrary. The term Owner as used herein shall include Declarant so long as Declarant shall own any Lot.

1.10 "Plat" or "Plats" means the plat or plats of the Real Estate identified as the "Lake Forest Secondary Plat" including Sections 1 thru 7, as recorded in the Office of the Recorder of Hamilton County, Indiana or as the same may be hereafter amended, revised or supplemented.

ARTICLE II

NAME

The Subdivision name by which the Real Estate shall be known is "Lake Forest".

ARTICLE III

APPLICATION

All Owners, their tenants, guests, invitees and mortgagees, or any other person using or occupying a Lot or any part of the Real Estate shall be subject to and shall observe and comply with the covenants, conditions, restrictions, terms and provisions set forth in the Declaration and the Plat and any rules and regulations adopted by the Association as herein provided, as the same may be amended from time to time.

The Owner of any Lot and all other persons, (i) by acceptance of a deed conveying title thereto or the execution of a contract for the purchase thereof, whether from the Declarant or a subsequent Owner of such Lot, or (ii) by the act of occupancy of such Lot, shall conclusively be deemed to have accepted such deed, executed such contract or undertaken such terms and provisions of this Declaration. By acceptance of such deed, execution of such contract or undertaking of such occupancy, each Owner and all other persons acknowledge the rights and powers of Declarant and the Association provided for by this Declaration, and for himself, his heirs, personal representatives, successors and assigns, covenant, agree and consent to and with Declarant and the Owners from time to time of the Lots, to keep, observe, comply with and perform the covenants, conditions, restrictions, terms and provisions of this Declaration and any covenant, conditions, restrictions, terms and provisions set forth in the Plat.

ARTICLE IV

COMMON AREAS

4.1 Easement of Owners. Declarant hereby creates and grants a non-exclusive easement in favor of each Owner for the use and enjoyment of the Common Areas which shall run with and be appurtenant to each Lot, subject to the following provisions:

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(i) the right of the Association to charge reasonable usage and other fees and, to establish rules and regulations for the use of the Common Areas;

(ii) the right of the Association to suspend the voting rights and right to use of the Common Areas by an Owner for any period during which any assessment against his Lot remains unpaid and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(iii) the right of the Association to dedicate or transfer all or any part of the Common Areas 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;

(iv) the rights of the Declarant as provided in this Declaration and in the Plats of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana;

(v) the terms and provisions of this Declaration;

(vi) the easements reserved elsewhere in this Declaration and in any Plat now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana;

4.2 Delegation of Use. Any Owner may delegate, in accordance with the By-Laws of the Association and any reasonable and nondiscriminatory rules and regulations promulgated from time to time by the Association, his right of enjoyment of the Common Areas to his family members, his tenants or contract purchasers who reside on the Lot.

4.3 Conveyance of Common Areas. Upon final construction of the Common Areas, Declarant shall convey all of its right, title and interest in and to the Common Areas to the Association by quitclaim deed, and such Common Areas shall then be the property of the Association.

ARTICLE V

ASSOCIATION

5.1 Membership. Each Owner shall, automatically upon becoming an Owner, be and become a member of the Association and shall remain a member of the Association until such time as his ownership of a Lot ceases, at which time his membership will terminate and the new Owner of his Lot shall be and become a member of the Association.

5.2 Classes of Membership. The Association shall have two (2) classes of membership as follows:

(i) Class A Members. Class A members shall be all Owners other than Declarant (unless the Class B membership has been converted to Class A membership as provided in the following subparagraph (ii)), in which event

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Declarant shall then be a Class A member). Class A members shall be entitled to one vote for each Lot owned.

(ii) Class B Members. The Class B member shall be the Declarant. The Class B member shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and terminate and be converted to Class A membership upon the "Applicable Date" (as such term in hereinafter defined in paragraph 5.3).

5.3 Applicable Date. As used herein, the term "Applicable Date" shall mean the date which is the earlier of: (a) the date when the total votes outstanding in the Class A membership is equal to the total votes outstanding in the Class B membership; or (b) January 1, 2000.

5.4 Multiple or Entity Owners. Where more than one person or entity constitutes the Owner of a particular Lot, all such persons or entities shall be members of the Association, but the vote in respect of such Lot shall be exercised as the persons or entities holding an interest in such Lot shall determine among themselves, but in no event shall more than one (1) vote (in the case of Class A membership) be cast with respect to such Lot.

5.5 Board of Directors. The Association shall elect a Board of Directors of the Association as prescribed by the Association's Articles of Incorporation and By-Laws. The Board of Directors of the Association shall manage the affairs of the Association.

5.6 Professional Management. No contract or agreement for professional management of the Association, nor any other contract between the Declarant and the Association shall be for a term in excess of three (3) years. Any such agreement or contract shall provide for termination by either party with or without cause upon written notice of ninety (90) days or less and without any termination fee.

5.7 Responsibilities of the Association. The responsibilities of the Association include, but shall not be limited to:

(i) Installation and replacement of such fences, walls, foliage, landscaping, lighting, signs and other improvements in and upon the Common Areas as the Association deems necessary or appropriate, and maintenance of the Common Areas and any installation thereon in a clean and attractive condition and in good repair.

