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**DECLARATION OF COVENANTS, CONDITIONS,
EASEMENTS, AND RESTRICTIONS OF PINE RIDGE ESTATES**

THIS DECLARATION, made as of the 23rd day of August, 1988, by Pine Ridge Partners, Ltd., an Indiana limited partnership having its principal offices at 8601 East 71st Street, Indianapolis, Indiana 46220 ("Declarant"),

WITNESSETH THAT:

WHEREAS, Declarant is the owner of the real property described in Exhibits A, B, and C, attached hereto and incorporated herein; and

WHEREAS, Declarant desires to create a residential community known as "PINE RIDGE ESTATES;" and

WHEREAS, Declarant desires to provide for the preservation and enhancement of the values and amenities in such community and the Common Property therein contained, as defined below, and, therefore, Declarant desires to subject the community to certain rights, privileges, covenants, restrictions, easements, assessments, charges, and liens, each and all to the extent herein provided, for the benefit of said community and each owner of all or part thereof; and

WHEREAS, Declarant has caused to be incorporated under the laws of the State of Indiana a not-for-profit corporation under the name "Pine Ridge Homeowners Association, Inc." for the purpose of providing efficient preservation of the values and amenities of said community and to provide an agency to which shall be delegated and assigned the powers of supervising, maintaining, and administering the Common Property, administering and enforcing the covenants, conditions, easements, and restrictions contained in this Declaration, collecting and disbursing the assessments and charges imposed herein, and promoting the health, safety, and welfare of the owners of Pine Ridge Estates, and all parts thereof;

NOW, THEREFORE, Declarant hereby creates the following easements and imposes upon the real property known as Section One, as defined below, the following covenants, conditions, and restrictions:

**ARTICLE I
Definitions**

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

a. "Additional Real Estate" means Section Two and/or Section Three of Pine Ridge Estates, as defined below.

b. "Applicable Date" shall be the earliest to occur of the following:

(1) The date upon which Declarant shall call the meeting of the members of the Association;

(2) December 31, 1994; or

(3) The date upon which Declarant shall have conveyed the last Lot in the Real Estate (as such Real Estate shall have been augmented by the addition of Additional Real Estate, if applicable).

c. "Architectural Review Committee" shall mean the committee created herein for the purpose of reviewing, approving, and disapproving plans for construction of initial homes and other improvements upon Lots, plans for additions to homes on Lots, plans for construction of outbuildings on Lots, and plans for alteration of the Common Property.

d. "Association" shall mean the Pine Ridge Homeowners Association, Inc., an Indiana not-for-profit corporation formed by Kevin K. Kirkpatrick on February 12, 1988.

e. "Board of Directors" shall mean the Board of Directors of the Association.

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ASSESSOR

f. "Building" shall mean any above-grade structure constructed or existing upon a Lot.

g. "By-laws" shall mean the Code of By-laws of Pine Ridge Homeowners Association, Inc., as adopted by the Board of Directors and as modified from time to time in accordance with this Declaration, a copy of which is attached hereto as Exhibit D and incorporated herein.

h. "Common Assessments" shall mean the Regular and Special Assessments, as defined herein and in the By-laws, which shall be declared by the Association for the purpose of paying Common Expenses.

i. "Common Expenses" shall mean all expenses of administration of the Association, expenses for the upkeep, maintenance, repair, or replacement of the Common Property, expenses agreed upon as common expenses of the Association, and all sums lawfully included in the annual budget by the members of the Association pursuant to this Declaration or the By-laws.

j. "Common Property" shall mean the walls, fences, mounds, landscaping, signage, and lighting constructed or to be constructed by Declarant within the area of the real estate known as the "Landscape Easement" or located within the median separating lanes of traffic of Pinecreek Drive near the northernmost end thereof.

k. "Declarant" shall mean Pine Ridge Partners, Ltd., an Indiana limited partnership, or such successor or assign thereof to which Declarant shall have assigned all of its rights, powers, duties, and liabilities under this Declaration.

l. "Landscape Easement" shall mean that area of land described as "Landscape Easement" in the plat of Section One, together with the rights, privileges, powers, duties, and liabilities associated with such Landscape Easement as further defined herein and in the plat of Pine Ridge Estates, Section One.

m. "Lot" shall mean any of the numbered and platted lots in Section One. "Lot" shall also include any of the numbered and platted lots of Sections Two and/or Three from and after the date upon which such plat thereof shall have been duly recorded in the Office of the Recorder of Marion County, Indiana and an instrument adding such section or Sections to the definition of "Real Estate" shall have been duly recorded by the Declarant in the Office of the Recorder of Marion County, Indiana.

n. "Majority" shall mean more than one-half of the Owners or Directors entitled to vote on the matter, or in attendance at a meeting at which a quorum shall be present, whichever shall be applicable.

o. "Mortgagee" shall mean and refer to the holder of a recorded first mortgage lien on a Lot.

p. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, unless the record owner shall have conveyed its equitable interest in the Lot, in which event the "Owner" shall be deemed to be the purchasers at such time as the purchasers shall be entitled to possession of the Lot. "Owner" shall not include those having an interest in the Lot solely as security for the performance of an obligation.

q. "Real Estate" shall initially mean Section One of Pine Ridge Estates. "Real Estate" shall include Section Two and/or Section Three only in the event that the Declarant shall amend this Declaration to so include such Sections, and such Section or Sections shall become a part of the Real Estate on the date upon which such amendment of this Declaration shall be duly recorded in the Office of the Recorder of Marion County, Indiana.

r. "Section One" shall mean the real property more particularly described in the plat of Section One of Pine Ridge Estates and Exhibit A, attached hereto and incorporated herein.

s. "Section Three" shall mean the real property more particularly described in the plat of Section Three of Pine Ridge Estates and in Exhibit C, attached hereto and incorporated herein.

t. "Section Two" shall mean the real property more particularly described in the plat of Section Two of Pine Ridge Estates and in Exhibit B, attached hereto and incorporated herein.

Section 2. Other terms and words defined elsewhere in this Declaration, the Articles of Incorporation of Pine Ridge Homeowners Association, Inc. ("Articles"), and in the By-laws shall have the same meanings herein as defined therein.

ARTICLE II
Declaration, Common Property, and Rights Therein

Section 1. **Declaration.** Declarant hereby expressly declares that the Real Estate shall be held, transferred, and occupied subject to the covenants, conditions, assessments, and restrictions set forth in this Declaration. The Owner or Owners of any Lot subject to this Declaration, and all other persons, by (a) acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Declarant or a subsequent Owner of such Lot, or (b) by the act of occupancy of any Lot, shall conclusively be deemed to have accepted such deed, executed such contract, and undertaken such occupancy subject to each covenant, condition, easement, and restriction herein contained. By acceptance of such deed, or execution of such contract, or undertaking such occupancy, each Owner and all other persons acknowledge the rights and powers of Declarant, the Architectural Review Committee, and the Association with respect to this Declaration, and covenant and agree with Declarant and the Association that such Owner and all other persons shall keep, observe, comply with, and perform each of the covenants and restrictions set forth herein.

Section 2. **Easement to Declarant.** Declarant hereby reserves to itself the exclusive right to enter upon the Landscape Easement for the purpose of constructing the Common Property, which easement shall expire and terminate on the Applicable Date or upon such earlier date as Declarant shall record a relinquishment of such easement rights in the Office of the Recorder of Marion County, Indiana.

ARTICLE III
Obligations of Declarant as to Common Property

Section 1. **Agreement to Construct and Convey Common Property.** On or before the Applicable Date, Declarant shall construct the Common Property. Upon completion of the Common Property Declarant shall have the right to convey to the Association Declarant's interest in the Common Property; however, following completion of the development of Sections One, Two, and Three and completion of the Common Property, Declarant shall convey its interest in the Common Property to the Association.

ARTICLE IV
Association; Membership; Voting; Functions

Section 1. **Membership in Association.** Declarant and each Owner of a Lot shall, automatically upon becoming an Owner, be and become a member of the Association and shall remain a member until such time as its ownership of a Lot shall cease, but membership shall terminate when such Owner shall cease to be an Owner, and will be transferred to the new Owner of such Lot; provided, however, that any person who holds the interest of an Owner in a Lot merely as security for the performance of an obligation shall not be a member unless and until such person shall realize upon the security, at which time such person shall automatically be and become an Owner and a member of the Association.

Section 2. **Voting Rights.** The Association shall have one class of membership, comprising Owners of Lots. Each Lot Owner shall be entitled to one vote in duly constituted meetings of the members. When more than one person shall constitute the Owner of a particular Lot, all such persons shall be members of the Association but all of such persons shall have only one vote for such Lot, which vote shall be exercised collectively as they among themselves shall determine. The vote for any one Lot may not be split or divided but must be voted as a whole.

ARTICLE V
Board of Directors

Section 1. Management. The business and affairs of the Association shall be governed and managed by the Board of Directors. No person shall be eligible to serve as a member of the Board of Directors unless he is, or is deemed in accordance with this Declaration to be, an Owner, or a person appointed by Declarant as provided in Section 2 of this Article V.

Section 2. Initial Board of Directors. The initial Board of Directors shall be composed of persons designated or to be designated by the Declarant and, unless Declarant shall otherwise specify, the initial Board of Directors shall comprise Kevin K. Kirkpatrick, Roger L. Keseler, and Barbara J. Beckwith (herein referred to as the "Initial Board"). Notwithstanding anything to the contrary contained in, or in any other provision of, this Declaration, the Articles, the By-laws, or the Plat of Pine Ridge Estates, (a) the initial Board shall hold office until the first annual meeting of the members of the Association occurring on or after the Applicable Date, and (b) in the event of any vacancy or vacancies occurring in the initial Board for any reason or cause whatsoever prior to such first annual meeting, every such vacancy shall be filled by a person appointed by Declarant, who shall thereafter be deemed to be a member of the initial Board. Each Owner, by acceptance of a deed to a Lot, or by acquisition of any interest in a Lot, shall be deemed to have appointed Declarant as such Owner's agent, attorney-in-fact, and proxy, which shall be deemed coupled with an interest and irrevocable until the Applicable Date, to exercise all of said Owner's right to vote, and to vote as Declarant shall determine, on all matters as to which members of the Association are entitled to vote under the Declaration, the Articles, the By-laws, or otherwise. This appointment of Declarant as such Owner's agent, attorney-in-fact, and proxy shall not be affected by incompetence of the Owner granting the same. Each person serving on the initial Board shall be deemed to be a member of the Association and an Owner solely for the purpose of qualifying to act as a member of the Board of Directors and for no other purpose unless such person shall also be the Owner of fee simple title to one or more Lots.

