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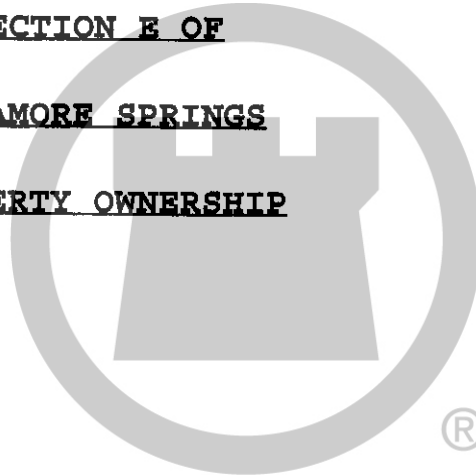
DECLARATION OF COVENANTS AND RESTRICTIONS

OF

SECTION E OF

SYCAMORE SPRINGS

PROPERTY OWNERSHIP



CHICAGO TITLE

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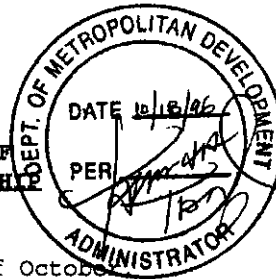
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Exhibit "A" Real Estate Describing Section E
Exhibit "B-1" Section E Plat
Exhibit "B-2" Legal Description for Section E Plat



CHICAGO TITLE

DECLARATION OF COVENANTS AND RESTRICTIONS OF
SECTION E OF SYCAMORE SPRINGS PROPERTY OWNERSHIP



THIS SECTION E DECLARATION made this 17th day of October 1996, by SYCAMORE SPRINGS DEVELOPMENT GROUP L.L.C., an Indiana limited liability company ("Declarant").

WITNESSETH:

WHEREAS, the following facts are true:

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

B. Declarant intends to develop the Section E Real Estate into seventy-three (73) Lots and to convey those Lots either to Secondary Declarant or to third parties.

C. Declarant is, contemporaneously with the recording of this Declaration, recording a Section E Plat of a certain portion of the Section E Real Estate (the "Section E Tract"). A copy of the Section E Plat and the legal description applicable thereto are attached hereto and marked Exhibits B-1 and B-2.

D. Declarant, by execution and recording of this Section E Declaration, is subjecting the Section E Tract to the terms and provisions of this Section E Declaration and assuring that all properties which are conveyed which are a part of the Section E Tract shall be conveyed subject to the terms and conditions of this Section E Declaration, which shall run with the Section E Tract and be binding upon all parties having any right, title or interest in the Section E Tract, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner.

NOW, THEREFORE, Declarant hereby makes this Section E Declaration as follows:

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

APPROVED Oct 18th, 1996
WASHINGTON TOWNSHIP ASSESSOR
BY: Richard K. [Signature] Real Estate Deputy

(a) "Applicable Date" means the date determined pursuant to Paragraph 11 of this Section E Declaration.

(b) "Articles" or "Articles of Incorporation" means the Articles of Incorporation of the Section E Corporation, as hereinafter defined. The Articles of Incorporation are incorporated herein by reference.

(c) "Board of Directors" means the governing body of the Section E Corporation elected by the Members in accordance with the Bylaws of the Section E Corporation.

(d) "Bylaws" shall mean the Bylaws of the Section E Corporation and shall provide for the election of directors and officers and other governing officials of the Section E Corporation.

(e) "Common Area" means the area designated as Limited Common Area or Common Area upon a Section E Plat or designated as Common Area in this Section E Declaration and which is to be maintained and controlled by the Section E Corporation.

(f) "Common Expense" means expenses for administration of the Section E Corporation, expenses for the upkeep, maintenance, repair and replacement of the Common Area and of other maintenance obligations of the Section E Corporation and all sums lawfully assessed against the Members of the Section E Corporation.

(g) "SS Corporation" means Sycamore Springs Homeowners Association, Inc., its successors and assigns, a not-for-profit corporation. ®

(h) "Declarant" shall mean and refer to Sycamore Springs Development Group L.L.C., and any successors and assigns of it whom it designates in one or more written recorded instruments, to have the rights of Declarant hereunder including, but not limited to, any mortgagee acquiring title to any portion of the

Section E Tract pursuant to the exercise of rights under, or foreclosure of, a mortgage executed by Declarant.

(i) "Dwelling Unit" means a living unit located upon a Lot.

(j) "Fully Assessed Lot" means a Lot where the Dwelling Unit is available to be occupied as a new residence.

(k) "Lot" means any plot of ground designated as such upon a Section E Plat and upon which one (1) Dwelling Unit is constructed, may be constructed or exists thereon. When Lot is used it shall be deemed to include the Dwelling Unit, if any, located thereon.

(l) "Landscape Easement" is defined in Paragraph 7.

(m) "Member" means a member of the Section E Corporation.

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

(o) "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who owns the fee simple title to a Lot.

(p) "Overall Common Area" means the area designated as such upon a Section E Plat or designated as such in the Overall Declaration.

(q) "Overall Declaration" means the Declaration of Covenants and Restrictions of Sycamore Springs Property Ownership recorded in the Office of the Recorder of Marion County, Indiana, as Instrument No. 1996-0133112 and any supplements thereto.

(r) "Quorum" means Owners or Members constituting forty percent (40%) of the aggregate of all Owners or Members in Section E or the Section E Corporation.

(s) "Regular Overall Assessment" means the assessment applicable to Owners in accordance with the terms and provisions of the Overall Declaration.

(t) "Secondary Declarant" means any entity to whom Declarant has conveyed two (2) or more Lots in Section E where such entity intends to construct on such Lots Dwelling Units for resale.

(u) "Section E" means the name by which the Section E Real Estate, which is the subject of this Section E Declaration, shall be known.

(v) "Section E Corporation" means Section E Homeowners Association, Inc., its successors and assigns, a not-for-profit corporation whose Members shall be Owners of Lots in Section E as more particularly described in Paragraph 11(d) of this Section E Declaration.

(w) "Section E Declaration" means the declaration of covenants and restrictions applicable to the Section E Real Estate.

(x) "Section E Plat" means a subdivision survey of a portion of the Section E Real Estate which is recorded in the Office of the Recorder of Marion County, Indiana. Such Section E Plat may be part of a plat that includes more than just Section E Real Estate. Such Section E Plat shall designate the Lots, Overall Common Area, Common Area and Landscape Easements within such Section E Plat.

(y) "Streets" shall be as designated on the Section E Plat, shall be private and shall be part of the Overall Common Area or the Common Area as designated on the Section E Plat.

(z) "Supplemental Section E Declaration" means a document supplementing this Section E Declaration and becoming a part of this Section E Declaration for the purpose of subjecting additional portions of the Section E Real Estate to this Section E Declaration or making additional portions of the Section E Real Estate part of the Section E Tract.

(aa) "Sycamore Springs" means the name by which the development of which the Section E Real Estate is a part shall be known. Sycamore Springs consists of nine (9) separate residential Sections as more fully described in the Overall Declaration.

(bb) "Section E Tract" means that portion of the Section E Real Estate described in Paragraph A of the recitals above and such other portions of the Section E Real Estate which have, as of any given time, been subjected to this Section E Declaration by Supplemental Section E Declaration.

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

3. Description of Section E. Section E consists of all the Lots developed on the Section E Real Estate, together with the Overall Common Area and Common Area located within the Section E Real Estate. The Overall Common Area, Common Area, Streets, Landscape Easement and the size of the Lots within Section E are as designated on the applicable Section E Plats.

4. Lot Boundaries. The boundaries of each Lot in Section E shall be as shown on a Section E Plat.

5. Overall Common Area. The Overall Common Area shall be conveyed to the SS Corporation and the SS Corporation shall have the obligation to provide for the maintenance, upkeep, repairs and replacement of the Overall Common Area at all times, even if the Overall Common Area has not yet been conveyed to the Corporation, all as more fully described in the Overall Declaration.

6. Common Area. The Common Area shall be conveyed to the Section E Corporation. The Section E Corporation shall have the obligation to provide for the maintenance, upkeep, repair and replacement of the Common Area, even if the Common Area has not been conveyed to the Section E Corporation. Common Area shall be used only for those uses specifically delineated in this Section E Declaration or on a Section E Plat.

7. Landscape Easement. Pursuant to the Overall Declaration, Declarant has created, if shown and designated as such on the Section E Plat, a Landscape Easement. Notwithstanding any other provision contained herein, any such Landscape Easement (whether located in the Common Area or Overall Common Area) shall be maintained by the SS Corporation all as provided in the Overall Declaration.

8. Ownership of Common Area. The Common Area shall be conveyed to or owned by the Section E Corporation, and shall be held for the use and enjoyment of the Members, all of whom shall have the right and easement of enjoyment in and to the Common Area which right shall pass with title to every Section E Lot, subject to the provisions of this Section E Declaration, including but not limited to, the following:

(a) The right of the Section E Corporation, upon approval by a written instrument signed by two-thirds of all Class A Members, two-thirds of all Class B Members, and by two-thirds of all first mortgagees and by the SS Corporation, to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such Common Area purposes and subject to such conditions as may be agreed by the Section E Corporation.

(b) The right of the Section E Corporation to adopt such rules and regulations regarding the Common Area as it deems necessary as provided in Paragraph 12. ®

(c) The Common Area shall be conveyed to or owned by the Section E Corporation on the Applicable Date or earlier; provided, however, that the conveyance of the Common Area to the Section E

Corporation shall not prevent Declarant from improving the Common Area as Declarant deems appropriate at any time prior to the Applicable Date; and further provided the Section E Corporation shall be responsible for any costs and expenses related to the Common Area, even if the Common Area or any part thereof has not been conveyed to the Section E Corporation.