(ii) Maintenance, repair and replacement of such foliage, landscaping, screening materials and other improvements in and upon the Common Areas as the Association deems necessary or appropriate.

(iii) Management and control of detention and retention ponds in and upon the Common Areas (shown and identified as such on the Plat) for maintenance of the same in a clean, attractive and sanitary condition; and installation and replacement of such improvements in and upon said ponds as the Association deems necessary or appropriate and maintenance of any such improvements installed by Declarant or the Association in good condition and repair. Without limiting the generality of the foregoing, such maintenance

obligations shall include overflow maintenance to protect the ponds or lakes from erosion, algae control and maintenance of minimum water levels. It is intended that such actions shall be taken in accordance with recommendations regarding the same from applicable governmental agencies having jurisdiction, but nothing herein shall constitute an undertaking or duty to exceed the requirements of applicable law and prudent pond and lake operation.

(iv) Replacement of a drainage system in and upon the Drainage Easements or the Drainage, Utility and Sewer Easements (as shown and identified as such on the Plat) as the Association deems necessary or appropriate and the general repair, improvement and maintenance of any drainage system installed in or upon said Drainage Easements or Drainage, Utility and Sewer Easements by Declarant or the Association in good condition and repair, subject, however, to the obligation of the Owner of a Lot subject to a Drainage Easement to keep the portion of the Drainage Easement on his Lot free from obstructions so that the surface water drainage will be unimpeded.

(v) Procuring and maintaining for the benefit of the Association, its Board of Directors and the Owners the insurance coverages required under this Declaration and such other insurance as the Association deems necessary or advisable.

(vi) Payment of taxes, if any, assessed against and payable with respect to the Common Areas.

(vii) Assessment and collection from the Owners of the Common Expenses.

(viii) Contracting for such services as management, snow removal security control, trash removal or other services as the Association deems necessary or advisable.

(ix) From time to time, adopting, amending or rescinding such reasonable rules and regulations (not inconsistent with the provisions of this Declaration) governing the use and enjoyment of the Common Areas, the use and enjoyment of the lakes and ponds located in and upon the Common Areas by the Owners of Lots, and the management and administration of the Association, as the Association deems necessary or advisable, and enforcement of the same. As part of such rules and regulations, the Association may provide for reasonable interest and late charges on past due installments of any Regular or Special Assessments as provided herein under Article VI or other charges against any Lot. Copies of such rules and regulations shall be furnished by the Association to the Owners prior to the time when the same shall become effective.

(x) Replacement and maintenance of any street identification signs within and upon the Real Estate designated as private street signs.

(xi) Procuring and maintaining for the benefit of the Association, its Board of Directors, the Declarants and the Owners insurance coverage as specified in Article VII, including coverage for the Association's officers and directors.

5.8 Compensation. No director of the Association shall receive compensation for his services as such director, except to the extent expressly authorized by a majority vote of the Owners.

5.9 Non-Liability of Directors and Officers. The directors and officers of the Association shall not be liable to the Owners or any other persons for any error or mistake of judgment in carrying out their duties and responsibilities as directors or officers of the Association, except for their own individual willful misconduct or gross negligence. The Association shall indemnify and hold harmless and defend each person, his heirs, assigns or legal representatives, who is or was a director or officer of the Association against any and all liability to any person, firm or corporation arising out of contracts made by or at the direction of the Board of Directors (or the managing agent, if any) of the Association, unless any such contract shall have been made in bad faith. It is intended that the directors and officers of the Association shall have no personal liability with respect to any contract made by them on behalf of the Association except in their capacity as Owners.

5.10 Additional Indemnity of Directors and Officers. The Association shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives (collectively, the "Indemnitee"), made or threatened to be made a party to any action, suit or proceeding by reason of the fact that he is or was a director or officer of the Association, against all costs and expenses, including attorney's fees, actually and reasonably incurred by the Indemnitee in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except (unless otherwise specifically provided herein) in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Indemnitee is liable for gross negligence or willful misconduct in the performance of his duties. No director or officer shall be considered or deemed to be guilty of or liable for gross negligence or willful misconduct in the performance of his duties where, acting in good faith, such director or officer relied on the books and records of the Association or statements or advice made by or prepared by the managing agent of the Association (if any) or any officer or employee of the Association, or any accountant, attorney or other person, firm or corporation employed by the Association to render advice or service, unless such director or officer had actual knowledge of the falsity or incorrectness thereof; nor shall a director be deemed guilty of or liable for gross negligence or willful misconduct by virtue of the fact that he failed or neglected to attend a meeting or meetings of the Board of Directors of the Association. The costs and expenses incurred by an Indemnitee in defending any action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the Indemnitee to repay the amount paid by the Association if it shall ultimately be determined that the Indemnitee is not entitled to indemnification as provided in this paragraph 5.9.

5.11 Bond. The Board of Directors of the Association may provide surety bonds and may require the managing agent of the Association (if any), the treasurer of the Association, and such other officers as the Board of Directors deems necessary, to provide surety bonds, indemnifying the Association against larceny, theft, embezzlement, forgery, misappropriation, wrongful abstraction, willful misapplication, and other acts of fraud or

dishonesty, in such sums and with such sureties as may be approved by the Board of Directors, and any such bond shall specifically include protection for any insurance proceeds received by any reason by the Board of Directors. The expense of any such bonds shall be a Common Expense.