Section 3. Additional Qualifications. If an Owner shall consist of more than one person or shall be a partnership, corporation, trust, or other legal entity, then one of the persons constituting the multiple Owner, or partner or an officer or trustee shall be eligible to serve on the Board of Directors. After the Applicable Date, no single Lot may be represented on the Board of Directors by more than one person at a time.

Section 4. Term of Office and Vacancy. Subject to Section 2 of this Article V, the entire membership of the Board of Directors shall be elected at each annual meeting of the Association. The initial Board shall be deemed to have been elected for the duration of the existence of the initial Board, with the terms of such directorships to expire upon the election of new Directors at the first annual meeting of the Association. After the Applicable Date, each member of the Board of Directors shall be elected for a term of one (1) year. Each Director shall hold office throughout the term of his election and until his successor shall be elected and qualified. After the Applicable Date, any vacancy or vacancies occurring on the Board shall be filled by a vote of the majority of the remaining Directors or by a vote of the Owners if a Director shall be removed in accordance with Section 6 of this Article V. The Director so filling a vacancy shall serve until the next annual meeting of the members and until his or her successor shall be elected and qualified.

Section 5. Removal of Directors. Any Director, other than a member of the initial Board, may be removed with or without cause by a vote of the majority of the votes entitled to be cast at a special meeting of the Owners duly called and constituted for such purpose. In such case, his or her successor shall be elected at the same meeting from eligible Owners nominated at the meeting.

Section 6. Duties of the Board of Directors. The Board of Directors shall be the governing body of the Association, representing all of the Owners and being responsible for the functions and duties of the Association, including, but not limited to, the management, maintenance, repair, upkeep, and replacement of the Common Property, the collection of the Common Assessments, and the payment of the Common Expenses. After the Applicable

Date, the Board may employ a Managing Agent upon such terms as the Board shall find, in its discretion, reasonable and customary. The Managing Agent, if one is employed, shall assist the Board in carrying out its duties, which shall include, but not be limited to:

(a) Landscaping, maintenance, repairs, management, upkeep, and replacement of the Common Property;

(b) Assessment and collection from the Owners of the Owners' respective shares of the Common Expenses;

(c) Preparation of the proposed annual budget, a copy of which will be mailed or delivered to each Owner at the same time as the notice of the annual or special meeting at which the same is to be acted upon;

(d) Preparation and delivery annually to the Owners of a full accounting of all receipts and expenses incurred by the Association in the preceding year, such report to be provided not later than with the notice of the annual or special meeting;

(e) Preparation of a current, accurate, and detailed record of receipts and expenditures affecting the Common Property and the business and affairs of the Association, specifying and itemizing the Common Expenses; all records and vouchers shall be available for examination by an Owner at any time during normal business hours;

(f) Preparation and maintenance for the benefit of the Association, the Owners, any Managing Agent, and the Board of Directors of the insurance coverages required under this Declaration and such other insurance coverages as the Board, in its sole discretion, may deem necessary or advisable;

(g) Payment of any and all taxes and assessments which shall be assessed against and payable with respect to the Common Property (not including the real estate encumbered by the Landscape Easement) and paying any such necessary expenses and costs in connection with the Common Property; and

(h) All duties and obligations which shall be imposed upon the Association or the Board under this Declaration, the Articles, the By-laws, or the Plat of Pine Ridge Estates.

Section 7. Powers of the Board of Directors. The Board of Directors shall have such powers as shall be reasonable and necessary to accomplish the performance of its duties. These powers shall include, but not be limited to, the power:

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

(b) To acquire the use of such equipment, materials, labor, and services as may be necessary in the judgment of the Board of Directors to perform its functions and duties;

(c) To employ such legal counsel, architects, contractors, accountants, and others as in the judgment of the Board of Directors may be necessary or desirable to perform its functions and duties;

(d) To employ, designate, discharge, and remove such personnel as in the judgment of the Board of Directors may be necessary for the maintenance, upkeep, repair, and replacement of the Common Property, and to perform all other maintenance, upkeep, repair and replacement duties of the Association and the Board;

(e) To include the costs of performing all of its functions, duties, and obligations as Common Expenses and to pay all such costs therefrom;

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

(g) To promulgate, adopt, revise, amend, and alter from time to time such additional rules and regulations with respect to the use, occupancy, operation, and enjoyment of the Common Property as the Board, in its

discretion, shall deem necessary or advisable, provided that copies of any such rules and regulations so adopted by the Board shall be promptly delivered to all Owners.

Section 8. Limitation on Board Action. Following the Applicable Date, the authority of the Board to enter into contracts shall be limited to contracts involving a total expenditure of less than Two Thousand Five Hundred Dollars (\$2,500.00) without obtaining the prior approval of the majority of the cumulative vote of the Owners, except that in the following cases such approval shall not be necessary:

- (a) Contracts for replacing or restoring portions of the Common Property which shall have been damaged or destroyed by fire or other casualty where the cost thereof is payable out of insurance proceeds actually received or for which the insurance carrier has acknowledged coverage;
- (b) Proposed contracts and proposed expenditures expressly set forth in the proposed annual budget which shall have been approved by the Owners at the annual meeting; and
- (c) Expenditures necessary to deal with emergency conditions in which the Board of Directors reasonably shall believe that there is insufficient time to call a meeting of the Owners.

Section 9. Compensation. No Director shall receive any compensation for his or her services as such except to such extent as may be expressly authorized by majority vote of the Owners. The Managing Agent, if any shall be employed, shall be entitled to reasonable compensation for its services, the cost of which shall be a Common Expense.

Section 10. Non-liability of Directors. The Directors shall not be liable to the Owners or any other person for any error or mistake of judgment which may be exercised in carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith, or gross negligence. The Association shall indemnify and hold harmless and defend each of the Directors against any and all liabilities to any person, firm, or corporation which shall arise out of contracts made by the Board on behalf of the Association, unless any such contract shall have been made in bad faith. It is intended that the Directors shall have no personal liability with respect to any contract which may be made by them on behalf of the Association.

Section 11. Additional indemnity of Directors. The Association shall indemnify, hold harmless, and defend any person, his or her heirs, assigns, and legal representatives, who shall be made a party to any action, suit, or proceeding by reason of the fact that he or she is or was a Director of the Association, against the reasonable expenses, including attorneys' fees, which shall be actually and necessarily incurred by such Director in connection with the defense of any action, suit, or proceeding, or in connection with any appeal therein, except as otherwise specifically provided herein in relation to matters as to which it shall be adjudged in such action, suit, or proceeding that such Director is liable for gross negligence or misconduct in the performance of his duties. The Association shall also reimburse to any such Director the reasonable costs of settlement of or judgment rendered in any action, suit, or proceeding if it shall be found by a majority vote of the Owners that such Director was not guilty of gross negligence or misconduct. In making such findings and notwithstanding the adjudication of any action, suit, or proceeding against the Director, no Director shall be considered or deemed to be guilty of or liable for negligence or misconduct in the performance of his duties where, acting in good faith, such Director shall have relied on the books and records of the Association or statements or advice made by or prepared by the Managing Agent (if any) or any officer or employee thereof, or any accountant, attorney, or other person, firm, or corporation which shall be employed by the Association to render advice or service, unless such Director shall have had actual knowledge of the falsity or incorrectness thereof; nor shall a Director be deemed guilty of or liable for negligence or misconduct by virtue of the fact that he may have failed or neglected to attend a meeting or meetings of the Board of Directors.

Section 12. Bond. The Board of Directors may provide surety bonds and may require the Managing Agent (if any), the Treasurer of the Association, and

such other officers as the Board shall deem 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 which shall be received for any reason by the Board. The expense of any such bonds shall be a Common Expense.

Section 13. Initial Management. Notwithstanding anything to the contrary contained in this Declaration, the Articles, the By-laws, or the Plat of Pine Ridge Estates, Declarant shall have, and Declarant hereby reserves to itself, the exclusive right to manage or designate a Managing Agent for the Real Estate and the Additional Real Estate, including the Common Property, and to perform all of the functions of the Association, until the Applicable Date. Declarant may, at its option, engage a Managing Agent which may be affiliated with Declarant to perform such functions and, in either case, Declarant or such Managing Agent shall be entitled to reasonable compensation for its services. Each of the rights and duties of Declarant set forth in this Section may be delegated and assigned to the Initial Board.

ARTICLE VI
Real Estate Taxes; Utilities

Section 1. Real Estate Taxes. Real estate taxes on the Common Property shall, to the extent possible, be separately assessed and taxed to the Association following conveyance of such Common Property to the Association by Declarant. Any real estate taxes or other assessments so assessed against the Association shall be paid by the Association and treated as a Common Expense. In the event that part of the Common Property shall be assessed against a Lot, the Owner of the Lot shall have the right to reimbursement from the Association of the portion of the real estate tax attributable to the Common Property which shall have been paid by such Owner and such reimbursed amount shall be treated as a Common Expense.

Section 2. Utilities. In the event that any utilities shall be consumed by the Association or shall be directly related to the lighting, maintenance, or replacement of the Common Property, such utility expenses shall be paid by the Association or reimbursed to any Owner who shall have paid such expenses and such payments or reimbursements shall be treated as a Common Expense.

ARTICLE VII
Maintenance and Repair

Section 1. By the Owner. Each Owner shall be responsible for all maintenance, repairs, decoration, or replacement of his or her own building and sidewalks on his or her Lot. Each Owner shall promptly repair all injury or damage to his or her Lot, building, and/or sidewalks which, if neglected, might adversely affect any other Lot or building or any part of the Common Property.

Section 2. By the Association. Maintenance, repairs, replacements, and upkeep of the Common Property shall be furnished by the Association, as part of its duties, and the costs thereof shall constitute a part of the Common Expenses.