9. Delegation of Use of the Common Area. Any Member may delegate, in accordance with provisions of this Declaration and the rules or regulations promulgated by the Section E Corporation, his right of enjoyment, and use of the Common Area and facilities to members of his family, his tenants or contract purchasers who reside on any Lot.

10. Easements in Common Area. Each Owner shall have an easement in common with each other Owner to use all pipes, wires, ducts, cables, conduits, utility lines and other common facilities, if any, located in the Common Area. Such easement and right to use shall pass with title to the Lot even though not expressly mentioned in the document passing title.

An easement is also granted to the Section E Corporation, its officers, agents and employees and to any management company selected by the Section E Corporation to enter in or to cross over the Overall Common Area, Common Area, Landscape Easement and Lots to perform its duties; provided, however, except in the case of an emergency, reasonable notice shall be given to the Owner.

An easement is also granted to the Section E Corporation, its officers, agents and employees and to any management company selected by the Section E Corporation and to any third party designated by the Section E Corporation to enter in or to cross over the Overall Common Area, Common Area, Landscape Easement and Lots to repair, rebuild, maintain and paint the exterior of the Dwelling Units.

11. Section E Corporation: Membership; Voting; Functions.

(a) Membership in the Section E Corporation. Declarant and each Owner of a Lot which is subject to assessment shall, automatically upon becoming an Owner, be and become a Member of the Section E Corporation and shall remain a Member until such time as his ownership of a Lot ceases at which time his membership shall terminate and will be transferred to the new Owner of his 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 until and unless he realizes upon his security, at which time he shall automatically be and become an Owner and a Member of the Section E Corporation.

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

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

(ii) Class B. Class B Members shall be Declarant, any Secondary Declarant and all successors and assigns of Declarant designated by Declarant as Class B Members in a written notice mailed or delivered to the Secretary of the Section E Corporation. Each Class B Member shall be entitled to ten (10) votes for each Lot of which it is the Owner on all matters requiring a vote of the Members of the Section E Corporation. The Class B membership shall cease and terminate upon the Applicable Date, which shall be the first to occur of (i) the date upon which the written resignation of all Class B Members is delivered to the Secretary of the Section E Corporation, (ii) the date when at least sixty-five (65) Lots have been conveyed to Owners other than (x) Secondary Declarants or (y) entities designated by Declarant as Class B Members, or (iii) January 1, 2010.

(c) Functions. The Section E Corporation has been formed for the purpose of providing for the maintenance, repair, upkeep, replacement, administration, operation and ownership of the Common Area, to pay taxes assessed against and payable with respect to the Common Area and to pay any other necessary expenses and costs in connection with the Common Area, and to perform such other functions as may be designated for it to perform under this Section E Declaration.

12. Board of Directors.

(a) Management. The business and affairs of the Section E Corporation 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 Section E Declaration to be, an Owner, or is a person appointed by Declarant as provided in subparagraph (b) of this Paragraph 12.

(b) Initial Board of Directors. The Initial Board of Directors shall be composed of the persons designated in the Articles, to-wit: Sol C. Miller, James J. Curtis, and Patrick J. Early (herein referred to as the "Initial Board"), all of whom have been or shall be appointed by Declarant. Notwithstanding anything to the contrary contained in this Section E Declaration, the Articles or the Bylaws (a) the Initial Board shall hold office until 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 the Applicable Date, determined as provided above, every such vacancy shall be filled by a person appointed by Declarant, who shall thereafter be deemed a member of the Initial Board. Each Owner, by acceptance of a deed to a Lot, or by acquisition of any interest in a Dwelling Unit by any method 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 determined as provided above, to exercise all of said Owner's right to vote, and to vote as Declarant determines, on all matters as to which Members of the Section E Corporation are entitled to vote under the Section E Declaration, the Articles, the Bylaws 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, whether as an original member thereof or as a member thereof appointed by Declarant to fill a vacancy, shall be deemed a Member of the Section E Corporation and an Owner solely for the purpose of qualifying to act as a member of the Board of Directors and for no other purpose. No such person serving on the Initial Board shall be deemed or considered a Member of the Section E Corporation nor an Owner of a Lot for any other purpose

(unless he is actually the Owner of a Lot and thereby a Member of the Section E Corporation).

(c) Additional Qualifications.

- (i) Where an Owner consists of more than one person or is a partnership, Section E Corporation, trust or other legal entity, then one of the persons constituting the multiple Owner, or a partner or an officer or trustee shall be eligible to serve on the Board of Directors, except that no single Lot may be represented on the Board of Directors by more than one person at a time.
- (ii) The Board of Directors shall be composed of three (3) persons.

(d) Term of Office and Vacancy. Subject to the provisions of subparagraph (b) of this Paragraph 12, at least one (1) member of the Board of Directors shall be elected at each annual meeting of the Section E Corporation. The Initial Board shall be deemed to be elected and re-elected as the Board of Directors at each annual meeting until the Applicable Date provided herein. After the Applicable Date, each member of the Board of Directors shall be elected for a term of three (3) years, except that at the first election after the Applicable Date (which, if appropriate, may be a special meeting) one member of the Board of Directors shall be elected for a three (3) year term, one for a two (2) year term, and one for a one (1) year term so that the terms of at least one-third (1/3) of the members of the Board shall expire annually. If such election is at a special meeting, the Directors elected shall serve for the applicable period plus the time from the special meeting to the first annual meeting. There shall be separate nominations for the office of each member of the Board to be elected at such first election after the Applicable Date, subject to the requirements of Paragraph 12(c)(ii), above. Each Director shall hold office throughout the term of his election and until his

successor is elected and qualified. Subject to the provisions of subparagraph (b) of this Paragraph 12 as to the Initial Board, any vacancy or vacancies occurring in the Board shall be filled by a vote of a majority of the remaining members of the Board or by vote of the Owners if a Director is removed in accordance with subparagraph (e) of this Paragraph 12, subject to the requirements of Paragraph 12(c)(ii), above. The Director so filling a vacancy shall serve until the next annual meeting of the members and until his successor is elected and qualified. At the first annual meeting following any such vacancy, a Director shall be elected for the balance of the term of the Director so removed or in respect to whom there has otherwise been a vacancy, subject to the requirements of Paragraph 12(c)(ii), above.

(e) Removal of Directors. A Director or Directors, except the members of the Initial Board, may be removed with or without cause by vote of a majority of the votes entitled to be cast at a special meeting of the Owners duly called and constituted for such purpose. In such case, his successor shall be elected at the same meeting from eligible Owners (and subject to the requirements of Paragraph 12(c)(ii), above) nominated at the meeting. A Director so elected shall serve until the next annual meeting of the Owners and until his successor is duly elected and qualified.

(f) Duties of the Board of Directors. The Board of Directors shall be the governing body of the Section E Corporation representing all of the Owners and being responsible for the functions and duties of the Section E Corporation, including, but not limited to, providing for the administration of the Section E Corporation, the management, maintenance, repair, upkeep and replacement of the Common Area (unless the same are otherwise the responsibility or duty of Owners) and the collection and disbursement of the Common Expenses. The Board may, on behalf of the Section E Corporation, employ a reputable and recognized professional property management agent (herein called the "Managing Agent") upon such terms as the Board shall find, in its discretion, reasonable and

customary. The Managing Agent, if one is employed, shall assist the Board in carrying out the Board's duties and the Section E Corporation's responsibilities, which include, but are not limited to:

- (i) Protection and replacement of the Common Area (unless specifically designated as an obligation of an Owner);
- (ii) Maintenance, repair, upkeep and replacement of the Common Area (except as is otherwise the obligation of an Owner), including but not limited to, the maintenance, repair, upkeep and replacement of the following (if located within the Common Area):
 - (1) street furniture, (2) signage, (3) walls, fences and gates, (4) flowers, plant material, grass and other landscaping, (5) irrigation system, (6) lighting, and (7) Streets;
- (iii) Assessment and collection from the Owners of each Owner's respective share of the Common Expenses and as required by the Overall Declaration, the Overall Common Expenses;
- (iv) Preparation of the proposed annual budget, a copy of which will be mailed or delivered to each Owner at the same time as the notice of annual meeting is mailed or delivered;
- (v) Preparing and delivering annually to the Owners a full accounting of all receipts and expenses incurred in the prior year; such accounting shall be delivered to each Owner simultaneously with delivery of the

proposed annual budget for the current year;

- (vi) Procuring and maintaining for the benefit of the Section E Corporation and the Board the insurance coverages required under this Section E Declaration and such other insurance coverages as the Board, in its sole discretion, may deem necessary or advisable;
- (vii) Paying taxes assessed against and payable with respect to the Common Area and paying any other necessary expenses and costs in connection with the Common Area;
- (viii) Snow removal from the Streets that are part of the Common Area;
- (ix) Snow removal from the private walks, stoops and drives of each Owner;
- (x) Trash removal for each Owner in accordance with the rules and regulations established by the Board;
- (xi) Maintenance, repair, replacement and upkeep of (i) the grass, bushes, and other landscaping on the Lots, (ii) any interior walls fences and gates located on a Lot, and (iii) the irrigation system applicable to any Lot;
- (xii) Maintenance, repair, replacement and upkeep of mailboxes and of any yard lighting initially installed in connection with construction of the Dwelling Unit on the Lot.