ARTICLE VI

ARCHITECTURAL CONTROL COMMITTEE

6.1 Creation. There shall be, and hereby is, created and established the Williamson Run Architectural Control Committee to perform the functions provided for herein. Until the Applicable Date, the Committee shall consist of three (3) members appointed, from time to time, by Declarant and who shall be subject to removal by Declarant at any time with or without cause. After the Applicable Date, the Committee shall be a standing committee of the Association, consisting of three (3) persons appointed, from time to time, by the Board of Directors of the Association.

6.2 Purposes and Powers of Committee. The Committee shall regulate the external design, appearance and location of residences, buildings, structures or other improvements placed on any Lot, in such a manner as to preserve and enhance the value and desirability of the Real Estate for the benefit of each Owner and to maintain a harmonious relationship among structures and the natural vegetation and topography.

(i) In General. No residence, building, structure or improvement of any type or kind shall be constructed or placed on any Lot without the prior written approval of the Committee. The restrictions and requirements set forth herein shall not apply to routine maintenance, repair or replacement of any existing materials by repair or replacement with materials originally used. Such approval shall be obtained only after written application has been made to the Committee by the Owner of the Lot requesting authorization from the Committee. Such written application shall be in the manner and form prescribed from time to time by the Committee and, in the case of construction or replacement of any improvement other than a replacement using original materials and colors, shall be accompanied by two (2) complete sets of plans and specifications for any such proposed construction or improvement. Such plans shall include plot plans showing the location of all improvements existing upon the Lot and the location of the improvement proposed to be constructed or placed upon the Lot, each properly and clearly designated. Such plans and specifications shall set forth the color and composition of all exterior materials proposed to be used and any proposed landscaping, together with any other material or information which the Committee may require. All plans and drawings submitted to the Committee shall be drawn to a scale of 1" equals 10', or to such other scale as the Committee may require. When required by the Committee, plot plans shall be prepared by either a registered land surveyor, engineer or architect. Plot plans submitted for the Improvement Location Permit shall bear the stamp or signature of the Committee acknowledging the approval thereof.

(ii) Power of Disapproval. The Committee may refuse to grant permission to repaint, construct, place or make the requested improvement, when:

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(a) The plans, specifications, drawings or other material submitted are inadequate or incomplete, or show the proposed improvement to be in violation of any restrictions in this Declaration or any subdivision plat of the Real Estate recorded in the office of the Recorder of Hamilton County, Indiana;

(b) The design or color scheme of a proposed repainting or improvement is not in harmony with the general surroundings of the Lot or with adjacent buildings or structures; or

(c) The proposed repainting or improvement, or any part thereof, would, in the opinion of the Committee, be contrary to the interests, welfare or rights of any other Owner.

(iii) Rules and Regulations. The Committee may, from time to time, make, amend and modify such additional rules and regulations as it may deem necessary or desirable to guide Owners as to the requirements of the Committee for the submission and approval of items to it. Such rules and regulations may set forth additional requirements to those set forth in this Declaration or amendment hereto or any subdivision plat of the Real Estate recorded in the office of the Recorder of Hamilton County, Indiana, as long as the same are not inconsistent with this Declaration or such subdivision plat(s).

6.3 Duties of Committee. The Committee shall approve or disapprove in writing proposed repainting, construction or improvements within thirty (30) days after all required information shall have been submitted to it. One copy of submitted material shall be retained by the Committee for its permanent files. All notifications to applicants shall be in writing, and, in the event that such notification is one of disapproval, it shall specify the reason or reasons for such disapproval. In the event that written approval is not received within thirty (30) days after complete plans and specifications have been submitted, written approval shall not be necessary and this section will be deemed to have been complied with.

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

6.5 Inspection. The Committee may inspect work being performed to assure compliance with this Declaration and the materials submitted.

6.6 Nonapplication to Declarant. Notwithstanding the provisions of this Article VII or any other provisions of this Declaration requiring the approval of the Committee, Declarant, or any other person or entity acting on behalf of Declarant, shall not be required to apply for or secure the approval of the Committee in connection with any construction, installation, painting or repainting by Declarant of any residence, building, structure, or other improvement on the Real Estate or the installation or removal of any trees, shrubs or other landscaping on the Real Estate.

ARTICLE VII

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ASSESSMENTS

7.1 Creation of Lien and Personal Obligation. Declarant, for each Lot now or hereafter owned by it, hereby covenants, and each Owner of a 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 to the Association (i) regular assessments for Common Expenses ("Regular Assessments") and (ii) special assessments for capital improvements and operating deficits and for special maintenance and repairs ("Special Assessments"). Such assessments shall be established, shall commence upon such dates and shall be collected as hereinafter provided. All such assessments, together with interest, costs of collection and reasonable attorneys' fees, shall be a continuing lien upon the Lot against which such assessment is made prior to all other liens except only (i) tax liens on any Lot in favor of any unit of government or special taxing district and (ii) the lien of any first mortgage of record. Each such assessment, together with interest, costs of collection and reasonable attorneys' fees, shall also be the personal obligation of the Owner of the Lot at the time such assessment became due and payable. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several. The personal obligation for delinquent assessments (as distinguished from the lien upon the Lot) shall not pass to such Owner's successors in title unless expressly assumed by them. The Association shall, upon request of a proposed Mortgagee or proposed purchaser having a contractual right to purchase Lot, furnish to such Mortgagee or purchaser a statement setting forth the amount of any unpaid Regular or Special Assessments or other charges against the Lot. Such statement shall be binding upon the Association as of the date of such statement.