Such duties shall include, but not be limited to, the following:

- (a) Maintenance of the brick wall and any signs attached thereto which shall be located in the Landscape Easement;
- (b) Maintenance of any lighting of the aforementioned brick wall;
- (c) Lawn and landscaping maintenance in a reasonably uniform manner on and around the said brick wall, any earthen mounds, any fences, and any landscaping placed or to be placed in the Landscape Easement by Declarant;
- (d) Maintenance of the median at the northerly end of Pinecreek Drive and any Common Property to be located thereon;
- (e) Control of all Drainage Easements and return of all Drainage Easements to their original condition in the event that an Owner or Owners shall fail to do so; and

(f) Performance of such other maintenance duties as may be approved by a majority of the Owners at a duly constituted meeting of Owners

The Board of Directors may adopt such other rules and regulations concerning maintenance, repair, use, and enjoyment of the Common Property as it shall deem necessary, provided that the same shall not be inconsistent with the expressed provisions of this Declaration. Notwithstanding any obligation or duty of the Association to the contrary, if an Owner or member of such Owner's family or a guest, tenant, invitee, or other occupant or visitor of such Owner shall cause damage to the Common Property, then such Owner shall pay for such damage and such maintenance, etc., as may be determined by the Association to return the Common Property to the condition in which it was immediately prior to such damage. Such Owner shall pay all such amounts upon demand to the Association and, in the event of non-payment, such amount shall be added to and become a part of the assessment to which the Owner's Lot shall be subject.

The authorized representatives of the Association, the Board, and the Managing Agent of the Association (if any) shall be entitled to reasonably access to the Landscape Easement and adjoining portions of any Lot as may be required in connection with the maintenance, repairs, or replacements of or to the Common Property.

ARTICLE VIII Architectural Review Committee

Section 1. Creation. There is hereby created and established the Pine Ridge Architectural Review Committee (the "Architectural Review Committee") to perform the functions provided to be performed by it hereunder or under any plat of Pine Ridge Estates. Until the applicable date, the Declarant shall exercise all of the rights of the Architectural Review Committee. After the Applicable Date, the Architectural Review Committee shall be a standing committee consisting of three Owners who shall be appointed by the Board of Directors and who shall serve at the will of the Board of Directors.

Section 2. Initial Building Construction. The Architectural Review Committee shall have the right of approval over all plans, including site plans, elevations, and landscaping plans, of all Buildings to be initially constructed on every Lot in Pine Ridge Estates. Each Lot Owner shall be required to submit his or her plans to the Architectural Review Committee not fewer than fourteen (14) days prior to commencement of construction and shall not commence construction of any Building until the Architectural Review Committee shall have given its written approval to such Owner of such plans. In the event that an Owner shall commence such construction prior to receipt of approval of such plans from the Architectural Review Committee or in the event that such Owner shall, in the opinion of the Architectural Review Committee, substantially deviate from plans previously approved by the Architectural Review Committee, then the Architectural Review Committee shall report such commencement or deviation to the Board of Directors, whereupon the Board of Directors shall have the right and power to take such actions, whether legal or equitable, as may be necessary or appropriate to cause the Owner of the Lot to comply with requirements of the Architectural Review Committee, including commencing legal proceedings to seek an injunction. In the event of such unauthorized commencement or deviation, the Association shall be entitled to reimbursement of its reasonable attorneys' fees by such Lot Owner.

Section 3. Additional Construction. Prior to the Applicable Date, no Buildings or additions to existing Buildings shall be erected upon any Lot without the prior written consent of the Architectural Review Committee. For purposes of obtaining the approval of the Architectural Review Committee and enforcement of violations hereof, such construction shall be deemed to be initial Building construction. After the Applicable Date, the Architectural Review Committee may withhold its approval of plans for construction of Buildings and landscaping only in the event that such construction would not be compatible with existing Buildings in Pine Ridge Estates or would otherwise violate any other restrictions set forth in this Declaration, the By-laws, or the plats of Pine Ridge Estates.

Section 4. No Storage Sheds. Notwithstanding anything contained herein or in the Articles or By-laws to the contrary, and in addition to all

restrictions set forth in the Plat of Pine Ridge Estates, any and all forms of shed, storage shed, large animal quarters, etc., which are intended to not be directly connected to the main house on any Lot are hereby strictly prohibited unless, on a case-by-case basis, the Owners shall approve of such additional Building by a seventy-five percent (75%) majority of all Owners at a meeting of the Owners called for the purpose of approving such Building or at the annual meeting. Declarant shall not have the right to modify this Section without approval of seventy-five percent (75%) of the Owners.

Section 5. Alteration of Common Property. The Board of Directors shall have exclusive right and power to alter the appearance of the Common Property. No Owner shall have the right or power to alter the Common Property in any manner other than miscellaneous grass cutting and clipping and trimming of vegetation. The Architectural Review Committee shall have initial jurisdiction over requests by Owners to alter the appearance of any part of the Common Property or to engage in maintenance or repair more extensive than miscellaneous landscaping. The Architectural Review Committee shall have responsibility for causing the Common Property to remain relatively uniform in appearance and in keeping with the original design concept as constructed or to be constructed by Declarant.

ARTICLE IX **Assessments**

Section 1. Annual Accounting. Annually, after the close of each fiscal year of the Association and prior to the date of the annual meeting of the Association next following the end of such fiscal year, the Board shall cause to be prepared and shall furnish the Owners with financial statement of operations of the Association, which statement shall show all receipts and expenses received, incurred, and paid during the preceding fiscal year.

Section 2. Proposed Annual Budget. Annually, on or before the date of the annual or special meeting of the Association at which the budget is to be acted upon, the Board of Directors shall cause to be prepared a proposed annual budget for the next ensuing fiscal year, estimating the total amount of the Common Expenses for such next ensuing fiscal year, and shall furnish a copy of such proposed budget to each Owner at or prior to the time the notice of such annual or special meeting shall be delivered or mailed to such Owners. The annual budget shall be submitted to the Owners at the annual or special meeting of the Association for adoption and, if so adopted, shall be the basis for the Regular Assessments (hereinafter defined) for the next ensuing fiscal year. At such annual or special meeting of the Owners, the budget may be approved in whole or in part or may be amended in whole or in part by a majority vote of the Owners who shall have attended such meeting; provided, however, that in no event shall such annual or special meeting of the Owners be adjourned until an annual budget shall have been approved and the annual budget so amended. The annual budget, the Regular Assessments, and all sums which shall be assessed by the Association shall be established by using generally accepted accounting principles applied on a consistent basis. The annual budget and the Regular Assessments shall, in addition, be established to include the establishment and maintenance of a replacement reserve fund for capital expenditures and replacement and repair of the Common Property, which replacement reserve fund shall be used for those purposes and shall not be used for usual and ordinary repair expenses of the Common Property. Such replacement reserve fund for capital expenditures and replacement repair of the Common Property shall be maintained by the Association in a separate interest bearing account or accounts with one or more banks or savings and loan associations then authorized to conduct business in Marion County or Hamilton County, Indiana, as shall be selected from time to time by the Board. The failure or delay of the Board of Directors to prepare a proposed annual budget and to furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner of the obligations of the Owners to pay the Common Expenses as herein provided, whenever determined. Whenever, whether before or after the annual or special meeting of the Association in which the budget is to be acted upon, there shall be no annual budget approved by the Owners as herein provided for the current fiscal year, the Owners shall continue to pay Regular Assessments based upon the last approved budget or, at the option of the Board, based upon an amount not greater than two hundred percent (200%) of such last approved budget, as a temporary budget.

Section 3. Regular Assessments. The annual budget as adopted by the Owners shall, based on the estimated cash requirement for the Common Expenses in the fiscal year covered thereby as set forth in said budget, contain a proposed assessment against each Lot, which shall be the same amount for each Lot. Immediately following the adoption of the annual budget, each Owner shall be given written notice of the assessment against his or her respective Lot (herein called the "Regular Assessment"). In the event the Regular Assessment for a particular fiscal year shall be initially based upon a temporary budget, each Regular Assessment shall be revised within fifteen (15) days following adoption of the final annual budget by the Owners to reflect the assessment against each Lot based upon such annual budget as finally adopted by the Owners. The aggregate amount of the Regular Assessments shall be equal to the total amount of expenses provided and included in the final annual budget, including reserve funds as hereinabove provided. A Regular Assessment against each Lot shall be paid in full in advance by a date specified by the Board, which date shall not be earlier than fifteen (15) days following written notice of such Regular Assessment to the Owners. However, at the option of the Board, the Regular Assessment against each Lot may be paid in advance in equal quarterly installments commencing on the first day of the first month of each fiscal year and quarterly thereafter through and including the first day of the last quarter of such fiscal year. Payment of the Regular Assessment, whether in one payment or in quarterly installments, shall be made to the Board of Directors or the Managing Agent, as directed by the Board of Directors. In the event the Regular Assessment for a particular fiscal year of the Association shall have been initiated based upon a temporary budget, any excess or deficiency of Regular Assessments as compared to the final approval budget shall be adjusted with the next ensuing installment of Regular Assessments, or within thirty (30) days following the adoption of the final annual budget by the Owners, whichever shall occur earlier. The Regular Assessment for each fiscal year of the Association shall become a lien on each separate Lot as of the first day of each fiscal year of the Association, even though the final determination of the amount of such Regular Assessment may not have been made by such date. The fact that an Owner may have paid his regular assessment for the current fiscal year in whole or in part based upon a temporary budget and thereafter, before the annual budget and Regular Assessment are finally determined, approved, and adjusted as herein provided, shall sell, convey, or transfer his Lot or any interest therein, shall not relieve or release such Owner or his successor as owner of such Lot from payment of the Regular Assessment for the Lot as finally determined, and such Owner and his successor as owner of such Lot shall be jointly and severally liable for the Regular Assessment as finally determined. Any statement of unpaid assessments which shall be furnished by the Corporation pursuant to Section 2 of Article X hereof prior to the final determination and adoption of the annual budget and Regular Assessment for the year with respect to which such statement shall be given shall state that the matters set forth therein are subject to adjustment upon determination and adoption of the final budget and Regular Assessment for such year. After adoption of a budget by the Association, Regular Assessments shall be due and payable automatically without further notice from the Association or Managing Agent.

Section 4. Special Assessments. From time to time, Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time and without the approval of the Owners, unless otherwise provided in this Declaration or the By-laws, the Board of Directors shall have full right and power to make special assessments which, upon resolution of the Board, shall become a lien on each Lot, pro rated in equal shares (herein called "Special Assessments"). Without limiting the generality of the foregoing provisions, Special Assessments may be made by the Board of Directors from time to time to pay for capital expenditures and to pay for the cost of any repair or reconstruction of damage or other casualty or disaster to the extent insurance proceeds shall be insufficient therefore under the circumstances described in this Declaration.

Section 5. Failure of Owner to Pay Assessments.

(a) No Owner may exempt himself from paying Regular Assessments and Special Assessments, or from contributing toward the expenses of administration and of maintenance and repair of the Common Property, or toward any other expense lawfully agreed upon, by waiver of the use or enjoyment of the Common Property or by abandonment of the Lot belonging to such Owner.