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

- (i) To employ a Managing Agent to assist the Board in performing its duties;
- (ii) To purchase, lease or otherwise obtain for the Section E Corporation, to enable it to perform its functions and duties, such equipment, materials, labor and services as may be necessary in the judgment of the Board of Directors;
- (iii) To employ legal counsel, architects, contractors, accountants and others as in the judgment of the Board of Directors may be necessary or desirable in connection with the business and affairs of the Section E Corporation;
- (iv) To employ, designate, discharge and remove such personnel as in the judgment of the Board of Directors may be necessary for the Board of Directors to perform its duties;
- (v) To include the costs of all of the above and foregoing as Common Expenses and to pay all of such costs therefrom;
- (vi) To open and maintain a bank account or accounts in the name of the Section E Corporation;
- (vii) To promulgate, adopt, revise, amend and alter from time to time such additional rules and regulations with

respect to use, occupancy, operation and enjoyment of the Section E Tract, the Common Area (in addition to those set forth in this Section E Declaration) as the Board, in its discretion, deems necessary or advisable; provided, however, that copies of any such additional rules and regulations so adopted by the Board shall be promptly delivered or mailed to all Owners, and further provided that such rules and regulations are not in conflict with any terms and provisions of the Overall Declaration or of any rules and regulations adopted by the SS Corporation.

(h) Limitation on Board Action. After the Applicable Date, the authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than \$5,000.00 without obtaining the prior approval of a majority of the Owners, except that in the following cases such approval shall not be necessary:

- (i) Contracts for replacing or restoring portions of the Common Area damaged or destroyed by fire or other casualty where the cost thereof is payable out of insurance proceeds actually received;
- (ii) Proposed contracts and proposed expenditures covered in the annual budget; and
- (iii) Expenditures necessary to deal with emergency conditions in which the Board of Directors reasonably believes there is insufficient time to call a meeting of the Owners.

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

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

(k) Additional Indemnity of Directors. The Section E Corporation shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives, made a party to any action, suit or proceeding by reason of the fact that he is or was a Director of the Section E Corporation, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except as otherwise specifically provided herein in actions, suits or proceedings where such Director is adjudged liable for bad faith, gross negligence or wilful misconduct in the performance of his duties. The Section E Corporation shall also reimburse 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 vote of the Owners constituting sixty percent (60%) of a Quorum that such Director was

not guilty of gross negligence or misconduct. In making such findings and notwithstanding the adjudication in any action, suit or proceeding against a 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 relied on the books and records of the Section E Corporation 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 Section E Corporation employed by the Section E Corporation to render advice or service unless such Director 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 failed or neglected to attend a meeting or meetings of the Board of Directors.

(1) Bond. The Board of Directors may provide surety bonds and may require the Managing Agent (if any), the treasurer of the Section E Corporation, and such other officers as the Board deems necessary, to provide surety bonds, indemnifying the Section E Corporation against larceny, theft, embezzlement, forgery, misappropriation, willful misapplication, and other acts of fraud or dishonesty, in such sums and with such sureties as may be approved by the Board of Directors and any such bond shall specifically include protection for any insurance proceeds received for any reason by the Board. The expense of any such bonds shall be a Common Expense.

13. Initial Management. The Initial Board of Directors has entered or will hereafter enter into a management agreement with Declarant (or a corporation or other entity affiliated with Declarant) for a term not to exceed three (3) years with either party having the right to terminate upon ninety (90) days' notice under which Declarant (or such affiliate of Declarant as appropriate) will provide supervision, management and maintenance of the Common Area (except as such is the obligation of the individual Owners) and in general, perform all of the duties and obligations of the Section E Corporation. Such

management agreement may be renewed by the parties for additional terms of three (3) or less years. Such management agreement is or will be subject to termination by Declarant (or its affiliate as appropriate) at any time prior to expiration of its term, in which event the Section E Corporation shall thereupon and thereafter resume performance of all of its duties and obligations. Notwithstanding anything to the contrary contained herein, so long as a management agreement between the Section E Corporation and Declarant (or its affiliate as appropriate) is in effect, Declarant (or its affiliate as appropriate) shall have and Declarant hereby reserves to itself (or to its affiliate as appropriate), the exclusive right to manage the Section E Tract and perform all the functions of the Section E Corporation.

14. Real Estate Taxes. Real estate taxes are to be separately assessed and taxed to each Lot to the Common Area and to the Overall Common Area and are to be paid as provided in the Overall Declaration.

15. Utilities. Each Owner shall pay for his own utilities which are separately metered. Utilities applicable to the Common Area shall be a Common Expense.

16. Maintenance, Repairs and Replacements. Maintenance, repairs, replacements and upkeep of the Common Area (except as such is the obligation of the individual Owners) as provided in Paragraph 12(f) shall be furnished by the Section E Corporation, as a part of its duties, and the cost thereof shall constitute a part of the Common Expenses.

Each Owner (except as otherwise established as Section E Corporation's responsibility under this Section E Declaration) shall be responsible for maintaining and keeping his Lot, Dwelling Unit, and all other structural improvements located on his Lot in a good, clean, neat, sanitary and well maintained condition and shall do such work thereon as is required to cause such Lot and structural improvements to be so maintained.

Notwithstanding any obligation or duty of the Section E Corporation to repair or maintain the Common Area, if, due to the willful, intentional or negligent acts or omissions of an Owner or of a member of his family or of a guest, tenant,

invitee or other occupant or visitor of such Owner, damage shall be caused, or if maintenance, repairs or replacements shall be required thereby, which would otherwise be a Common Expense, then such Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Section E Corporation, unless such loss is covered by the Section E Corporation's insurance with such policy having a waiver of subrogation clause. If not paid by such Owner upon demand by the Section E Corporation, the cost of repairing such damage shall be added to and become a part of the assessment to which such Owner's Lot is subject.

So long as the Section E Tract is subject to this Section E Declaration each Owner, by his acceptance of a deed to any Lot, irrevocably grants to the Section E Corporation, its agents and employees, the right to enter upon, across and over the Lot owned by such Owner under such conditions as are reasonably necessary to effect the maintenance, cleaning, repair, landscaping or other work contemplated herein.

17. Architectural Control. Architectural control of the Section E Tract shall be governed by the provisions relating to architectural control as established in the Overall Declaration.

18. Assessments

(a) Annual Accounting. Annually, after the close of each fiscal year of the Section E Corporation, the Board shall cause to be prepared and furnished to each Owner a financial statement prepared by an accounting group approved by the Board, which statement shall show all receipts and expenses received, incurred and paid during the preceding fiscal year.

(b) Proposed Annual Budget. Annually, before the date of the annual meeting of the Section E Corporation, the Board of Directors shall cause to be prepared a proposed annual budget for the next fiscal year estimating the total amount of the Common Expenses for the next fiscal year and shall furnish a copy of such proposed budget to each Owner at or prior to the time the notice of such annual meeting is mailed or delivered to such Owners. The annual budget shall be

submitted to the Owners at the annual meeting of the Section E Corporation for adoption and, if so adopted, shall be the basis for the Regular Assessments (hereinafter defined) for the next fiscal year. At the annual meeting of the Owners, notwithstanding any other provision in this Section E Declaration, the Articles or the Bylaws, the budget may be approved in whole or in part or may be amended in whole or in part by a majority vote of those Owners present either in person or by proxy; provided, however, that in no event shall the annual meeting of the Owners be adjourned until an annual budget is approved and adopted at such meeting, either the proposed annual budget or the proposed annual budget as amended. The annual budget, the Regular Assessments and all sums assessed by the Section E Corporation 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 (i) the Regular Overall Assessment and (ii) the establishment and maintenance of a replacement reserve fund for capital expenditures and replacement and repair of the Common Area and other repair and maintenance and replacement obligations of the Section E Corporation that must be repaired and replaced on a periodic basis, which replacement reserve fund shall be used for those purposes and not for usual and ordinary repair expenses. Such replacement reserve fund for capital expenditures and replacement and repair shall be maintained by the Section E Corporation in a separate interest bearing account or accounts with one or more banks or savings and loan associations authorized to conduct business in Marion County, Indiana selected from time to time by the Board and shall constitute at least ten percent (10%) of the Regular Assessment.

The failure or delay of the Board of Directors to prepare a proposed annual budget and to furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner of the obligations of the Owners to pay the Common Expenses as herein provided, whenever

determined. Whenever, whether before or after the annual meeting of the Section E Corporation, there is no annual budget approved by the Owners as herein provided for such 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 one hundred and ten percent (110%) of such last approved budget, as a temporary budget.

(c) Regular Assessments. The annual budget, as adopted by the Owners, shall, based on the estimated cash requirement for the Common Expenses in the current fiscal year as set forth in said budget, contain a proposed assessment, against each Lot. The assessment against each Fully Assessed Lot shall be equal to the Common Expenses multiplied by a percentage equal to one (1) divided by the sum of (i) the number of Fully Assessed Lots in the Section E Tract and (ii) one-quarter (1/4) of the Lots in the Section E Tract that are not fully assessed. The assessment against each Lot that is not a Fully Assessed Lot shall equal one-quarter (1/4) of the assessment applicable to each Fully Assessed Lot. Immediately following the adoption of the annual budget, each Owner shall be given written notice of such assessment against his respective Lot (herein called the "Regular Assessment"). In the event the Regular Assessment for a particular fiscal year is initially based upon a temporary budget, such Regular Assessment shall be revised, within fifteen (15) days following adoption of the final annual budget by the Owners, to reflect the assessment against each Lot based upon such annual budget as finally adopted by the Owners. The aggregate amount of the Regular Assessments shall be equal to the total amount of expenses provided and included in the final annual budget, including reserve funds as hereinabove provided. The Regular Assessment against each Lot shall be paid in advance in equal monthly installments with the first payment due on the first day of the month following the date such Lot is conveyed by Declarant prorated to the first day of the month when the next monthly payment is due. Thereafter, payment of the Regular Assessment shall be paid monthly.