7.2 Purpose of Assessments. The Regular or Special Assessments levied by the Association shall be used exclusively (i) to promote the health, safety and welfare of the residents occupying the Real Estate, (ii) for the improvement, maintenance and repair of the Common Areas and any easements shown and identified as such on any Plat, (iii) for the performance of the responsibilities and duties of the Association and (iv) for such other purposes as are specifically provided herein. A portion of the Regular Assessments may be set aside or otherwise allocated in a reserve fund for the purpose of providing repair and replacement of capital improvements, if any, which the Association is required to maintain.

7.3 Regular Assessments. The Board of Directors of the Association shall have the right, power and authority, without any vote of the members of the Association, to fix, from time to time, the Regular Assessment against each Lot at any amount not in excess of the maximum Regular Assessment hereinafter provided.

(i) Through December 31, 1990, the maximum annual Regular Assessment on any Lot shall not exceed One Hundred Fifty Dollars (\$150.00).

(ii) From and after January 1 1991, the maximum annual Regular Assessment on a Lot for any calendar year may be increased by not more than fifteen percent (15%) above the Regular Assessment for the previous calendar year without a vote of the members of the Association.

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From and after January 1, 1991, the Board of Directors of the Association may fix the Regular Assessment at an amount in excess of the maximum amount specified above, only with the approval of two-thirds (2/3) of those members of each class of members of the Association who cast votes in person or in proxy at a meeting of the members of the Association duly called for such purpose.

7.4 Special Assessments. In addition to Regular Assessments, the Association may make Special Assessments against each Lot for the purpose of defraying, in whole or in part, the cost of constructing, reconstructing, repairing or replacing any capital improvement or Common Areas which the Association is required to maintain or to recover any operating deficits which the Association may from time to time incur only with the assent of two-thirds (2/3) of the members of each class of members of the Association who cast votes in person or by proxy at a meeting of the members of the Association duly called for such purpose.

7.5 Uniform Rate of Assessment. The Regular Assessments and Special Assessments levied by the Association shall be uniform for all lots.

7.6 Date of Commencement of Regular Assessments; Due Dates. The Regular Assessment shall commence as to each Lot on the earlier of the following dates:

- (i) the first day of the first calendar month following the first conveyance of such Lot to a Nonaffiliated Owner; or
- (ii) the first day of the fourth month following the completion of construction of the residence on the Lot.

The Board of Directors of the Association shall fix the amount of the Regular Assessment at least thirty (30) days in advance of each annual assessment period. Written notice of the Regular Assessment, any Special Assessments and such other assessment notices as the Board of Directors shall deem appropriate shall be sent to each Owner subject thereto. The due dates for all assessments shall be established by the Board of Directors of the Association. Notwithstanding the foregoing nothing contained herein shall prevent the Board of Directors of the Association from requiring that the Regular Assessment be paid on a quarterly or annual rather than monthly basis. The Board of Directors may provide for reasonable interest and late charges on past due installments of assessments.

7.7 Failure of Owner to Pay Assessments.

(i) No Owner may exempt himself from paying Regular Assessments and Special Assessments, or from contributing toward the Common Expense and toward any other expense lawfully agreed upon, by non-use of the Common Areas or abandonment of the Lot belonging to him. If any Owner shall fail, refuse or neglect to make any payment of any assessment (or periodic installment of an assessment, if applicable) when due, the lien for such assessment on the Owner's Lot may be filed and foreclosed by the Board of Directors of the Association for and on behalf of the Association as a mortgage on real property or as otherwise provided by law. Upon the failure of an Owner to make timely payments of any assessment (or a periodic installment of an assessment, if applicable) when due, the Board may in its discretion accelerate the entire balance of any unpaid assessments and declare the same immediately due and payable, notwithstanding any other provisions hereof to the contrary. In any action to foreclose the lien for any assessment, the Owner and any occupant of the Lot shall be jointly and severally liable for the payment to the Association of reasonable rental for such Lot, and the Board of Directors shall be entitled to the appointment of a receiver for the purpose of preserving the Lot and to collect the rentals and other profits therefrom for the benefit of the Association to be applied to the unpaid assessments. The Board of Directors of the Association may, at its option, bring a suit to recover a money judgment for any unpaid assessment without foreclosing or waiving the lien securing the same. In any action to recover an assessment, whether by foreclosure or otherwise, the Board of Directors of the Association, for and on behalf of the Association, shall be entitled to recover from the Owner of the respective Lot costs and expenses of such action incurred (including but not limited to reasonable attorneys' fees) and interest from the date such assessments were due, until paid.