Each Owner shall be personally liable for the payment of all Regular and Special Assessments against such Owner's Lot. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several. Regular and Special Assessments shall constitute a lien against the Lots and the buildings thereon without further notice, except as to the amount of such lien. Such lien shall constitute a prior and superior claim upon such Lot and any buildings thereon, except that the lien of any bona fide first mortgage and the lien for payment of real property taxes validly assessed against such Lot and/or buildings thereon shall have priority over the lien for Regular or Special Assessments. If any Owner shall fail, refuse, or neglect to make any payment of any Regular Assessments or Special Assessments against his Lot when due, the lien for such assessment on the Owner's Lot and Building may be filed and foreclosed by the Board for and on behalf of the Association as if such lien were a mortgage on real property or as may be otherwise provided or permitted by law or in equity. Upon the failure of an Owner to make timely payments of any such Regular Assessments or Special Assessments when due, the Board may, in its discretion accelerate the entire balance of the 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 of any Common Assessments, the Owner and any occupant of the Lot and Buildings thereon which shall be subject to such action shall be jointly and severally liable for the payment to the Association of reasonable rental for such Lot and Buildings, and the Board shall be entitled to the appointment of a receiver for the purpose of preserving the Lot and Buildings thereon and to collect the rentals and other profits therefrom for the benefit of the Association, which amounts shall be applied to the unpaid Regular Assessments or Special Assessments after payment of all expenses otherwise due the Association. The Board may, at its option, bring a suit to recover a money judgment for any unpaid Regular Assessment or Special Assessment without foreclosing (and without thereby waiving) the lien securing the same. In any action to recover a Regular Assessment or Special Assessment, or any other charges due the Association, whether by foreclosure or otherwise, the Board, for and on behalf of the Association, shall be entitled to recover from the Owner of the respective Lot and Buildings all of the costs and expenses of such action which may be incurred (including, but not limited to, reasonable attorneys' fees) and interest from the date such Assessments or charges shall have become due, until paid, at a rate equal to the "prime interest rate" then in effect as publicly announced or published by The Indiana National Bank or its successor (or if said Bank is no longer in existence, then such rate as shall be charged by another national bank located in Marion County, Indiana, to be selected by the Board).

(b) Notwithstanding anything contained in this Section or elsewhere in this Declaration or the By-laws, any sale or transfer of a Lot, whether or not improved with Buildings, 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 the manner provided by law with respect to mortgage foreclosures, shall extinguish the lien of any unpaid installment of any Regular Assessment or Special Assessment or other charges as to such installments 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 any Buildings thereon or the purchaser at such foreclosure sale, or grantee in the event of conveyance in lieu thereof, from liability for any installments of Regular Assessments or Special Assessments or other charges thereafter becoming due or from the lien therefor. Such unpaid share of any Regular Assessments or Special Assessments or other charges, the lien for which shall have been divested as aforesaid, shall, if not collected from the party personally liable therefor, be deemed to be a Common Expense, collectible from all Owners (including the party acquiring the subject Lot from which it arose).

Section 6. Initial Budgets and Assessments. Notwithstanding anything to the contrary contained herein, in the Articles, in the By-laws, or in the plats of Pine Ridge Estates, until the Applicable Date, the annual budget and all Regular Assessments shall be established by the Initial Board without meetings of or concurrence of the Owners. The agency, power of attorney, and proxy granted to the Declarant by each Owner pursuant to Section 2 of Article V hereof shall be deemed to cover and include each Owner's right to vote on and approve the annual budget and any Regular Assessments until the Applicable Date.

The initial Regular Assessment is hereby determined as Seventy-Five Dollars and No Cents (\$75.00) per year. Such amount shall be pro-rated from and including the date of transfer of Lots to purchasers by Declarant. Such amount shall be due and payable as of February 1 of each calendar year for the calendar year and will be delinquent after such date. Commencing in 1990 and in each year thereafter until the Applicable Date, the Initial Board shall have the right to increase the Regular Assessments for each Lot, payable on or before February 1 of such year, or within thirty (30) days after invoice, whichever shall occur later.

Further, until the Applicable Date and notwithstanding the foregoing or anything else contained herein, no Regular Assessments, Special Assessments, or other charges shall be owed or payable by Declarant with respect to any Lot or any portion of the Additional Real Estate owned by Declarant while the same is owned by Declarant, nor shall any such Assessments or charges become a lien on any Lot or any portion of the Additional Real Estate owned by Declarant. Assessments against a Lot shall commence to accrue from the date such Lot shall be conveyed by Declarant to another person, and a prorated portion of the Regular Assessment for the balance of the fiscal year of the Association against such Lot so conveyed by Declarant shall be paid by each purchaser upon such conveyance.

Section 7. Initial Working Capital. Upon the closing of the initial conveyance of each Lot by Declarant to another person, the purchaser of such Lot shall pay to the Association, in addition to any other amount then owed or due to the Association, as a contribution to its working capital fund, an amount equal to One Hundred Dollars (\$100.00) in addition to a prorated share of the Regular Assessments and Special Assessments for the then current fiscal year of the Association. Such payments shall be non-refundable and shall not be considered as an advance payment of any assessment or other charge owed by the Association with respect to such Lot. Such working capital fund shall be held and used by the Association for payment of, or reimbursement to Declarant for advances made to pay, expenses of the Association for its early period of operation of the Real Estate, to enable the Association to have cash available to meet unforeseen expenditures, and to acquire additional equipment or services which may be deemed necessary by the Board.

Section 8. Contributions By Declarant Prior to Applicable Date. Prior to the Applicable Date, Declarant shall have the duty to contribute to the Association sufficient cash to enable the Association to fulfill its duties after the Association shall have exhausted all Regular Assessments and Special Assessments theretofore collected from the Owners. On the Applicable Date, or as soon thereafter as the Declarant shall make demand, the Association shall refund to Declarant an amount equal to the lesser of (a) the total amount previously advanced by Declarant to the Association from and after the date hereof to and including the Applicable Date, or (b) an amount equal to the total cash of the Association in banks and on hand less the total of all reserves theretofore created by the Association, it being the intent of this Section to leave the Association with liquid assets of not less than the total of all reserves as of the time at which control of the Association shall be relinquished by the Declarant and assumed by the Owners.

ARTICLE X Mortgages

Section 1. Notice to Association. Any Owner who shall place a first mortgage lien upon its Lot, or the Mortgagee thereof, shall notify the Secretary of the Association thereof and shall provide the name and address of such Mortgagee. A record of each such Mortgage, and its name and address, shall be maintained by the Secretary and in the notice required to be given to the Mortgagee pursuant to the terms of this Declaration or the By-laws shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record within the time provided. Unless notification of any such mortgage and the name and address of such Mortgagee shall have been furnished to the Secretary, either by the Owner or by the Mortgagee, no notice to any such Mortgagee as may be otherwise required by this Declaration or the By-laws shall be required and such Mortgagee shall not be entitled to vote on any matter to which it otherwise might have been entitled by virtue of this Declaration or the By-laws or by a proxy granted to such Mortgagee in connection with such mortgage, or otherwise.

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

Section 2. Notice of Unpaid Assessments. The Association shall, upon request of a Mortgagee, a proposed first Mortgagee, or a proposed purchaser who has a contractual right to purchase a Lot, furnish to such Mortgagee or purchaser a statement setting forth the amount of any unpaid Regular Assessments or Special Assessments or other charges against the Lot, which statement shall be binding upon the Association and the Owners, and any Mortgagee or grantee of the Lot shall not be liable for nor shall the Lot conveyed be subject to a lien for any unpaid Assessments or charges in excess of the amounts set forth in such statement, except as such Assessments may be adjusted upon adoption of a final annual budget, as referred to in Section 3 of Article IX hereof.

ARTICLE XI Insurance

Section 1. Casualty Insurance. The Association may purchase a master casualty insurance policy affording casualty insurance insuring the Common Property in an amount consistent with the full replacement value thereof and upon such terms and conditions as the Board of Directors shall deem reasonably appropriate. The cost of any such insurance shall be a Common Expense. All proceeds payable as a result of casualty losses to the Common Property shall be payable to the Association.

Section 2. Public Liability Insurance. The Association may also 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, covering all of the Common Property and naming the Association, the Board of Directors, any committee or organ of the Board, any Managing Agent, the Declarant, and all persons acting for or on behalf of the Board, the Managing Agent, or the Declarant as additional insureds.

Section 3. Other Insurance. The Association shall also obtain any other insurance required by law to be maintained and may acquire such other insurance as the Board of Directors may from time to time deem necessary, advisable, or appropriate.

Section 4. General Provisions. The premiums for all insurance hereinabove described shall be paid by the Association as part of the Common Expenses. Upon request of any Owner or Mortgagee whose interest may be affected thereby, the Association shall provide such Owner or Mortgagee with a description of the insurance coverage maintained by the Association. All distributions of insurance proceeds and distributions of any condemnation awards in connection with any taking of any of the Common Property shall be made directly to the Board of Directors on behalf of the Association, which Board of Directors shall be responsible for disbursement thereof in accordance with this Declaration, the By-laws, and any applicable law.

ARTICLE XII Casualty and Restoration

In the event of damage to or destruction of any of the Common Property, the Association shall promptly cause the same to be repaired and reconstructed. The proceeds of insurance carried by the Association, if any, shall be applied to the cost of such repair and reconstruction.

If the insurance proceeds, if any, shall not be adequate to cover the cost of repair and reconstruction of the Common Property, the cost of restoring the damage and repairing and reconstructing the Common Property shall be assessed by the Association against all of the Owners in equal shares. Any such amounts assessed against the Owners shall be assessed as part of the Common Expenses and shall constitute a lien from the time of assessment as provided herein. In the event of such reconstruction or repair, the Board shall obtain reliable and detailed estimates of the cost to replace the damaged Common Property to a condition substantially similar to that prior to the casualty. Such costs may include professional fees and premium for such bonds as the Board of Directors may deem necessary.

Encroachments upon any Lot which may be created as a result of such reconstruction or repair of any of the Common Property shall not constitute a claim or basis of a proceeding or action by the Owner upon whose Lot such encroachment may exist, provided that such reconstruction shall be either substantially in accordance with the plans and specifications for the reconstruction which shall have been approved by the Board of Directors or shall be as the Common Property was originally constructed.