Payment of the monthly installments of the Regular Assessment shall be made to the Board of Directors or the Managing Agent, as directed by the Board of Directors; provided, however, the Board may elect to have the Owners pay assessments quarterly, semi-annually or annually, in advance. In the event the Regular Assessment for a particular fiscal year of the Section E Corporation was initially based upon a temporary budget:

- (i) If the Regular Assessment based upon the final annual budget adopted by the Owners exceeds the amount of the Regular Assessment based upon the temporary budget, that portion of such excess applicable to the period from the first day of the current fiscal year to the date of the next payment of the Regular Assessment which is due shall be paid with such next payment, and all payments thereafter during such fiscal year, shall be increased so that the Regular Assessment as finally determined shall be paid in full by the remaining payments due in such fiscal year, or
- (ii) If the Regular Assessment based upon the temporary budget exceeds the Regular Assessment based upon the final annual budget adopted by the Owners, such excess shall be credited against the next payment or payments of the Regular Assessment coming due, until the entire amount of such excess has been so credited;

provided, however, that if an Owner had paid his Regular Assessment annually in advance, then the adjustments set forth under (i) or (ii) above shall be made by a cash payment by, or refund to, the Owner on the first day of the second month following the

determination of the Regular Assessment based upon the annual budget finally adopted by the Owners.

The Regular Assessment for the current fiscal year of the Section E Corporation shall become a lien on each separate Lot as of the first day of each fiscal year of the Section E Corporation, even though the final determination of the amount of such Regular Assessment may not have been made by that date. The fact that an Owner has paid his Regular Assessment for the current fiscal year in whole or in part based upon a temporary budget and thereafter, before the annual budget and Regular Assessment are finally determined, approved and adjusted as herein provided, sells, conveys or transfers his Lot or any interest therein, shall not relieve or release such Owner or his successor as Owner of such Lot from payment of the Regular Assessment for such Lot as finally determined, and such Owner and his successor as Owner of such Lot shall be jointly and severally liable for the Regular Assessment as finally determined. Any statement of unpaid assessments furnished by the Section E Corporation pursuant to Paragraph 19 hereof prior to the final determination and adoption of the annual budget and Regular Assessment for the year in which such statement is made shall state that the matters set forth therein are subject to adjustment upon determination and adoption of the final budget and Regular Assessment for such year, and all parties to whom any such statement may be delivered or who may rely thereon shall be bound by such final determinations. Monthly installments, semi-annual installments or annual installments of Regular Assessments (as applicable) shall be due and payable automatically on their respective due dates without any notice from the Board or the Section E Corporation, and neither the Board nor the Section E Corporation shall be responsible for providing any notice or statements to Owners for the same.

(d) Special Assessments. From time to time Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time

and without the approval of the Owners, unless otherwise provided in this Section E Declaration, the Board of Directors shall have the full right, power and authority to make special assessments which, upon resolution of the Board, shall be the equal obligation of all Owners and shall become a lien on each Lot (herein called "Special Assessment"). The Board shall be obligated to provide the Owners with notice of the date of the Board of Directors' meeting when the vote for any resolution for a Special Assessment is to be made. 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 caused by fire or other casualty or disaster to the extent insurance proceeds are insufficient therefor. No Special Assessment shall be made prior to the Applicable Date without the approval of Declarant and any Secondary Declarant.

(e) Regular Assessments Prior to the Applicable Date. During the period that Declarant or Secondary Declarant are selling Lots and Dwelling Units are being constructed within the Section E Tract, it is difficult to accurately allocate the Common Expenses to the individual Lots. The purpose of this section is to provide the method for the payment of the Common Expenses during the period prior to the Applicable Date to enable the Section E Corporation to perform its duties and functions. Accordingly and notwithstanding any other provision contained in this Section E Declaration, the Articles or the Bylaws or otherwise, prior to the Applicable Date, the annual budget and all Regular Assessments and Special Assessments shall be established by the Initial Board without any meeting or concurrence of the Owners; provided, however, the Regular Assessments shall be determined in accordance with the provisions contained in this Paragraph 18.

Prior to the Applicable Date, the Section E Corporation will enter into a management agreement with Declarant (or a corporation or other entity affiliated with Declarant) (hereinafter referred to as "Management Agent or Managing Agent") in accordance with the provisions of Paragraph 13 of this Section E Declaration. So long as such management agreement remains in effect, the Common Expenses or Regular Assessments shall be paid by Owners to Management Agent. Management Agent shall guarantee that until the earlier of (1) the termination of said management agreement, or (2) December 31, 1998, the yearly Regular Assessment for a Fully Assessed Lot shall not exceed Two Hundred Dollars (\$200.00) (the "Guaranteed Charge"). The Regular Assessment for a Lot that is not a Fully Assessed Lot shall be one-quarter (1/4) of the Guaranteed Charge. After December 31, 1998, assuming that said management agreement has not been terminated) and so long thereafter as said management agreement remains in effect and Management Agent continues to perform such functions, Management Agent guarantees that the yearly Regular Assessment shall not exceed the amount of the Guaranteed Charge, plus (1) the greater of an amount representing an increase thereof to reflect any increase in the Consumer Price Index (all items - all cities) published by the United States government over such index as existed in the month of December, 1997, or (2) ten percent (10%). The amount to be added to the Guaranteed Charge shall be in an amount equal to the same percentage of the Guaranteed Charge as the percentage increase in said Consumer Price Index or ten percent (10%), whichever is greater, or if Declarant so determines a lesser amount. Such adjustments to the Guaranteed Charge shall be made annually on the first day of each fiscal year so long as said management agreement remains in effect and Management Agent continues to perform such functions. Such yearly charge shall, during such guaranteed period, entirely defray the Owner's obligation for his share of Common Expenses or shall be the Owner's entire Regular Assessment. Management Agent shall be responsible for any deficit during such guarantee period; provided, however, that this

guarantee is not intended to include, and does not include, major physical alterations or other unusual expenditures not ordinarily anticipated in normal maintenance operations. Such expenditures would be covered through Special Assessments, or, if sufficient, the replacement reserve fund.

Ten percent (10%) of the Regular Assessment prior to the Applicable Date shall be designated as a reserve fund for maintenance, repairs or replacement of Common Area and maintenance items relating to the Dwelling Units that must be repaired and replaced on a periodic basis (hereinafter referred to as "Capital Items").

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

Payment of the Regular Assessment prior to the Applicable Date with respect to each Lot shall commence on the first day of the month following the date that the Lot is conveyed by Declarant ("Commencement Date"). The first payment shall be payable on the Commencement Date. Thereafter, payment of the Regular Assessment shall be paid monthly.

Each Owner hereby authorizes the Section E Corporation and the Board of Directors and its officers to enter into the aforesaid management agreement described in Paragraph 13 of this Declaration and to adhere to and abide by the same.

(f) Collection by Section E Corporation. The Section E Corporation shall include as part of the Regular Assessment (as defined in the Section E Declaration) applicable to Section E the Regular Overall Assessment applicable to each Lot. Upon

collection of the Regular Assessment for Section E, the Section E Corporation shall remit the amount applicable to the Regular Overall Assessment to the SS Corporation; however, the inclusion of the Regular Overall Assessment in the Regular Assessment for Section E and the obligation of the Section E Corporation to remit such amount to the SS Corporation shall not in any way make the Section E Corporation liable to the SS Corporation for the Regular Overall Assessment if such amount is not paid by an Owner, nor does it negate the right of the SS Corporation to exercise directly against an Owner any and all remedies available under the Overall Declaration to collect the Regular Overall Assessment in the event an Owner fails to make such payment.

(g) Failure of Owner to Pay Assessments. No Owner may exempt himself from paying Regular Assessments and Special Assessments or from contributing toward the Common Expenses or toward any other expense lawfully agreed upon by waiver of the use or enjoyment of the Common Area or by abandonment of the Lot belonging to him. Each Owner shall be personally liable for the payment of all Regular and Special Assessments. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several. If any Owner shall fail, refuse or neglect to make any payment of any Regular Assessment or Special Assessment when due, the lien for such assessment on the Owner's Lot and Dwelling Unit may be filed and foreclosed by the Board of Directors for and on behalf of the Section E Corporation as a mortgage on real property or as otherwise provided by law. Upon the failure of the Owner to make timely payments of any Regular Assessment or Special Assessment when due the Board may, in its discretion, accelerate the entire balance of unpaid assessments and declare the same immediately due and payable, notwithstanding any other provisions hereof to the contrary. The Board may, at its option, bring suit to recover a money judgment for any unpaid Regular Assessment or Special Assessment without foreclosing or waiving the lien securing the same. In

any action to recover a Regular Assessment or Special Assessment, whether by foreclosure or otherwise, the Board for and on behalf of the Section E Corporation shall be entitled to recover from the Owner of the respective Lot and Dwelling Unit costs and expenses of such action incurred (including but not limited to reasonable attorneys fees) and interest from the date such assessments were due until paid at the rate equal to the prime interest rate as announced by Bank One, Indianapolis, NA, from time to time (or if said bank is no longer in existence then such rate charged by a national bank in Marion County, Indiana, selected by the Board of Directors) during the unpaid period plus three percent (3%).