(ii) Notwithstanding anything contained in this paragraph 7.7 or elsewhere in this Declaration, any sale or transfer of a Lot to a Mortgagee pursuant to a foreclosure of its mortgage or conveyance in lieu thereof, or a conveyance to any person at a public sale in a manner provided by law with respect to mortgage foreclosures, shall extinguish the lien of any unpaid assessments (or periodic installments, if applicable) which became due prior to such sale, transfer or conveyance; provided, however, that the extinguishment of such lien shall not relieve the prior Owner from personal liability therefor. No such sale, transfer or conveyance shall relieve the Lot or the purchaser at such foreclosure sale, or grantee in the event of conveyance in lieu thereof, from liability for any assessments (or periodic installments of such assessments, if applicable) thereafter becoming due or from the lien therefor.

ARTICLE VIII

INSURANCE

8.1 Casualty Insurance. The Association shall purchase and maintain fire and extended coverage insurance in an amount equal to the full replacement cost of all improvements, if any, which the Association is required to maintain hereunder. If the Association can obtain such coverage

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for a reasonable amount, it shall also obtain "all risk coverage". The Association may also insure any other property, whether real or personal, owned by the Association against loss or damage by fire and such other hazards as the Association may deem desirable. Such insurance coverage shall name the Association as the insured. Such insurance policy or policies shall contain provisions that (i) the insurer waives its rights to subrogation as to any claim against the Association, its Board of Directors, officers, agents and employees, any committee of the Association or of the Board of Directors, and all Owners and their respective agents and guests and (ii) waives any defense based on invalidity arising from the acts of the Insured. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried.

8.2 Liability Insurance. The Association shall also purchase and maintain a master comprehensive public liability insurance policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time, but in any event with a minimum combined limit of Three Million Dollars (\$3,000,000.00) per occurrence. Such comprehensive public liability insurance shall cover all of the Common Areas and shall insure the Association, its Board of Directors, officers, agents or employees, any committee of the Association or of the Board of Directors, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Real Estate, all Owners and all other persons entitled to occupy any Lot. Such public liability insurance policy shall include a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or other Owners.

8.3 Other Insurance. The Association shall also purchase and maintain 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, including but not limited to officers' and directors' liability insurance.

8.4 Miscellaneous. The premiums for the insurance described above shall be paid by the Association as part of the Common Expenses.

ARTICLE IX

MAINTENANCE AND DECORATION

9.1 Maintenance of Lots and Improvements. Except to the extent such maintenance shall be the responsibility of the Association under any of the foregoing provisions of this Declaration, it shall be the duty of the Owner of each Lot to keep the grass on the Lot properly cut and keep the Lot free of weeds and trash and otherwise neat and attractive in appearance, including, without limitation, the proper maintenance of the exterior of any structures on such Lot. In the event the Owner of any Lot fails to do so in a manner satisfactory to the Association, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right (but not the obligation), through its agents, employees and contractors, to enter upon said Lot and to repair, maintain and restore the Lot and the exterior of the

improvements erected thereon. The cost of such exterior maintenance shall be and constitute a special assessment against such Lot and the Owner thereof, to be collected and enforced in the manner provided in this Declaration for the collection and enforcement of assessments in general. Neither the Association nor any of its agents, employees or contractors shall be liable for any damage which may result from any maintenance work performed hereunder.

9.2 Damage to Common Areas. In the event of damage to or destruction of any part of the Common Areas, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a Special Assessment against all Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds. Notwithstanding any obligation or duty of the Association hereunder to repair or maintain the Common Areas, if, due to the willful, intentional or negligent acts or omissions of an Owner or of a member of his family or of a guest, tenant, invitee or other occupant or visitor of such Owner, damage shall be caused to the Common Areas or if maintenance, repairs or replacements shall be required thereby which would otherwise be a Common Expense, then such Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Association, unless such loss is covered by the Association's insurance with such policy having a waiver of subrogation clause. If not paid by such Owner upon demand by the Association, the cost of repairing such damage shall be added to and constitute a special assessment against such Owner and his Lot to be collected and enforced in the manner provided in this Declaration for the collection and enforcement of assessments in general.

ARTICLE X

MORTGAGES

10.1 Notice to Mortgagees. The Association, upon request, shall provide to any Mortgagee a written certification 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 or any other applicable documents, which defaults have not been cured within sixty (60) days.

ARTICLE XI

AMENDMENT

11.1 By the Association. Except as otherwise provided in this Declaration, amendments to this Declaration shall be proposed and adopted in the following manner:

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

9009835

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

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

(iv) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less than two-thirds (2/3) in the aggregate of the votes of all Owners; provided, however, that any such amendment shall require the prior written approval of Declarant so long as Declarant or any entity owned by Declarant owns any Lots within and upon the Real Estate. In the event any Lot is subject to a first mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the manner as an Owner if the Mortgagee has given prior notice of its mortgage interest to the Board of Directors of the Association.

Any Mortgagee which has been duly notified of the nature of any proposed amendment shall be deemed to have approved the same if said Mortgagee or a representative thereof fails to appear at the meeting in which such amendment is to be considered (if proper notice of such meeting was timely given to such Mortgagee). In the event that a proposed amendment is deemed by the Board of Directors of the Association to be one which is not of a material nature, the Board of Directors shall notify all Mortgagees whose interests have been made known to the Board of Directors of the nature of such proposed amendment, and such amendment shall be conclusively deemed not material if no Mortgagee so notified objects to such proposed amendment within thirty (30) days of the date such notices are mailed and if such notice advises the Mortgagees of the time limitation contained in this sentence.