ARTICLE XIII
Amendment of Declaration

Section 1. Generally. Except as may be otherwise provided in this Declaration, amendments to this Declaration and/or the By-laws shall be proposed and adopted in the following manner:

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

(b) **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.

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

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

(e) **Special Amendments.** No amendment shall be adopted which changes (1) the applicable share of an Owner's liability for the Common Expenses, or the method of determining the same, or (2) the provisions of Article XI of this Declaration with respect to casualty insurance to be maintained by the Association, or (3) the provisions of Article XII of this Declaration with respect to reconstruction or repair of the Common Property in the event of fire or any other casualty or disaster, or (4) the provisions of this Declaration establishing the Architectural Review Committee and providing for its functions, without, in each or any of such circumstances, the unanimous approval of all Owners and of all Mortgagees whose mortgage interests have been made known to the Board of Directors in accordance with the provisions of this Declaration.

(f) **Recording.** Each amendment to the Declaration and/or the By-laws shall be executed by the President and Secretary of the Association and shall be recorded in the Office of the Recorder of Marion County, Indiana, and such amendment shall not become effective until so recorded.

Section 2. Amendments by Declarant Only. Notwithstanding the foregoing or anything else contained herein, the Declarant shall have and hereby reserves the right and power acting alone and without the consent or approval of the Owners, the Association, the Board of Directors, any Mortgagees, or any other person, to amend or supplement this Declaration and/or the By-laws at any time and from time to time if such amendment or supplement is made (a) to comply with the requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Association, the Department of Housing and Urban Development, the Veterans Administration, or any other governmental agency or any other public, quasi-public, or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (b) to induce any of such agencies or entities to make, purchase, sell, insure, or guaranty first mortgages covering Lots, (c) to bring this Declaration and/or the By-laws into compliance with any governmental requirements, (d) to comply with or satisfy the requirements of any insurance underwriters, insurance rating bureaus, or organizations which perform (or may in the future perform) functions similar to those performed by such agencies or entities, (e) to subject Section Two and/or Section Three to this Declaration, or (f) to

correct clerical or typographical errors in this Declaration and/or the By-laws or any exhibit hereto or any supplement or amendment thereto. In furtherance of the foregoing, a power coupled with an interest is hereby reserved by (and granted by each Owner to) the Declarant to vote in favor of, make, or consent to any amendments described in this Section 2 on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of the Declarant to vote in favor of, make, execute, and record any such amendments. The right of the Declarant to act pursuant to rights reserved or granted under this Section 2 shall terminate at such time as the Declarant shall no longer hold or control title to any Lot or to Section Two or Section Three.

ARTICLE XIV
Acceptance and Ratification

All present and future Owners, Mortgagees, tenants, and occupants of the Lots, and other persons claiming by, under, or through any of them, shall be subject to and shall comply with the provisions of this Declaration, the Articles, the By-laws, and the rules, regulations, and guidelines as may be adopted by the Board of Directors and (to the extent of its jurisdiction, the Architectural Review Committee), as each may be amended or supplemented from time to time. The acceptance of a deed of conveyance or the active occupancy of any Lot shall constitute an agreement that the provisions of this Declaration are accepted and ratified by such Owner, tenant, or occupant, 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, all as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage, or lease thereof.

ARTICLE XV
Negligence

Each Owner shall be liable for the expense of any maintenance, repair, or replacement which shall be rendered necessary by its negligence or by the negligence of any member of its family or its guests, employees, agents, invitees, or licensees, to the extent that such expense is not covered by the proceeds of insurance which shall be carried by the Association. An Owner shall pay the amount of any increase in insurance premiums which shall be occasioned by such Owner or by any member of such Owner's family, guests, employees, agents, invitees, or tenants.

ARTICLE XVI
Benefit and Enforcement

This Declaration and the covenants and restrictions contained herein shall run with and bind the Real Estate, as amended from time to time, for a term commencing on the date this Declaration shall be recorded in the Office of the Recorder of Marion County, Indiana, and expiring twenty-five (25) years following the date hereof, after which time they shall be automatically extended for successive periods of ten (10) years each unless by vote of a majority of then Owners of the Lots it shall be agreed to change this Declaration in whole or in part, or to terminate the same. The failure or delay at any time of Declarant, the Association, the Owners, the Architectural Review Committee, or any other persons entitled to enforce this Declaration to enforce any of the same shall in no event be deemed a waiver of the same, or a waiver of the right to enforce the same at any time or from time to time thereafter, or an estoppel against the enforcement thereof. Notwithstanding the foregoing, any violation of this Declaration may be waived by a majority of the then Owners of the Lots.

ARTICLE XVII
Miscellaneous

Section 1. Losses and Attorneys' Fees. In any proceeding arising because of failure of an Owner to make any payments which may be required by this Declaration or the By-laws or to comply with any provision of this Declaration, the By-laws, or the rules, regulations, and guidelines which shall be adopted pursuant hereto, as each may be amended from time to time, the Association shall be entitled to recover its costs and reasonable attorneys' fees which shall be incurred in connection with such default or failure.

Section 2. Severability Clause. The invalidity of any covenant, restriction, condition, limitation, or other provision of this Declaration, the Articles, or the By-laws shall not impair or affect in any manner the validity, enforceability, or effect of the rest of this Declaration, the Articles, or the By-laws and each shall be enforceable to the greatest extent permitted by law.

Section 3. Pronouns. Any reference to the masculine, feminine, or neuter gender herein shall, unless the context shall clearly require the contrary, be deemed to refer to and include all genders. Words in the singular shall include and refer to the plural, and vice versa, as appropriate.

Section 4. Interpretation. The captions and titles of the various Articles, Sections, sub-sections, paragraphs, and subparagraphs of this Declaration are inserted herein for ease and convenience of reference only and shall not be used as an aid in interpreting or construing this Declaration or any provision hereof.

IN WITNESS WHEREOF, PINE RIDGE PARTNERS, LTD., Declarant herein, has executed this Declaration on the day and year first hereinabove set forth.

PINE RIDGE PARTNERS, LTD.

By: [Signature]
Kevin K. Kirkpatrick,
General Partner

STATE OF INDIANA }
COUNTY OF MARION } SS:

Before me, a Notary Public in and for said County and State, personally appeared Kevin K. Kirkpatrick, known to me to be the General Partner of Pine Ridge Partners, Ltd., an Indiana limited partnership, who acknowledged the execution of the above and foregoing Declaration of Covenants, Conditions, Easements, and Restrictions of Pine Ridge Estates for and on behalf of said Partnership.

Witness my hand and Notarial Seal this 23 day of August, 1988.



Signature: [Signature]
Notary Public

Printed: JANET F. WIERMAN

My Commission Expires: SEPTEMBER 22, 1990

My County of Residence is: MARION

This Instrument Prepared By:
Philip C. Thresher
Krieg DeVault Alexander & Capahert
2800 Indiana National Bank Tower
One Indiana Square
Indianapolis, Indiana 46204
(317) 636-4341

- Exhibits: A: Legal Description of Section One of Pine Ridge Estates
B: Legal Description of Section Two of Pine Ridge Estates
C: Legal Description of Section Three of Pine Ridge Estates
D: Code of By-laws of Pine Ridge Homeowners Association, Inc.

[PCT:4928:1]s

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PIC Job #87433-00100
August 15, 1988



PAUL L. CRIFE, INC. / 7172 Graham Road/Indianapolis, Indiana 46250/(317) 842-6777

Pine Ridge Estates - Section One
Exhibit "A"

A part of the Northwest Quarter of Section 18, Township 17 North, Range 5 East in Marion County, Indiana, more particularly described as follows:

Commencing at the Northwest Corner of the Northwest Quarter of Section 18, Township 17 North, Range 5 East (Harrison Marker Found); thence North 89 degrees 37 minutes 47 seconds East (assumed bearing) 815.10 feet along the North line of said Northwest Quarter Section to its point of intersection with the Northerly extension of the East line of Brunson Acres, Section 14 as per the plat thereof recorded as Instrument #86-31342 in the Office of the Recorder of Marion County, Indiana; thence South 00 degrees 34 minutes 09 seconds East 30.00 feet along said Northerly extension of the East line of Brunson Acres, Section 14 to the property line of 96th Street and the Point of Beginning; thence continuing South 00 degrees 34 minutes 09 seconds East 633.00 feet along the Northerly extension of the East line of said Brunson Acres, Section 14 and along the East line of said Brunson Acres, Section 14; thence North 89 degrees 25 minutes 51 seconds East 295.00 feet; thence North 00 degrees 34 minutes 09 seconds West 150.00 feet; thence North 89 degrees 25 minutes 51 seconds East 250.00 feet; thence North 68 degrees 41 minutes 25 seconds East 104.38 feet; thence North 89 degrees 42 minutes 36 seconds East 197.00 feet; thence South 84 degrees 52 minutes 07 seconds East 185.00 feet; thence North 84 degrees 37 minutes 53 seconds East 230.00 feet; thence North 67 degrees 37 minutes 53 seconds East 40.00 feet to a point on the centerline of Sargent Road (November, 1987); thence along the centerline of Sargent Road North 02 degrees 22 minutes 07 seconds West 364.18 feet to a point being North 87 degrees 37 minutes 53 seconds East of a boundary point of 96th Street; thence South 87 degrees 37 minutes 53 seconds West 21.00 feet to said boundary point of 96th Street (the next four courses are along the property line of 96th Street); 1) thence North 15 degrees 25 minutes 45 seconds West 62.23 feet; 2) thence South 89 degrees 37 minutes 47 seconds West 320.00 feet; 3) thence North 87 degrees 10 minutes 28 seconds West 200.25 feet; 4) thence South 89 degrees 37 minutes 47 seconds West 684.63 feet to the Point of Beginning, containing 14.06 acres, more or less.