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

19. Mortgages and Unpaid Assessments.

(a) Notice to Section E Corporation. Any Owner who places a first mortgage lien upon his Lot, or the Mortgagee, shall notify the Secretary of the Section E Corporation thereof and provide the name and address of the Mortgagee. A record of such Mortgagee and name and address shall be maintained by the Secretary and any notice required to be given to the Mortgagee pursuant to the terms of this Section E Declaration, the Bylaws or otherwise shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record at the time provided. Unless notification of any such mortgage and the name and address of Mortgagee are furnished to the Secretary, either by the Owner or the Mortgagee, no notice to any Mortgagee, as may be otherwise required by this Section E Declaration, the Bylaws or otherwise, shall be required and no Mortgagee shall be entitled to vote on any matter to which it otherwise may be entitled by virtue of this Section E Declaration, the Bylaws, a proxy granted to such Mortgagee in connection with the mortgage, or otherwise.

The Section E Corporation shall, upon request of a Mortgagee who has furnished the Section E Corporation 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 Section E Declaration or the Bylaws which is not cured within sixty (60) days.

(b) Notice of Unpaid Assessments. The Section E Corporation shall, upon request of a Mortgagee, a proposed mortgagee, or a proposed purchaser who has a contractual right to purchase a Lot, furnish to such Mortgagee or purchaser a statement setting forth the amount of the unpaid Regular Assessments or Special Assessments or other charges against the Lot, which statement shall be binding upon the Section E Corporation and the Owners, and any Mortgagee or grantee of the Lot shall not be liable for nor shall

the Lot conveyed be subject to a lien for any unpaid assessments or charges in excess of the amounts set forth in such statement or as such assessments may be adjusted upon adoption of the final annual budget, as referred to in Paragraph 18 hereof.

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

20. Insurance.

(a) Casualty Insurance. The Section E Corporation shall purchase a master casualty insurance policy affording fire and extended coverage insurance insuring all of the Common Area in an amount equal to the full replacement value of the improvements which in whole or in part, comprise the Common Area and Landscape Easement Improvements, unless the Board determines that a lesser amount of insurance is appropriate. If the Board of Directors can obtain such coverage for reasonable amounts they shall also obtain "all risk" coverage. The Board of Directors shall be responsible for reviewing at least annually the amount and type of such insurance and shall purchase such additional insurance as is necessary to provide the insurance required above.

All proceeds payable as a result of casualty losses sustained which are covered by insurance purchased by the Section E Corporation as hereinabove set forth shall be paid to it or to the Board of Directors. The proceeds shall be used or disbursed by the Section E Corporation or Board of Directors, as appropriate.

Such master casualty insurance policy, and "all risk" coverage, if obtained, shall (to the extent the same are obtainable) contain provisions that the insurer (a) waives its right to subrogation as to any claim against the Section E Corporation, the Board of Directors, its agents and employees, Owners, their respective agents and guests, and (b) contains an endorsement that such policy shall not be terminated for nonpayment of premiums without at least thirty (30) days prior written notice to Mortgagees.

Each Owner shall be solely responsible for loss or damage to his Dwelling Unit and the contents thereof however caused and his personal property stored elsewhere on the Section E Tract, and the Section E Corporation shall have no liability to the Owner for such loss or damage. Each Owner shall be solely responsible for obtaining his own insurance to cover any such loss and risk.

Each Owner shall obtain fire and casualty insurance for his Dwelling Unit as necessary to provide sufficient proceeds to fully replace a Dwelling Unit damaged or destroyed as a result of fire or any other casualty, to the way such Dwelling Unit existed prior to such fire or other casualty. Each Owner shall provide the Section E Corporation with proof of insurance. In the event an Owner does not obtain appropriate insurance (insurance sufficient to pay for the full replacement of the Dwelling Unit), the Section E Corporation shall have the right, but not the obligation, to provide such insurance and assess the Owner for the cost. To the extent insurance proceeds are insufficient to pay for the full replacement of the Dwelling Unit after such fire or other casualty, the Owner shall nevertheless be obligated to fully replace the Dwelling Unit and to pay any cost thereof not covered by insurance proceeds.

(b) Public Liability Insurance. The Section E Corporation shall 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. Such comprehensive public liability insurance policy shall cover the Section E Corporation, the Board of Directors, any committee or organ of the Section E Corporation or Board, any Managing Agent appointed or employed by the Section E Corporation, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Section E Tract. Such public liability insurance policy shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Section E Corporation or other Owners.

(c) Other Insurance. The Section E Corporation shall also obtain any other insurance required by law to be maintained, including but not limited to workmen's compensation and occupational disease insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate, including, but not limited to, liability insurance on vehicles owned or leased by the Section E Corporation and officers' and directors' liability policies. Such insurance shall inure to the benefit of each Owner, the Section E Corporation, the Board of Directors and any Managing Agent acting on behalf of the Section E Corporation. Each Owner shall be deemed to have delegated to the Board of Directors his right to adjust with the insurance companies all losses under the policies purchased by the Board of Directors the proceeds of which are payable to the Board or the Section E Corporation.

(d) General Provisions. The premiums for all [®] insurance hereinabove described shall be paid by the Section E Corporation as part of the Common Expenses.

21. Casualty and Restoration of Common Area.

In the event of damage to or destruction of any of the Common Area due to fire or any other casualty or disaster, the Section E Corporation shall promptly cause the same to be

repaired and reconstructed. The proceeds of insurance carried by the Section E Corporation, if any, shall be applied to the cost of such repair and reconstruction.

In the event the insurance proceeds, if any, received by the Section E Corporation as a result of any such fire or any other casualty or disaster are not adequate to cover the cost of repair and reconstruction of the Common Area, or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing the Common Area so damaged or destroyed (or the costs thereof in excess of insurance proceeds received, if any) shall be assessed by the Section E Corporation 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.

For purposes of this Article, repair, reconstruction and restoration shall mean construction or rebuilding the Common Area to as near as possible the same condition as it existed immediately prior to the damage or destruction.

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

(a) Each Dwelling Unit shall be at least two thousand five hundred (2,500) square feet in size exclusive of basements, patios, porches and garages.

(b) Each Dwelling Unit shall have, at a minimum, an attached two (2) car garage.

All other covenants and restrictions related to the Lots and any Dwelling Units are set forth on the Section E Plat or in the Overall Declaration. In the event of a conflict between the covenants and restrictions contained herein and those in the Overall Declaration, the covenants and restrictions contained in the Overall Declaration shall control. In the event of a conflict between the covenants and restrictions contained herein and those in the Section E Plat, the covenants and restrictions contained herein shall control.

Notwithstanding anything to the contrary contained herein or in the Articles or Bylaws, including, but not limited to, any covenants and restrictions set forth herein or otherwise, Declarant or Secondary Declarant shall have, until the Applicable Date, the right to use and maintain any Lots and Dwelling Units owned by Declarant or such Secondary Declarant and other portions of the Section E Tract (other than individual Dwelling Units and Lots owned by persons other than Declarant or Secondary Declarants), all of such number and size and at such locations as Declarant or Secondary Declarants in their sole discretion may determine, as Declarant or Secondary Declarants may deem advisable or necessary in their sole discretion to aid in the construction of Dwelling Units and the sale of Lots and Dwelling Units or for the conducting of any business or activity attendant thereto, including, but not limited to, model Dwelling Units, storage areas, construction yards, signs, construction offices, sales offices, management offices and business offices. Declarant or Secondary Declarants shall have the right to relocate any or all of the same from time to time as they desire. At no time shall any of such facilities so used or maintained by Declarant or Secondary Declarants be or become part of the Overall Common Area or Common Area, unless so designated by Declarant or Secondary Declarants, and Declarant and Secondary Declarants shall have the right to remove the same from the Section E Tract at any time.

23. Amendment of Declaration.

(a) Generally. Except as otherwise provided in this Section E Declaration, amendments to this Section

E Declaration shall be proposed and adopted in the following manner:

- (i) Notice. Notice of the subject matter of any proposed amendment shall be included in the notice of the meeting at which the proposed amendment is to be considered which notice shall be at least fourteen (14) days prior to the date of the meeting.
- (ii) Resolution. A resolution to adopt a proposed amendment may be proposed by the Board of Directors or Owners having in the aggregate at least ten percent (10%) of the votes of all Owners.
- (iii) Meeting. The resolution concerning a proposed amendment must be adopted by the designated vote at a meeting duly called and held in accordance with the provisions of the Bylaws.
- (iv) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less than sixty percent (60%) in the aggregate of the votes of all Owners constituting a Quorum; provided, however, that prior to the Applicable Date all proposed amendments shall require the written consent of the Declarant. In the event any Lot or Dwelling Unit is subject to a first mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the same manner as an Owner if the Mortgagee has given prior notice of its mortgage interest to the Board of Directors in accordance with the provisions hereof.