11.2 By Declarant. Declarant hereby reserves the right so long as Declarant, or any entity related to Declarant, owns any Lot within and upon the Real Estate to make such amendments to this Declaration as may be deemed necessary or appropriate by Declarant, without notice to or the approval of any other person or entity, provided that Declarant shall not be entitled to make any amendment which has a materially adverse effect on the rights of any Mortgagee, nor which substantially impairs the benefits of this Declaration to any Owner or substantially increases the obligations imposed by this Declaration on any Owner.

11.3 Recording. Each amendment to the Declaration shall be executed by Declarant only in any case where Declarant has the right to amend this Declaration without any further consent or approval, and otherwise by the President or Vice President and Secretary of the Association; provided, that any amendment requiring the consent of Declarant shall contain Declarant's signed consent. All amendments shall be recorded in the Office of the Recorder of Hamilton County, Indiana, and no amendment shall become effective until so recorded.

ARTICLE XII

GENERAL PROVISIONS

12.1 Right of Enforcement. Violation or threatened violation of any of the covenants, conditions or restrictions enumerated in this Declaration or in any plat of all or any part of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana, shall be grounds for an action by Declarant, the Association, any Owner, and all persons or entities claiming under them, against the person or entity violating or threatening to violate any such covenants, conditions or restrictions. Available relief in any such action shall include recovery of damages or other sums due for such violation, injunctive relief against any such violation or threatened violation, declaratory relief and the recovery of costs and attorney's fees incurred by any party successfully enforcing such covenants and restrictions; provided, however, that neither Declarant nor the Association shall be liable for damages of any kind to any person for failing to enforce or carry out any such covenants, conditions or restrictions.

12.2 Delay or Failure to Enforce. No delay or failure on the part of any aggrieved party to invoke any available remedy with respect to any violation or threatened violation of any covenants, conditions or restrictions enumerated in this Declaration or in any plat of all or any part of the Real Estate shall be held to be a waiver by that party (or an estoppel of that party to assert) any right available to him upon the occurrence, recurrence or continuance of such violation or violations of such covenants, conditions or restrictions.

12.3 Duration. These covenants, conditions and restrictions and all other provisions of this Declaration (as the same may be amended from time to time as herein provided) shall run with the land and shall be binding on all persons and entities from time to time having any right, title or interest in the Real Estate, or any part thereof, and on all persons claiming under them, until January 1, 2000, and thereafter shall be automatically extended to successive periods of ten (10) years each, unless prior to the commencement of any such extension period, by a vote of a majority of the then Owners of Lots within and upon the Real Estate, it is agreed that this Declaration shall terminate in its entirety.

12.4 Severability. Invalidation of any 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.

12.5 Titles. The underlined titles preceding the various paragraphs and subparagraphs of this Declaration are for the convenience of reference only, and none of them shall be used as an aid to the construction of any provisions of this Declaration. Wherever and whenever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or to the neuter.

12.6 Applicable Law. This Declaration shall be governed, interpreted, construed and regulated by the laws of the State of Indiana.

12.7 Sales Offices and Models. Notwithstanding anything to the contrary contained in this Declaration or any plat of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana, Declarant, and any agent of Declarant, during the Development Period, shall be entitled to construct, install, erect and maintain such facilities upon any portion of the Real Estate owned by Declarant as, in the sole opinion of Declarant, may be reasonably required or convenient or incidental to the development of the Real Estate and the sale of Lots and the construction of residences thereon. Such facilities may include, without limitation, storage areas, parking areas, signs, model residences, construction offices and sales offices.

IN WITNESS THEREOF, the Declaration has been executed by Declarant as of the date first above written.

THE C. P. MORGAN CO., INC.

By: William B. Blake
William B. Blake, Vice President

STATE OF INDIANA)
COUNTY OF HAMILTON)

Before me, a Notary Public in and for the State of Indiana, personally appeared William B. Blake, the Vice President of The C. P. Morgan Co., Inc, and Indiana corporation, who acknowledged the execution of the foregoing Declaration of Covenants, Conditions and Restrictions of Lake Forest for an on behalf of said Corporation.

WITNESS my hand and Notarial Seal this 18th day of April, 1990.

Deana H. Guyton
Notary Public

DEANA H. GUYTON
Printed Name

My Commission Expires:

12/4/92

I am a resident of MARION County, Indiana.

This Instrument was prepared by Brian J. Tuohy, STARK DONINGER MERNITZ & SMITH, 50 S. Meridian St. Ste. 700, Indianapolis, IN 46204.