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PAUL CRIFE, INC. / 7172 Graham Road/Indianapolis, Indiana 46250/(317) 842-6777

Pine Ridge Estates - Section Two
Exhibit "B"

A part of the Northwest Quarter of Section 18, Township 17 North, Range 5 East, Marion County, Indiana, more particularly described as follows:

Commencing at the Northwest Corner of the Northwest Quarter of Section 18, Township 17 North, Range 5 East (Harrison Marker Found); thence North 89 degrees 57 minutes 47 seconds East (assumed bearing) 815.10 feet along the North line of said Northwest Quarter Section to its point of intersection with the Northerly extension of the East line of Brunson Acres, Section 14 as per the plat thereof recorded as Instrument #86-31342 in the Office of the Recorder of Marion County, Indiana; thence South 00 degrees 34 minutes 09 seconds East 663.00 feet along the Northerly extension of the East line of said Brunson Acres, Section 14 and along the East line of said Brunson Acres, Section 14 to the Point of Beginning; thence continuing South 00 degrees 34 minutes 09 seconds East 646.71 feet along the East line of said Brunson Acres, Section 14 and a boundary line (1st Course) of Brunson Acres, Section 11 as per plat thereof recorded as Instrument #86-27360 in the said Recorder's Office to the terminus of said boundary line; thence North 86 degrees 50 minutes 12 seconds East 451.71 feet along a boundary line (2nd Course) of Brunson Acres, Section 11 to the terminus of said boundary line; thence North 00 degrees 18 minutes 33 seconds West 99.72 feet along the Northerly extension of a boundary line (3rd Course) of Brunson Acres, Section 11; thence North 87 degrees 07 minutes 13 seconds East 320.00 feet; thence North 34 degrees 26 minutes 47 seconds East 211.09 feet; thence North 02 degrees 04 minutes 09 seconds West 307.60 feet; thence North 83 degrees 45 minutes 31 seconds East 6.87 feet to a curve having a radius of 125.00 feet, the radius point of which bears South 06 degrees 14 minutes 09 seconds East; thence Southeasterly along said curve 100.69 feet to a point which bears North 39 degrees 55 minutes 07 seconds East from said radius point; thence North 39 degrees 55 minutes 07 seconds East 331.13 feet; thence South 84 degrees 37 minutes 53 seconds West 218.90 feet; thence North 84 degrees 52 minutes 07 seconds West 185.00 feet; thence South 89 degrees 42 minutes 36 seconds West 157.00 feet; thence South 25 degrees 41 minutes 23 seconds West 104.38 feet; thence South 89 degrees 09 minutes 31 seconds West 230.00 feet; thence South 00 degrees 34 minutes 09 seconds East 150.00 feet; thence South 89 degrees 25 minutes 31 seconds West 295.00 feet to the Point of Beginning, containing 14.96 acres, more or less.

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PAUL CRPE, INC./7172 Graham Road/Indianapolis, Indiana 46250/(317) 842-6777

Pine Ridge Estates - Section Three
Exhibit "C"

A part of the Northwest Quarter of Section 18, Township 17 North, Range 5 East, Marion County, Indiana, more particularly described as follows:

Commencing at the Northwest Corner of the Northwest Quarter of Section 18, Township 17 North, Range 5 East (Harrison Marker Found); thence North 89 degrees 57 minutes 47 seconds East (assumed bearing) 813.10 feet along the North line of said Northwest Quarter Section to its point of intersection with the Northerly extension of the East line of Brunson Acres, Section 14 as per the plat thereof recorded as instrument #86-31342 in the Office of the Recorder of Marion County, Indiana; thence South 00 degrees 34 minutes 09 seconds East 30.00 feet along the Northerly extension of the East line of Brunson Acres, Section 14 to the property Line of 96th Street; thence continuing South 00 degrees 34 minutes 09 seconds East 1279.71 feet along the Northerly extension of the East line of Brunson Acres, Section 14, the East line of Brunson Acres, Section 14 and a boundary line (1st course) of Brunson Acres, Section 11 as per plat thereof recorded as instrument #86-27360 in the said Recorder's Office to the terminus of said boundary line; thence North 86 degrees 30 minutes 12 seconds East 451.71 feet along a boundary line (2nd course) of Brunson Acres, Section 11 to the terminus of said boundary line; thence North 00 degrees 18 minutes 33 seconds West 95.72 feet along the Northerly extension of a boundary line (3rd course) of Brunson Acres, Section 11; thence North 87 degrees 07 minutes 13 seconds East 320.00 feet to the Point of Beginning; thence continuing North 87 degrees 07 minutes 13 seconds East 539.57 feet to a point in the center of Sargent Road that is 1,146.87 feet South (at right angles to) of the North line of the said Northwest Quarter (the next 3 courses are along the center of Sargent Road as located November, 1987); (1) thence North 07 degrees 35 minutes 46 seconds West 302.60 feet to a curve having a radius of 1104.25 feet, the radius point of which bears North 82 degrees 24 minutes 14 seconds East; (2) thence Northerly along said curve 100.75 feet to a point which bears South 87 degrees 37 minutes 53 seconds West from said radius point; (3) thence North 02 degrees 22 minutes 07 seconds West 285.78 feet; thence South 84 degrees 37 minutes 53 seconds West 11.10 feet; thence South 39 degrees 55 minutes 07 seconds West 331.15 feet to a curve having a radius of 125.00 feet, the radius point of which bears South 39 degrees 55 minutes 07 seconds West; thence Northwesterly along said curve 100.69 feet to a point which bears North 06 degrees 14 minutes 09 seconds West from said radius point; thence South 83 degrees 45 minutes 51 seconds West 8.87 feet; thence South 02 degrees 04 minutes 09 seconds East 307.60 feet; thence South 34 degrees 26 minutes 47 seconds West 211.09 feet to the Point of Beginning, containing 5.17 acres, more or less.

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Exhibit D
CODE OF BY-LAWS
OF
PINE RIDGE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Name and Location

The name of the Corporation is Pine Ridge Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 5501 East 71st Street, Indianapolis, Indiana 46220, but meetings of members and directors may be held at such places within the State of Indiana as may be designated by the Board of Directors.

ARTICLE II

Definitions

Section 1. "Association" shall mean and refer to Pine Ridge Homeowners Association, Inc., its successors and assigns.

Section 2. "Real Estate" shall initially mean Section One of Pine Ridge Estates. "Real Estate" shall include Section Two and/or Section Three only in the event that the Declarant shall amend the Declaration to so include such Sections, and such Section or Sections shall become a part of the Real Estate on the date upon which such amendment of the Declaration shall be duly recorded in the Office of the Recorder of Marion County, Indiana.

Section 3. "Common Property" shall mean the walls, fences, sounds, landscaping, signage, and lighting constructed or to be constructed by Declarant within the area of the Real Estate known as the "Landscape Easement" or located within the median separating lanes of traffic of Pinacreek Drive near the northernmost end thereof.

Section 4. "Lot" shall mean any of the numbered and platted lots in Section One. "Lot" shall also include any of the numbered and platted lots of Sections Two and/or Three from and after the date upon which such plats thereof shall have been duly recorded in the Office of the Recorder of Marion County, Indiana and an instrument adding such Section or Sections to the definition of "Real Estate" shall have been duly recorded by the Declarant in the Office of the Recorder of Marion County, Indiana.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, unless the record owner shall have conveyed its equitable interest in the Lot, in which event the "Owner" shall be deemed to be the purchasers at such time as the purchasers shall be entitled to possession of the Lot. "Owner" shall not include those having an interest in the Lot merely as security for the performance of an obligation.

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Section 6. "Declarant" shall mean Pine Ridge Partners, Ltd., an Indiana limited partnership, or such successor or assign thereof to which Declarant shall have assigned all of its rights, powers, duties, and liabilities under the Declaration.

Section 7. "Declaration" shall mean, and refer to the Declaration of Covenants, Conditions, Easements, and Restrictions of Pine Ridge Estates applicable to the Real Estate and recorded in the Office of Recorder of Marion County, Indiana, to which this Code of By Laws is attached.

Section 8. "Member" shall mean and refer to those persons entitled to membership in the Association as provided in the Declaration and the Articles of Incorporation of the Association.

Section 9. "Articles" shall mean the Articles of Incorporation of the Association, as amended from time to time.

ARTICLE III

Identification and Applicability

Section 1. Identification and Adoption. These By-Laws are adopted simultaneously with the execution of the Declaration, to which these By-Laws are attached and of which they are made a part. The Declaration is incorporated herein by reference and all of the covenants, conditions, rights, restrictions and liabilities therein contained shall apply to and govern the interpretation of these By-Laws. The definitions and terms as defined and used in the Declaration shall have the same meaning in these By-Laws, and reference is hereby made to the definitions in Article 1 of the Declaration. The provisions of these By-Laws shall apply to the Real Estate and the administration and conduct of the affairs of the Association.

Section 2. Individual Application. All of the Owners, tenants, their guests and invitees, or any other person who might now or hereafter use or occupy a Lot or any part of the Real Estate shall be subject to the rules, restrictions, terms, and conditions set forth in the Declaration, these By-Laws, and the Articles, as the same may be amended from time to time.

Section 3. Membership. The members of the Association shall be the Owners, and the terms "Member" and "Owner," as used herein, in the Declaration, or in the Articles shall be interchangeable. A Member shall be deemed to be in good standing so long as he or she remains in compliance with the covenants and obligations of an Owner under the Declaration, these By-laws, the Articles, or as otherwise determined by the Board of Directors.

ARTICLE IV

Meetings of Association

Section 1. Purpose of Meetings. At least annually and at such other times as may be necessary or appropriate, a meeting of the Members shall be held for the purpose of electing the Board of Directors, approving the annual budget, providing for the collection of Common Assessments, and for such other purpose as may be required by the Declaration, these By-Laws, or the Articles.

Section 2. Annual Meetings. The first annual meeting of the Members shall be held upon call of the Declarant within ninety (90) days following the Applicable Date or at such earlier time as may be selected by Declarant or required by law; and all subsequent annual meetings shall be held on any date selected by the Board of Directors which is within the month of February. At each annual meeting, the Members shall elect the Board of Directors of the Association in accordance with the provisions of these By-Laws and transact such other business as may properly come before the meeting, subject to the rights and powers of Declarant to select the initial Board of Directors, etc.

Section 3. Special Meetings. Special meetings of the Members may be called at any time following the Applicable Date and may be called by the President, or by the Board of Directors, or upon written request of the Members who were entitled to vote one-fourth (1/4) of all of the votes of the membership.

Section 4. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meetings, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each member entitled to vote, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 5. Quorum. The presence at the meeting of Members entitled to cast, or of proxies, entitled to cast one-fourth (1/4) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles, the Declaration, or these By-Laws. If, however, such quorum shall not be present, or represented, at any meeting, the Members entitled to vote shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or be represented.

Section 6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing or filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his lot.

Section 7. Conduct of Meetings. Meetings of Members, including the order of business, shall be conducted in accordance with Roberts Rules of Order, Revised, except insofar as the Articles, these By-Laws, or any rule adopted by the Board of Directors or Members may otherwise provide. The Members present at such meetings may, by unanimous consent, waive the requirements of Article IV, but such waiver shall not preclude any Member from invoking the requirements of this Article at any subsequent meeting.