(v) Special Amendments. No amendment to this Section E Declaration shall be adopted which changes (1) the applicable share of an Owner's liability for the Common Expenses, or the method of determining the same, or (2) the provisions of this Declaration of Paragraph 20 with respect to casualty insurance to be maintained by the Section E Corporation, or (3) the provisions of Paragraph 21 of this Section E Declaration with respect to reconstruction or repair of the Common Area, or the provisions of Paragraph 20 with respect to the reconstruction or repair of a Dwelling Unit, in the event of fire or any other casualty or disaster, or (4) the provisions of Paragraph 18 of this Declaration with respect to the commencement of assessments on any Lot, or (5) the provisions of paragraph 23 of this Section E Declaration with respect to amendments solely by Declarant, or (6) the provisions of Paragraph 12 relating to the makeup of the Board and the duties of the Board and the Section E Corporation without, in each and any of such circumstances, the unanimous approval of all Owners, including Declarant so long as Declarant owns any Lot, and of all Mortgagees whose mortgage interests have been made known to the Board of Directors in accordance with the provisions of this Section E Declaration.

(vi) Recording. Each amendment to this Section E Declaration shall be executed by the President and

Secretary of the Section E Corporation and shall be recorded in the Office of the Recorder of Marion County, Indiana, and such amendment shall not become effective until so recorded.

(b) Amendments by Declarant Only.

Notwithstanding the foregoing or anything elsewhere contained herein or in any other documents, the Declarant shall have and hereby reserves the right and power acting alone and without the consent or approval of the Owners, the Section E Corporation, the Board of Directors, any Mortgagees or any other person to amend or supplement this Section E Declaration at any time and from time to time if such amendment or supplement is made (a) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing & Urban Development, the Federal Housing Association, the Veteran's 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 guarantee first mortgages covering Lots and Dwelling Units, (c) to bring this Section E Declaration into compliance with any statutory requirements, (d) to correct clerical, typographical or other errors in this Section E Declaration or any Exhibit hereto or any supplement or amendment thereto, (e) to clarify Declarant's original intent, or (f) to expand or subject to this Section E Declaration additional portions of the Section E Real Estate. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to vote in favor of, make, or consent to any amendments described in this Paragraph 23 on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot or

Dwelling Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Declarant to vote in favor of, make, execute and record any such amendments. The right of the Declarant to act pursuant to rights reserved or granted under this Paragraph 23 shall terminate at such time as the Declarant no longer holds or controls title to any part or portion of the Section E Tract.

24. Acceptance and Ratification. All present and future Owners, Mortgagees, tenants and occupants of the Lots shall be subject to and shall comply with the provisions of this Section E Declaration, the Articles, and the Bylaws incorporated herein by reference, and the rules and regulations as adopted by the Board of Directors as each may be amended from time to time. The acceptance of a deed of conveyance or the act of occupancy of any Lot shall constitute an agreement that the provisions of this Section E Declaration, the Articles, the Bylaws, and rules and regulations, as each may be amended or supplemented from time to time, are accepted and ratified by such Owner, tenant or occupant, and all such provisions shall be covenants running with the land and shall be binding on any person having at any time any interest or estate in a Lot or the Section E Tract as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. All persons, corporations, partnerships, trusts, associations, or other legal entities who may occupy, use, enjoy or control a Lot or Lots or any part of the Section E Tract in any manner shall be subject to the Section E Declaration, the Articles of Incorporation, the Bylaws, and the rules and regulations applicable thereto as each may be amended or supplemented from time to time.

25. Negligence. Each Owner shall be liable for the [®] expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees to the extent that such expense is not covered by the proceeds of insurance carried by the Section E Corporation.

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

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

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

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

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

31. The Plat. The Section E Plat for a certain portion of Section E as set forth in Exhibit B-1 has been recorded in the Office of the Recorder of Marion County, Indiana, and is incorporated herein by reference.

32. Controlling Document. In the event there is any conflict between the provisions of this Section E Declaration and the Overall Declaration (or supplements or amendments

thereto), the terms and provisions of the Overall Declaration shall be controlling. In the event there is a conflict between the provisions of this Section E Declaration and any Section E Plat, the terms of this Section E Declaration, as supplemented or amended, shall be controlling.

Conflict, as used herein, shall mean a situation where the application of the language in one document contradicts the language in another document. Conflict does not occur where language in one document is simply more restrictive than language in another document.

33. No Liability. Declarant and the Board (and any Secondary Declarant) may grant, withhold or deny its permission or approval in any instance where its permission or approval is permitted or required without liability of any nature to Owner or any other person for any reason whatsoever and any permission or approval granted shall be binding upon all persons.

IN WITNESS WHEREOF, the undersigned has caused this Declaration to be executed the day and year first above written.

SYCAMORE SPRINGS DEVELOPMENT
GROUP, L.L.C., an Indiana limited
liability company

By:  _____

Printed: Sd. C. Miller _____

Title: Member _____



CHICAGO TITLE

STATE OF INDIANA)
)SS:
COUNTY OF MARION)

NOTARY PUBLIC
STATE OF INDIANA
1996

Before me, a Notary Public in and for said County and State, personally appeared Bob C. Miller, by me known and by me known to be the Member of Sycamore Springs Development Group, L.L.C., who acknowledged the execution of the foregoing "Declaration of Covenants and Restrictions of Section E of Sycamore Springs Property Ownership" on behalf of said limited liability company.

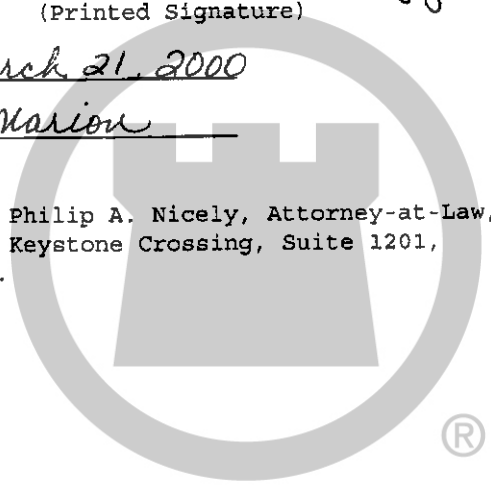
Witness my hand and Notarial Seal this 18th day of October, 1996.

Susan L. Schonegg
Notary Public

Susan R. Schonegg
(Printed Signature)

My Commission Expires: March 21, 2000
My County of Residence: Marion

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



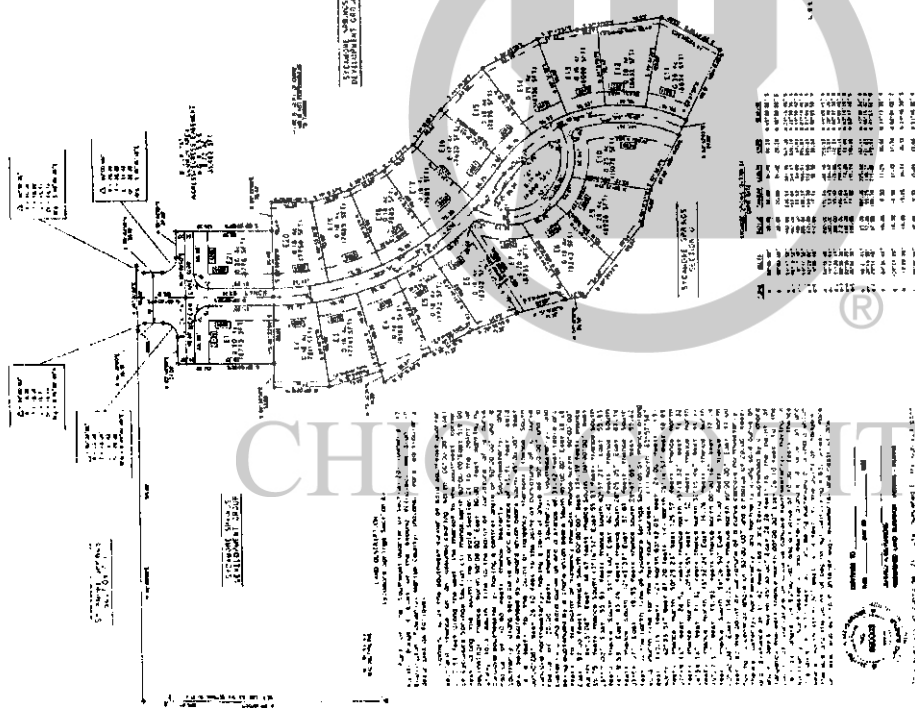
CHICAGO TITLE

LAND DESCRIPTION
Section E of Sycamore Springs

Part of the Southeast Quarter of Section 20, Township 17 North, Range 4 East of the Second Principal Meridian in Washington Township, Marion County, Indiana, more particularly described as follows:

Commencing at the southwest corner of said southeast quarter; thence on an assumed bearing North 00°00'00" East 1111.41 feet along the west line thereof to the POINT OF BEGINNING; thence continuing North 00°00'00" East 899.10 feet along said west line to the southwest corner of Section C of Sycamore Springs; thence along the north line thereof for the next three courses: (1) South 90°00'00" East 1080.91 feet to the point of curvature of a curve concave southwesterly, having a central angle of 73°09'03" and a radius of 10.00 feet; (2) Easterly, Southeasterly, and Southerly along said curve an arc distance of 12.77 feet (said arc being subtended by a chord which bears South 53°25'29" East 11.92 feet) to a point of reverse curvature with a curve concave northeasterly, having a central angle of 43°54'34" and a radius of 162.50 feet; (3) Southerly and Southeasterly along said curve an arc distance of 124.54 feet (said arc being subtended by a chord which bears South 38°48'15" East 121.51 feet) to a non-tangent line, being the north line of Section F of Sycamore Springs; thence along said north line and along the west line thereof for the next seventeen courses: (1) South 90°00'00" West 98.62 feet; (2) South 00°00'00" West 65.00 feet; (3) South 01°40'19" East 61.76 feet; (4) South 09°58'29" East 56.96 feet; (5) South 18°41'11" East 56.96 feet; (6) South 27°23'52" East 56.96 feet; (7) South 36°06'34" East 56.96 feet; (8) South 44°49'16" East 56.96 feet; (9) South 53°22'11" East 56.97 feet; (10) North 32°06'43" East 8.15 feet; (11) South 52°18'42" East 63.41 feet; (12) South 59°43'10" East 65.00 feet; (13) South 69°37'38" East 65.98 feet; (14) South 30°16'50" West 11.35 feet; (15) South 59°43'10" East 65.00 feet; (16) South 53°06'43" East 88.26 feet; (17) South 35°11'18" East 89.56 feet to the north line of Section G of Sycamore Springs; thence along said north line for the next twenty-two courses: (1) South 64°37'06" West 113.71 feet to a non-tangent curve concave southwesterly, having a central angle of 34°20'16" and a radius of 162.00 feet; (2) Northwesterly along said curve an arc distance of 97.09 feet (said arc being subtended by a chord which bears North 42°33'02" West 95.64 feet) to a non-tangent line; (3) South 30°16'50" West 24.00 feet; (4) South 68°32'35" West 84.48 feet; (5) South 68°17'03" West 161.85 feet; (6) South 80°23'27" West 72.66 feet; (7) North 88°43'36" West 73.40 feet; (8) North 77°04'43" West 68.66 feet; (9) North 65°49'54" West 68.52 feet; (10) North 63°57'56" West 110.19 feet; (11) North 63°42'03" West 24.00 feet; (12) North 62°33'31" West 67.20 feet; (13) North 75°14'57" West 48.90 feet; (14) North 80°33'05" West 92.58 feet; (15) South 85°05'31" West 112.66 feet; (16) South 72°54'22" West 24.58 feet; (17) South 76°52'19" West 128.22 feet; (18) North 55°16'21" West 52.30 feet; (19) South 44°35'26" West 51.39 feet; (20) South 68°52'54" West 81.55 feet; (21) South 00°08'28" East 120.94 feet; (22) South 90°00'00" West 153.74 feet to the POINT OF BEGINNING; containing 22.317 acres, more or less; subject to rights-of-way, easements, and restrictions.

FINAL PLAT FOR
SECTION E1 of
SYCAMORE SPRINGS
SECTION 20, TOWNSHIP 17 NORTH, RANGE 4 EAST
WASHINGTON TOWNSHIP
MARION COUNTY, INDIANA



THE STATE OF INDIANA, ss. I, _____, County Clerk, do hereby certify that the foregoing is a true and correct copy of the original of the plat of the Sycamore Springs Subdivision, as the same appears on the records of the County Clerk of Marion County, Indiana.

STATE OF INDIANA
COUNTY OF MARION
I, _____, County Clerk, do hereby certify that the foregoing is a true and correct copy of the original of the plat of the Sycamore Springs Subdivision, as the same appears on the records of the County Clerk of Marion County, Indiana.



Sheet No. 1 of 1
7/19/2008

LAND DESCRIPTION
Sycamore Springs Section E1

Part of the Southeast Quarter of Section 20, Township 17 North, Range 4 East of the Second Principal Meridian in Washington Township, Marion County, Indiana, more particularly described as follows:

Commencing at the southwest corner of said southeast quarter section; thence on an assumed bearing North 00°00'00" East 2010.51 feet along the west line thereof to the southwest corner of Sycamore Springs Section C1; thence North 90°00'00" East 519.00 feet along the south line of said Section C1 to the point of beginning; thence North 90°00'00" East 90.00 feet continuing along said south line to the point of curvature of a curve concave southeasterly, having a central angle of 90°00'00" and a radius of 10.00 feet; thence Westerly, Southwesterly, and Southerly along said curve an arc distance of 15.71 feet (said arc being subtended by a chord which bears South 45°00'00" West 14.14 feet) to the point of tangency thereof; thence South 00°00'00" West 26.10 feet to the point of curvature of a curve concave northeasterly, having a central angle of 90°00'00" and a radius of 20.00 feet; thence Southerly, Southeasterly, and Easterly along said curve an arc distance of 31.42 feet (said arc being subtended by a chord which bears South 45°00'00" East 28.28 feet) to the point of tangency thereof; thence North 90°00'00" East 37.00 feet; thence South 00°00'00" West 134.39 feet; thence North 89°25'08" East 38.47 feet; thence South 00°00'00" West 55.75 feet; thence South 17°16'37" East 55.93 feet; thence South 28°57'02" East 55.93 feet; thence South 40°37'27" East 55.93 feet; thence South 51°18'00" East 62.42 feet; thence South 44°29'59" East 83.76 feet; thence South 28°05'05" East 87.39 feet; thence South 12°43'37" East 57.67 feet; thence South 07°51'07" East 119.93 feet; thence South 29°47'09" West 93.62 feet to the north line of Sycamore Springs Section G; thence along said north line for the next four courses: (1) North 63°57'56" West 110.19 feet; (2) North 63°42'03" West 24.00 feet; (3) North 62°33'31" West 87.20 feet; (4) North 75°14'57" West 48.89 feet; thence North 50°29'23" West 129.57 feet; thence North 07°19'15" West 28.52 feet; thence North 15°19'32" West 71.32 feet; thence North 20°56'55" West 71.32 feet; thence North 26°34'18" West 71.32 feet; thence North 32°15'46" West 66.97 feet; thence North 73°32'24" East 16.26 feet; thence North 16°27'17" West 75.93 feet; thence North 00°00'16" West 77.14 feet; thence South 89°26'50" East 33.00 feet; thence North 00°00'00" East 134.32 feet; thence North 90°00'00" East 37.00 feet to the point of curvature of a curve concave northwesterly, having a central angle of 90°00'00" and a radius of 20.00 feet; thence Easterly, Northeasterly, and Northerly along said curve an arc distance of 31.42 feet (said arc being subtended by a chord which bears North 45°00'00" East 28.28 feet) to the point of tangency thereof; thence North 00°00'00" East 26.10 feet to the point of curvature of a curve concave southwesterly, having a central angle of 90°00'00" and a radius of 10.00 feet; thence Northerly, Northwesterly, and Westerly along said curve an arc distance of 15.71 feet (said arc being subtended by a chord which bears North 45°00'00" West 14.14 feet) to the point of tangency thereof and the point of beginning; containing 4.832 acres, more or less; subject to rights-of-way, easements, and restrictions.



CERTIFIED TO
THIS 17th DAY OF October, 1996
Jeffrey A. Metzrose
JEFFREY A. METZROSE
REGISTERED LAND SURVEYOR #890003 - INDIANA

This subdivision contains 21 lots numbered E1 through E21 both inclusive, and streets as shown hereon. The size of lots and width of streets are shown on this plat by figures denoting feet and decimal parts thereof.

EXHIBIT "B-2"

3

JOHN P. VON ARX
MARION COUNTY AUDITOR

971041 JAN-36

**FIRST AMENDMENT TO
DECLARATION OF COVENANTS AND RESTRICTIONS
OF SECTION E OF SYCAMORE SPRINGS
PROPERTY OWNERSHIP**

RECORDATION
SUBJECT TO FINAL ACCEPTANCE
FOR TRANSFER

This First Amendment is made this 16th day of December, 1996 by Sycamore Springs Development Group, L.L.C., an Indiana limited liability company ("Declarant").

WITNESSETH:

WHEREAS, the following facts are true:

A. On the 18th day of October, 1996, the Declaration of Covenants and Restrictions of Section E of Sycamore Springs Property Ownership (the "Section E Declaration") was recorded in the Office of the Recorder of Marion County, Indiana as Instrument No. 1996-0146426.

B. Pursuant to Section 23(b) of the Section E Declaration, Declarant desires to amend the Section E Declaration to correct certain clerical or typographical errors and to clarify Declarant's original intent with respect to certain provisions of the Section E Declaration.

NOW, THEREFORE, Declarant makes this First Amendment as follows:

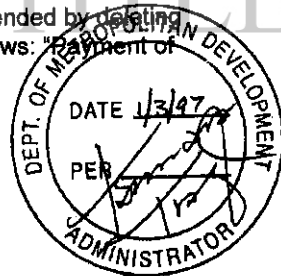
1. Section 18(c) of the Section E Declaration is hereby amended by deleting the seventh (7th) sentence in said paragraph, which reads as follows: "The Regular Assessment against each Lot shall be paid in advance in equal monthly installments with the first payment due on the first day of the month following the date such Lot is conveyed by Declarant prorated to the first day of the month when the next monthly payment is due" and inserting in lieu thereof, the following:

"The Regular Assessment against each Lot shall be paid in advance in equal monthly installments with the first payment due on the first day of the month following the date such Lot is established (platted) prorated to the first day of the month when the next monthly payment is due."

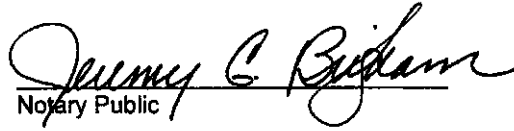
2. Section 18(e) of the Section E Declaration is hereby amended by deleting the first (1st) sentence in the fifth (5th) paragraph, which reads as follows: "Payment of

01/06/97 11:52AM JOHN H. ROBERTS, MARION COY RECORDER HAS 14:00 PAGES
Inst # 1997-0002327

APPROVED 1/2/1997
WASHINGTON TOWNSHIP ASSESSOR
BY: Raymond Barbera Real Estate Deputy



WITNESS my hand and Notarial Seal this 16th day of December, 1996.