9009835



"EXHIBIT A"

Land Description
 (Proposed Lake Forest Subdivision)
 (General Description)

Part of the West Half of the Southeast Quarter of Section 33, Township 18 North, Range 4 East, in Hamilton County, Indiana, described as follows:

Beginning at a railroad spike at the southwest corner of said half-quarter; thence on an assumed bearing of North 89 degrees 57 minutes 23 seconds East along the south line thereof a distance of 849.72 feet to a P.K. nail, said PK nail being distant 473.17 feet west of the southeast corner of said half-quarter section; thence North 00 degrees 32 minutes 59 seconds East a distance of 270.11 feet to a 5/8 inch rebar with yellow cap marked "Schneider Engr. Corp"; thence North 89 degrees 57 minutes 23 seconds East parallel with the south line of said half-quarter a distance of 146.43 feet to a 5/8 inch rebar with yellow cap marked "Schneider Engr. Corp"; thence North 49 degrees 52 minutes 43 seconds East a distance of 419.58 feet to a 5/8 inch rebar with yellow cap marked "Schneider Engr. Corp" on the east line of said half-quarter, said rebar lying North 00 degrees 21 minutes 02 seconds West along said east line a distance of 540.24 feet from the southeast corner of said half-quarter; thence North 00 degrees 21 minutes 02 seconds East along said east line a distance of 1902.44 feet to a 5/8 inch rebar with yellow cap marked "Schneider Engr. Corp" lying south 200.00 feet as measured perpendicular from the north line of said half-quarter; thence South 89 degrees 49 minutes 16 seconds West parallel with said north line a distance of 1326.37 feet to a 5/8 inch rebar with yellow cap marked "Schneider Engr. Corp" on the west line of said half-quarter; thence South 00 degrees 26 minutes 39 seconds East along said west line a distance of 2439.58 feet to the Point of Beginning. Containing 70.325 acres, more or less.

This Instrument Recorded 5-1 1990
 Byron K. Cherry, Recorder, Hamilton County, IN

9009835

9014736

FIRST AMENDMENT TO
LAKE FOREST SECTION I AND SECTION II
PLAT COVENANTS AND RESTRICTIONS

RECEIVED
HAMILTON COUNTY

JUN 20 5 10 PM '99

SHARON K. CHERRY
RECORDER
HAMILTON CO., IN

THIS AMENDMENT, dated the 30th day of April, 1990 by
C. P. MORGAN CO., INC., an Indiana corporation (Developer),
WITNESSETH THAT:

WHEREAS, Developer caused to be recorded certain Flat
Covenants and Restrictions for Lake Forest, Section I and II,
dated May 24, 1989, and recorded May 24, 1989, as Instruments
No. 8910376 and 8910377, respectively, in the Office of the
Recorder of Hamilton County, Indiana (the "Covenants"); and

WHEREAS, pursuant to the Covenants, the Developer may amend
the Covenants as hereinafter provided:

NOW, THEREFORE, Developer amends the Covenants as follows:

1. The paragraphs entitled "RESIDENTIAL USES" are both
hereby amended as follows:

RESIDENTIAL USES: All lots in the Subdivision shall be
used solely for residential purposes. No business
buildings shall be erected on said lots, and no
business may be conducted on any part thereof, other
than the home occupations permitted in the Zoning
Ordinance of The City of Carmel, Indiana. No accessory
outbuilding, garage, tool shed, storage building or any
other attached or detached building erected or used as
an accessory building to a residence ("Accessory
Building") shall be erected without the Developer's or
the Association's Architectural Control Committee prior
approval of the plans, specifications, materials and
location of the proposed Accessory Building and such
Accessory Building shall conform to the general
architecture and appearance of such residence. Any
Accessory Building shall have exterior dimensions not
greater than 10' x 10', be constructed with wood
exterior siding and painted in a color which conforms
with the exterior color of the residence. No trailer,
shack, tent, boat, garage or other outbuilding may be
used at any time as a residence, temporary or
permanent; nor may any structure of a temporary
character be used as a residence. Notwithstanding the
foregoing, no Accessory Building may be constructed on
any lots in Sections 2, 3 or 5, nor on lots in Sections
1, 4, 6 and 7 adjacent to water retention ponds,
specifically including the following lots: Lots
numbered 1 through 28, 35 through 41, 47 through 60, 78
through 110 and 141 through 148.

2. The paragraphs entitled "Fencing" are both hereby
amended as follows.

FENCING: No fence placed on a Lot abutting an area
designated on the plat as Common Area shall exceed four
(4) feet in height beyond a point fifteen (15) feet
from the house constructed on such lot. All fencing
shall be subject to approval by the Developer until the
end of the Development Period and thereafter by the
Association's Architectural Control Committee. All

This Instrument Recorded 6-20 1990
Sharon K. Cherry, Recorder, Hamilton County, IN

INSTR. # 9014736

fencing that abutts the areas designated Common Area, an interior street or another Lot shall be constructed of wood. All metal fencing used in the Subdivision, where permitted, must have a factory finish of either brown or black vinyl. No stockade fencing of any type will be allowed. No fence shall be higher than six (6) feet. No fencing shall extend forward of the furthest front corner of the residence. Fencing style and color shall be consistent with the Subdivision.

3. In the event of an inconsistency between the terms of this Amendment and the terms of any other provision in the Covenants, this amendment shall control.

4. The Covenants, as amended hereby, continue in full force and effect in accordance with these terms.

IN WITNESS WHEREOF, Developer has caused this Amendment to be executed as of the date first above written.

THE C. P. MORGAN CO., INC.

By: William B. Blake
William B. Blake,
Executive Vice President

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared William B. Blake, the Executive Vice President of The C. P. Morgan Co., Inc., an Indiana corporation, who after having been duly sworn, acknowledged the execution of the foregoing First Amendment to Lake Forest Section I and Section II Plat Covenants and Restrictions for and on behalf of said corporation.