ARTICLE V

Board of Directors

Section 1. Management. The business and affairs of the Association shall be governed and managed by the Board of Directors (herein sometimes collectively called "Board" and individually called "Directors"). The initial

Board of Directors shall be composed of three (3) persons appointed by Declarant ("Initial Board"). After the expiration of the term of the Initial Board as provided in the Declaration, the Board shall be composed of three (3) persons. No person shall be eligible to serve as Director unless he is an Owner or the agent of an Owner who is not an individual, or is an attorney, agent or employee of Declarant.

Section 2. Term of Office and Vacancy. The entire membership of the Board of Directors shall be elected at each annual meeting of the Association. Each member of the Board of Directors shall be elected for a term of one (1) year. Each Director shall hold office throughout the term of his election and until his successor shall be elected and qualified. Any vacancy or vacancies occurring on the Board shall be filled by a vote of the majority of the remaining Directors or by a vote of the Members if a Director shall be removed in accordance with Section 3 of this Article. The Director so filling a vacancy shall serve until the next annual meeting of the Members and until his or her successor shall be elected and qualified.

Section 3. Removal of Directors. Any Director, other than a member of the Initial Board, may be removed with or without cause by a vote of the majority of the votes entitled to be cast at a special meeting of the Owners duly called and constituted for such purpose. In such case, his or her successor shall be elected at the same meeting from eligible members nominated at the meeting.

Section 4. Duties of the Board of Directors. The Board of Directors shall be the governing body of the Association, representing all of the Members and being responsible for the functions and duties of the Association, including, but not limited to, the management, maintenance, repair, upkeep, and replacement of the Common Property, collection of the Common Assessments, and the payment of the Common Expenses. The Board may employ a Managing Agent upon such terms as the Board shall find, in its discretion, reasonable and customary. The Managing Agent, if one is employed, shall assist the Board in carrying out its duties, which shall include, but not be limited to:

- (a) Landscaping, maintenance, repairs, management, upkeep, and replacement of the Common Property;
- (b) Assessment and collection from the Members of the Members' respective shares of the Common Expenses;
- (c) Preparation of the proposed annual budget, a copy of which will be mailed or delivered to each Member at the same time as the notice of the annual or special meeting at which the same is to be acted upon;
- (d) Preparation and delivery annually to the Members of a full accounting of all receipts and expenses incurred by the Association in the preceding year, such report to be provided not later than with the notice of the annual or special meeting;
- (e) Preparation of a current, accurate, and detailed record of receipts and expenditures affecting the Common Property and the business and affairs of the Association, specifying and itemizing the Common Expenses; all records and vouchers shall be available for examination by a Member at any time during normal business hours;

(f) Preparation and maintenance for the benefit of the Association, the Members, any Managing Agent, and the Board of Directors, of the insurance coverages required by the Declaration and such other insurance coverages as the Board, in its sole discretion, may deem necessary or advisable;

(g) Payment of any and all taxes and assessments which shall be assessed against and payable with respect to the Common Property (not including the real estate encumbered by the Landscape Easement) and paying any such necessary expenses and costs in connection with the Common Property; and

(h) All duties and obligations which shall be imposed upon the Association or the Board under the Declaration, the Articles, these By-laws, or the Flat of Pine Ridge Estates.

Section 3. Powers of the Board of Directors. The Board of Directors shall have such powers as shall be reasonable and necessary to accomplish the performance of its duties. These powers shall include, but not be limited to, the powers:

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

(b) To acquire the use of such equipment, materials, labor, and services as may be necessary in the judgment of the Board of Directors to perform its functions and duties;

(c) To employ such legal counsel, architects, contractors, accountants, and others as in the judgment of the Board of Directors may be necessary or desirable to perform its functions and duties;

(d) To employ, designate, discharge, and remove such personnel as in the judgment of the Board of Directors may be necessary for the maintenance, upkeep, repair, and replacement of the Common Property, and to perform all other maintenance, upkeep, repair and replacement duties of the Association and the Board;

(e) To include the costs of performing all of its functions, duties and obligations as Common Expenses and to pay all such costs therefrom;

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

(g) To promulgate, adopt, revise, amend, and alter from time to time such addition of rules and regulations with respect to the use, occupancy, operation, and enjoyment of the Common Property as the Board, in its discretion, shall deem necessary or advisable, provided that copies of any such rules and regulations so adopted by the Board shall be promptly delivered to all Members.

Section 6. Limitation on Board Actions. The authority of the Board to enter into contracts shall be limited to contracts involving a total expenditure of less than Two Thousand Five Hundred Dollars (\$2,500) without obtaining the prior approval of the majority of the cumulative vote of the Members, except that in the following cases such approval shall not be necessary:

- (a) Contracts for replacing or restoring portions of the Common Property which shall have been damaged or destroyed by fire or other casualty where the cost thereof is payable out of insurance proceeds actually received or for which the insurance carrier has acknowledged coverage;
- (b) Proposed contracts and proposed expenditures expressly set forth in the proposed annual budget which shall have been approved by the Members at the annual meeting; and
- (c) Expenditures necessary to deal with emergency conditions in which the Board of Directors reasonably ~~shall~~ believe that there is insufficient time to call a meeting of the Members.

Section 7. Compensation. No director shall receive any compensation for his or her services except to such extent as may be expressly authorized by a majority vote of the Members. The Managing Agent, if any shall be employed, shall be entitled to reasonable compensation for its services, the costs of which shall be a Common Expense.

Section 8. Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. The Secretary shall give notice of regular meetings of the Board to each Director personally or by United States mail at least five (5) days prior to the date of such meeting. A special meeting of the Board may be called by the President or any two members of the Board. The person or persons calling such meeting shall give written notice thereof to the Secretary, who shall personally, by mail, telegram or by telephone, and at least three (3) days prior to the date of such special meeting, but immediately upon receipt of notice from person(s) calling the meeting, give notice to the Directors. The notice of the meeting shall contain a statement of the purpose for which the meeting was called. Such meeting shall be held at such place as shall be designated in the notice.

Section 9. Non-liability of Directors. The Directors shall not be liable to the Members or any other person for any error or mistake of judgment which may be exercised in carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith, or gross negligence. The Association shall indemnify and hold harmless and defend each of the Directors against any and all liabilities to any person, firm, or corporation which shall arise out of contracts made by the Board on behalf of the Association, unless any such contract shall have been made in bad faith. It is intended that the Directors shall have no personal liability with respect to any contract which may be made by them on behalf of the Association.

ARTICLE VI

Officers and Their Duties

Section 1. Officers of the Association. The principal offices of the Association shall be the President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board. The Directors may appoint an Assistant Treasurer and Assistant Secretary and such other officers as in their judgment may be necessary. Any two or more offices may be held by the same person, except the duties of the President and Secretary shall not be performed by the same person.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board at the first meeting of the Board following each election thereof. Officers may serve unlimited consecutive terms. Upon recommendation of a majority of all members of the Board and upon an affirmative vote of a majority of all Members, any officer may be removed either with or without cause and his successor elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

Section 3. Vacancies. Whenever any vacancies shall occur in any of the offices of the Association for any reason, the same may be filled by the Board of Directors at any meeting thereof, and any officer so elected shall hold office until the expiration of the term of the officer causing the vacancy and until a successor shall be duly elected and qualified.

Section 4. Compensation. No officer shall receive any compensation for his services as such, except as may be fixed by action of the Board of Directors, duly recorded.

Section 5. The President. The President shall be elected from among the Directors and shall be Chief Executive Officer of the Association. He shall preside at all meetings of the Association and of the Board, shall have and discharge all the general powers and duties usually vested in the office of the President or Chief Executive Officer of an association or a stock corporation organized under the laws of the Indiana.

Section 6. The Vice-President. The Vice President shall be elected from among the Directors and shall perform all duties incumbent upon the President during the absence or disability of the President. The Vice President shall also perform such other duties as these By-Laws may prescribe or as shall, from time to time, be imposed upon him by the Board or by the President.

Section 7. The Secretary. The Secretary shall be elected from among the Directors. The Secretary shall attend all meetings of the Association and of the Board and shall keep or cause to be kept a true and complete record of the proceedings of such meetings, shall perform all other duties incident to the office of the Secretary, and shall perform such other duties as from time to time may be prescribed by the Board. If required, the Secretary shall attest the execution by the Association of deeds, leases, agreements, and other official documents. The Secretary shall specifically see that all notices of the Association or the Board are duly given, mailed, or delivered, in accordance with the provisions of these By-Laws.

Section 8. The Treasurer. The Board shall elect from among the Directors a Treasurer who shall maintain a correct and complete record of account showing accurately at all times the financial condition of the Association and who shall perform all other duties incident to the office of Treasurer. He shall be legal custodian of all monies, notes, securities, and other valuables which may from time to time come into possession of the Association. He shall immediately deposit all funds of the Association coming into his hands in some reliable bank or other depository to be designated by the Board and shall keep such bank account in the name and for the exclusive benefit of the Association.

ARTICLE VII

Committees

Section 1. The Board of Directors shall appoint an Architectural Review Committee as provided in the Declaration, and may from time to time create and appoint standing and special committees from among the Members to undertake studies, make recommendations, carry on functions for the purpose of efficiently accomplishing the purposes of the Association, and perform such other duties as the Board may from time to time prescribe.

ARTICLE VIII

Assessments

Section 1. As more fully provided in the Declaration, each Member is obligated to pay to the Association Regular and Special assessments which are secured by liens against their respective Lots. Any Common Assessment which shall not have been paid within thirty (30) days following the due date thereof, shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum. The Association may bring an action at law or in equity against the Member personally obligated to pay the same for a monetary judgment and to foreclose the lien against the Lot, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such judgment. No Member may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Property or abandonment of his or her Lot.

ARTICLE IX

Miscellaneous

Section 1. These By-Laws may be amended only in accordance with Article XIII of the Declaration.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declarations and these By-Laws, the Declaration shall control; and in the case of any conflict between the Declaration and the Articles, the Declaration shall control.

[WSK:16]

880131870

SEWER SERVICE AGREEMENT

- SSA # 9683
(PC # 1504)

10/5
#468

THIS AGREEMENT, made and entered into this 1 day of March 19 88, by and between Pine Ridge Partners Limited

("OWNERS"), and the City of Indianapolis, Department of Public Works, ("CITY"),

WITNESSETH

WHEREAS, the OWNERS have filed a written petition requesting permission to connect to the City's public sanitary sewer in E. 96th Street (Brunson Acres - Section VII) for the purpose of discharging sanitary sewage; and

WHEREAS, after due consideration of this petition the CITY is willing to permit a connection to the public sewer system to serve the OWNERS, provided that the OWNERS agree to pay a charge for the privilege of connecting and provided further that the OWNERS agree to certain terms and conditions pertaining to such sewer service.