DATED this 30 day of April, 1990.

Tamara A. Hazzell
Notary Public
Printed Name: TAMARA A. HAZZELL
My resident county is: Marion



My commission expires:
4/92

This instrument prepared by Brian J. Tuohy, Attorney-at-Law.

This Instrument Recorded 6-20 1990
Sherpa K. Cherry, Recorder, Hamilton County, IN

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9014736

9018855

SECOND AMENDMENT TO
LAKE FOREST SECTION I AND SECTION II
FLAT COVENANTS AND RESTRICTIONS

THIS SECOND AMENDMENT, dated the 11 day of July, 1990 by THE C.P. MORGAN
CO., INC., an Indiana corporation ("Developer"), WITNESSETH THAT:

WHEREAS, Developer caused to be recorded certain Flat Covenants and
Restrictions for Lake Forest, Sections I and II, dated May 24, 1989, and recorded May
24, 1989, as Instruments No 8910376 and 8910377, respectively, as amended by a First
Amendment dated April 30, 1990 and recorded June 10, 1990 as Instrument No.
9014736, all in the Office of the Recorder of Hamilton County, Indiana (the
"Covenants"); and

WHEREAS, pursuant to the Covenants, the Developer may amend the Covenants
as hereinafter provided:

NOW, THEREFORE, Developer amends the Covenants to correct a typographical
error, as follows:

1. The last line of the paragraph entitled "RESIDENTIAL USES" is hereby
amended as follows:

Notwithstanding the foregoing, no Accessory Building may be
constructed on any lots in Sections 1, 3 or 5, nor any lots in Sections 2, 4, 6 and 7
adjacent to water retention ponds, specifically including the following lots: Lots
numbered 1 through 28, 35 through 41, 47 through 60, 78 through 110 and 141
through 148.

2. In the event of an inconsistency between the terms of this Amendment and
the terms of any other provision in the Covenants, this amendment shall control.

3. The Covenants, as amended hereby, continue in full force and effect in
accordance with their terms.

IN WITNESS WHEREOF, Developer has caused this Second Amendment to be
executed as of the date first above written.

This Instrument Recorded 8-1 1990
Sharon K. Cherry, Recorder, Hamilton County, IN

THE C.P. MORGAN CO., INC.

By: William B. Blake
William B. Blake
Executive Vice President

RECEIVED
AUG 1 2 01 PM '90
SHARON K. CHERRY
RECORDER
HAMILTON CO., IN

STATE OF INDIANA)
COUNTY OF MARION) SS:

INSTR. # 9018855

Before me, a Notary Public in and for said county and state personally appeared William B. Blake, Executive Vice President of The C.P. Morgan Co., Inc. who having been duly sworn, acknowledged the execution of the above and foregoing Second Amendment on behalf of said corporation.

Witness my hand and Notarial Seal this 11 day of July 1990.

Deanna M. Empton
(Deanna M. Empton) Notary Public

My commission expires:

12/4/92

My county of residence:

MARION

This instrument prepared by Lewis E. Willis Jr., Attorney



X:011/1503.nmo

This instrument recorded 8-1 2000
Sharon K. Cherry, Recorder, Hamilton County, IN

9018855

9018861

CONSENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

TMF, LTD., by Ralph F. Morgan and Maxine M. Morgan as the fee simple owners of the following described real estate located in Hamilton County, Indiana (the "Lot"), to wit:

Lot No. 21 in Lake Forest Section 1, and Lot No. 34 in Lake Forest Section 2, a subdivision in Hamilton County, Indiana, as per the plat thereof, recorded May 24, 1989 as Instrument No. 3910377, in the Office of the Recorder of Hamilton County, Indiana

hereby consent to the imposition upon the Lot of the covenants, conditions and restrictions contained in that certain Declaration of Covenants, Conditions and Restrictions dated April 18, 1990 and recorded May 1, 1990 as Instrument No. 9009835 in the Office of the Recorder of Hamilton County, Indiana (the "Declaration"), as such may be amended from time to time hereafter. For purposes of the Declaration, this consent shall relate back to and be effective as of May 1, 1990.

IN WITNESS WHEREOF, the undersigned have executed this consent this

13 day of July, 1990.

Ralph F. Morgan
TMF, LTD. by Ralph F. Morgan

Maxine M. Morgan
TMF, LTD. by Maxine M. Morgan

STATE OF INDIANA)
COUNTY OF HAMILTON) SS:

Before me, a Notary Public in and for said County and State, personally appeared TMF, LTD., by Ralph F. Morgan and Maxine M. Morgan being first duly sworn, acknowledged the execution of the foregoing Consent to Declaration of Covenants, Conditions and Restrictions, including the First Amendment

Witness my hand and Notarial Seal this 13 day of July, 1990.

Tamara A. Hatel
Notary Public



My Commission Expires:

4/92

My County of Residence:

Marion

This Instrument Recorded 8-1 1990
Sharon K. Cherry, Recorder, Hamilton County, IN

RECEIVED FOR RECORD
AUG 12 4 11 PM '90
SHARON K. CHERRY
RECORDER
HAMILTON CO., IN

This Instrument was prepared by Lewis E. Willis, Jr., Attorney-At-Law

X:G11/1172

INST. # 9018861