THEREFORE, in consideration of the promises and covenants herein set forth, it is mutually agreed as follows:

1. The OWNERS may construct, maintain, operate and use a sanitary sewer connecting the real estate, described in Exhibit "A" attached hereto and hereby incorporated into this document by reference, to and with the City's public sanitary sewer system, as shown in Exhibit "B", attached hereto and hereby incorporated into this document by reference.

2. The OWNERS agree to construct and maintain the sewer subject to the following conditions:

a. The Engineer of the CITY shall have the right to supervise and direct the construction in accordance with the standard specifications of the CITY. Any public street or highway shall be opened by a plumber or sewer excavator licensed by the City, and all work shall be performed subject to all the rules and regulations of the CITY governing this type of work and all other applicable laws, rules and regulations.

b. Any sewer laterals shall become the responsibility of the landowner whose property they benefit, with all rights and responsibilities associated therewith.

c. The OWNERS shall thoroughly refill, compact and maintain all trenches in a condition satisfactory to the CITY'S Engineer and to any other affected agency of the CITY and shall immediately repair and maintain any sidewalk, curb, or pavement damaged by the excavation, installation, construction, maintenance and use of said sewer.

3. It is expressly understood by the parties that this sewer, and any connection thereto, shall be used for and as a sanitary sewer. No storm water, run-off water, downspouts, footing drains (perimeter drains) or sub-soil drains shall be connected thereto.

4. The OWNER(S) shall not extend the use of this sewer service beyond the area specified in Exhibit "A" without first obtaining an additional Sewer Service Agreement covering said extension.

5. It shall be understood by the parties that such permission is granted as a special privilege. If at any time the CITY shall construct any sewer(s), local or district, which are designed to serve an area in which the above described real estate is included, the OWNERS of said real estate or their successor(s) in interest shall pay all assessments which may be lawfully levied and assessed against said real estate for the

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CITY OF INDIANAPOLIS
HARPER DEWITT RECORDS

construction of any such sewer(s) and the OWNERS shall not attempt to avoid payment of such assessments on the ground that such sewer(s) will not benefit said real estate by reason of the existence of the sewers herein permitted to be connected to said CITY'S sewer system.

6. The OWNERS agree to indemnify and hold the CITY harmless from any and all loss, damage, expense, (including attorney's fees) claims, demands, actions or causes of action arising from the construction, maintenance or operation of said connection or sewer line or occasioned by or in any way growing out of the OWNERS availing themselves of the permit herein granted, whether such loss shall be suffered directly by the CITY or through its liability to third persons, by reason of injuries to persons or damage to property.

7. In the event such sewer line is lawfully disconnected by the CITY, the OWNERS hereby release and forever discharge the CITY from any loss they may sustain, or claim to sustain by reason of sewer service being discontinued.

8. This Agreement shall run with the real estate described above and shall be binding upon the OWNERS, their personal representatives, heirs, devisees, grantees, successors, and assigns so long as the sewer or any part of it shall be used by them. At such time as it shall cease to be so used, this Agreement shall immediately cease and terminate and this instrument shall be of no further force and effect.

9. The OWNERS agree to pay the sum of \$ 11,169.87, the receipt of which is hereby acknowledged, being a fee fixed by the CITY and paid by the OWNERS for the privilege of connecting the above described property to the CITY'S sewer system.

IN WITNESS WHEREOF, the parties acting by and through their duly authorized representatives, have executed this instrument on the day and year above written.

OWNERS

Pine Ridge Partnership Limited
(COMPANY NAME IF APPLICABLE)

[Signature]
SIGNATURE (OF OFFICER)

(SECOND SIGNATURE)

Kevin Kirkpatrick, General Partner
PRINTED NAME AND TITLE

PRINTED NAME AND TITLE

STATE OF INDIANA) SS:
COUNTY OF MARION)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, personally appeared Kevin Kirkpatrick

OWNERS who acknowledged the execution of the foregoing Sewer Service Agreement to be their free and voluntary act and deed.

WITNESS my hand and Notarial Seal this 1st day of March, 1999.

September 29, 1991
COMMISSION EXPIRATION DATE
Marion
COUNTY OF RESIDENCE

Tammy L. Slicer
SIGNATURE
Tammy L. Slicer
PRINTED NAME

RECOMMENDED FOR APPROVAL:
Richard M. Laffey
RICHARD M. LAFFEY
ENGINEER, DEPT. PUBLIC WORKS
12/10/88

APPROVED AS TO FORM:
Steve Schumpf
STEVE SCHUMPF
ASSISTANT CORPORATION COUNSEL

CITY OF INDIANAPOLIS, INDIANA
88-128772
Barbara S. Gole
BARBARA S. GOLE
DIRECTOR, DEPT. PUBLIC WORKS

STATE OF INDIANA }
COUNTY OF MARION } SS:

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, personally appeared Barbara S. Gole, CITY who acknowledged the execution of the foregoing Sewer Service Agreement to be her free and voluntary act and deed.

WITNESS my hand and Notarial Seal this 28 day of December, 1988.

July 13, 1991
COMMISSION EXPIRATION DATE
Marion
COUNTY OF RESIDENCE

Linda C. Jackson
NOTARY PUBLIC SIGNATURE
Linda C. Jackson
PRINTED NAME

This instrument prepared by: Kevin Hickgrath
Revised 7/87.

880131670

LAND DESCRIPTION

A part of the Northwest Quarter of Section 18, Township 17 North, Range 5 East located in Lawrence Township, Marion County, Indiana, being bounded as follows:

Commencing at the Northwest corner of the Northwest Quarter of Section 18, Township 17 North, Range 5 East (Harrison marker found); thence North 89 degrees 37 minutes 47 seconds East (assumed bearing) 815.10 feet along the North line of said Northwest Quarter to its point of intersection with the Northernly extension of the East line of Brunson Acres, Section 14 as per plat thereof recorded as Instrument #86-31342 in the records of Marion County, Indiana; thence South 00 degrees 34 minutes 07 seconds East 30.00 feet along the Northernly extension of the East line of Brunson Acres, Section 14 to the property line of 96th Street and the POINT OF BEGINNING of this description; thence South 00 degrees 34 minutes 07 seconds East 1,274.71 feet along the Northernly extension of the East line of Brunson Acres, Section 14, the East line of Brunson Acres, Section 14 and a boundary line (1st course) of Brunson Acres, Section 11 to the terminus of said boundary line; thence North 04 degrees 58 minutes 12 seconds East 451.71 feet along a boundary line (2nd course) of Brunson Acres, Section 11 to the terminus of said boundary line; thence North 00 degrees 18 minutes 33 seconds West 95.72 feet along the Northernly extension of a boundary line (3rd course) of Brunson Acres, Section 11; thence North 87 degrees 07 minutes 13 seconds East 455.57 feet to a point in the center of Sargent Road that is 1,146.47 feet South (at right angles to) the North line of said Northwest Quarter, the next 3 courses are along the center of Sargent Road (Nov., 1947); 1.) thence North 07 degrees 35 minutes 56 seconds West 302.60 feet to the point of curvature of a curve to the right, said point of curvature being South 82 degrees 24 minutes 14 seconds West 1,104.23 feet from the radius point of said curve; 2.) thence Northernly 100.75 feet along said curve to its point of tangency, said point of tangency being South 89 degrees 07 minutes 33 seconds West 1,104.23 feet from the radius point of said curve; 3.) thence North 02 degrees 22 minutes 07 seconds West 647.06 feet to a point being South 87 degrees 17 minutes 53 seconds East of a boundary point of 96th Street; thence South 87 degrees 17 minutes 53 seconds West 21.00 feet to said boundary point of 96th Street, the next 4 courses are along the property line of 96th Street; 1.) thence North 15 degrees 25 minutes 45 seconds West 62.23 feet; 2.) thence South 89 degrees 57 minutes 47 seconds West 321.00 feet; 3.) thence North 47 degrees 10 minutes 28 seconds West 210.25 feet; 4.) thence South 89 degrees 57 minutes 47 seconds West 694.63 feet to the POINT OF BEGINNING. Containing 34.140 acres more or less, being subject to all applicable encumbrances and rights-of-way of record.

EXHIBIT "A" - SSA # 4683
850131870

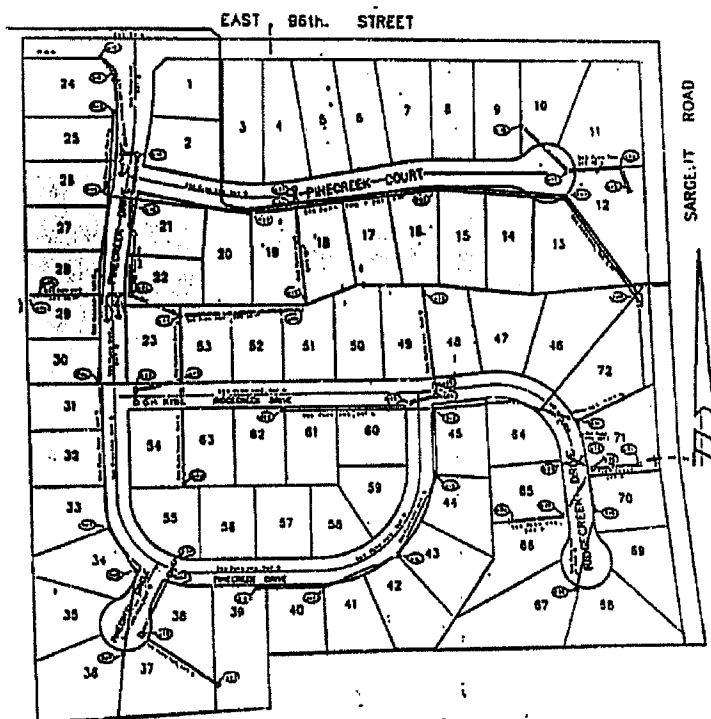


EXHIBIT " B "
SHOWING THE PROPOSED SEWER
SERVICE AS DESCRIBED IN AGREEMENT

DEPARTMENT OF PUBLIC WORKS

BARBARA GOLE
 Director

TOWNSHIP LAURENCE

880131870

S.S.A. No. 4683
 DATE December 8, 1984