Notary Public

Jeremy G. Brigham
Printed Name

My Commission Expires:
9/22/97

My County of Residence:
Marion

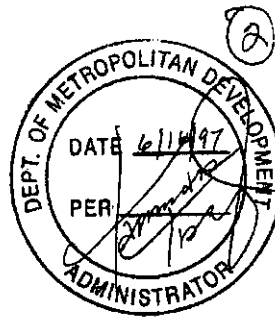
This instrument prepared by Philip A. Nicely, Attorney at Law, Bose McKinney & Evans,
8888 Keystone Crossing, Suite 1201, Indianapolis, IN 46240.



CHICAGO TITLE

T I I

**SECOND AMENDMENT TO
DECLARATION OF COVENANTS AND RESTRICTIONS
OF SECTION E OF SYCAMORE SPRINGS
PROPERTY OWNERSHIP**



This Second Amendment is made this 21st day of May, 1997, by Sycamore Springs Development Group, L.L.C., an Indiana limited liability company ("Declarant").

WITNESSETH:

WHEREAS, the following facts are true:

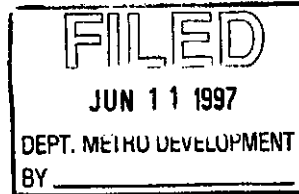
A. On the 18th day of October, 1996, the Declaration of Covenants and Restrictions of Section E of Sycamore Springs Property Ownership (the "Section E Declaration") was recorded in the Office of the Recorder of Marion County, Indiana as Instrument No. 1996-0146426, and was subsequently amended by First Amendment to Declaration of Covenants and Restrictions of Section E of Sycamore Springs Property Ownership dated December 16, 1996 and recorded in the Office of the Recorder of Marion County, Indiana on January 3, 1997 as Instrument no. 1997-0002321.

B. Pursuant to Section 23(b) of the Section E Declaration, Declarant desires to amend the Section E Declaration to correct certain clerical or typographical errors and to clarify Declarant's original intent with respect to certain provisions of the Section E Declaration.

NOW, THEREFORE, Declarant makes this First Amendment as follows:

1. Section 18(e) of the Section E Declaration is hereby amended by deleting the following language from the third (3rd) sentence in the second paragraph of said Section 18(e), which reads as follows: "Management Agent shall guarantee that until the earlier of (1) the termination of said management agreement, or (2) December 31, 1998, the yearly Regular Assessment for a Fully Assessed Lot shall not exceed Two Hundred Dollars (\$200.00) (the "Guaranteed Charge")" and inserting in lieu thereof, the following:

"Management Agent shall guarantee that until the earlier of (1) the termination of said management agreement, or (2) December 31, 1998, the yearly Regular Assessment for a Fully Assessed Lot shall not exceed Two Thousand Four Hundred Six Dollars (\$2,406.00) (the "Guaranteed Charge")."



APPROVED 6/12/1997
WASHINGTON TOWNSHIP ASSESSOR
BY: [Signature] Real Estate Deputy

Inst # 1997-0092564
07/07/97 01:58PM JAM N. ROBERTS MARION COY RECORDER GAN 13.00 PAGES

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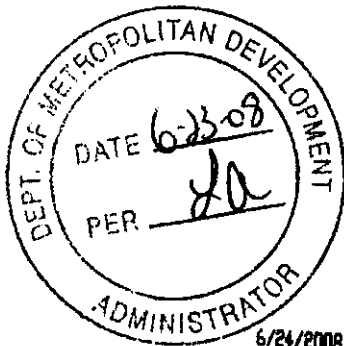
Cross-Reference: 1996-146426; 1997-2327; 1997-92564

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... OFFICE
FOR TRANSFER

AMENDED AND RESTATED DECLARATION OF COVENANTS AND RESTRICTIONS

OF
SECTION E OF
SYCAMORE SPRINGS
PROPERTY OWNERSHIP

CHICAGO TITLE



Approved 06 / 13 / 2008
Washington Township Assessor
By: DEREK
Real Estate Deputy

6/24/2008 10:46 Julie Voorhies MARION COUNTY RECORDER TNP 220.50 PAGES: 70

Inst # 2008-0074485

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**AMENDED AND RESTATED DECLARATION OF
COVENANTS AND RESTRICTIONS OF
SECTION E OF SYCAMORE SPRINGS PROPERTY OWNERSHIP**

THIS AMENDED AND RESTATED SECTION E DECLARATION was executed as of the date set forth below.

WITNESSETH:

WHEREAS, the following facts are true:

A. Sycamore Springs Development Group, L.L.C., an Indiana limited liability company, was the Declarant under the terms of the "Declaration of Covenants and Restrictions of Section E of Sycamore Springs Property Ownership" which was recorded on October 18, 1996, as **Instrument No. 1996-146426** in the Office of the Recorder of Marion County, Indiana, said Declaration being hereafter referred to as the "Original Section E Declaration."

B. Declarant was the sole owner in fee simple title to certain real estate located in Marion County, Indiana, more particularly described in Exhibit A, that was attached to said Original Section E Declaration and is incorporated herein by reference (hereinafter referred to as the "Section E Real Estate").

C. Declarant intended to develop the Section E Real Estate into seventy-three (73) Lots and to convey those Lots either to Secondary Declarant or to third parties.

D. Declarant, contemporaneously with the recording of this Declaration, recorded a Section E Plat of a certain portion of the Section E Real Estate (the "Section E Tract"). A copy of the Section E Plat and the legal description applicable thereto were attached to said Original Section E Declaration and marked Exhibits B-1 and B-2 and are incorporated herein by reference.

E. Declarant, by execution and recording of the Original Section E Declaration, subjected the Section E Tract to the terms and provisions of the Original Section E Declaration and assured that all properties which were to be conveyed which are a part of the Section E Tract shall be, and were, conveyed subject to the terms and conditions of this Section E Declaration, which shall run with the Section E Tract and be binding upon all parties having any right, title or interest in the Section E Tract, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner.

F. The Declarant prepared a "First Amendment to Declaration of Covenants and Restrictions of Section E of Sycamore Springs Property Ownership" which was

recorded on January 3, 1997, as Instrument No. 1997-2327 in the Office of the Recorder of Marion County, Indiana, which set forth a few amendments.

G. The Declarant prepared a "Second Amendment to Declaration of Covenants and Restrictions of Section E of Sycamore Springs Property Ownership" which was recorded on July 7, 1997, as Instrument No. 1997-92564 in the Office of the Recorder of Marion County, Indiana, which set forth a few amendments.

H. Paragraph 23 of the Original Section E Declaration states that any proposed amendment to said Declaration must be approved by a vote of not less than sixty percent (60%) in the aggregate of the votes of all Owners constituting a Quorum.

I. A meeting of the Owners and the Section E Homeowners Association, Inc. ("Section E Corporation") was held on April 22, 2004, which was the first meeting of the Section E Corporation's members after the Applicable Date.

J. One of the purposes of said meeting as stated in the notice for the meeting was for the Section E Corporation's members to discuss and approve certain proposed amendments to the Original Section E Declaration.

K. At said meeting, the Owners of a sufficient number of Lots, in person or by proxy, voted to approve said proposed amendments.

L. The Board of Directors of Section E Corporation desires to incorporate said amendments to the Original Section E Declaration and to restate the same for the convenience of the Section E Owners such that this Amended and Restated Declaration of Covenants and Restrictions of Section E in no way nullifies or changes the Original Section E Declaration or the effective date of the Original Section E Declaration.

NOW, THEREFORE, the Original Section E Declaration is hereby amended and restated such that all of the platted Lots and lands located within Sycamore Springs Section E as they have been platted are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved, subject to the following restrictions, all of which were and are declared and agreed to be in furtherance of a plan for the improvement and sale of said Lots and lands in Sycamore Springs Section E. Such restrictions below were and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of the development as a whole and of each of said Lots situated therein. All of the restrictions shall run with the land and shall be binding upon the Owners and upon the parties having or acquiring any right, title or interest, legal or equitable, in and to the real property or any part or parts thereof subject to such restrictions, and shall inure to the benefit of all successors in title to any real estate in the development. Now, therefore, the Original Section E Declaration which is applicable to all Owners and residents within Sycamore Springs Section E is hereby amended and restated as follows:

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

- (a) "Applicable Date" means the date determined pursuant to Paragraph 11 of this Section E Declaration.
- (b) "Articles" or "Articles of Incorporation" means the Articles of Incorporation of the Section E Corporation, as hereinafter defined. The Articles of Incorporation are incorporated herein by reference.
- (c) "Board of Directors" means the governing body of the Section E Corporation elected by the Members in accordance with the By-Laws of the Section E Corporation.
- (d) "By-Laws" shall mean the By-Laws of the Section E Corporation and shall provide for the election of directors and officers and other governing officials of the Section E Corporation. The By-Laws are attached hereto.
- (e) "Common Area" means the area designated as Limited Common Area or Common Area upon a Section E Plat or designated as Common Area in this Section E Declaration and which is to be maintained and controlled by the Section E Corporation.
- (f) "Common Expense" means expenses for administration of the Section E Corporation, expenses for the upkeep, maintenance, repair and replacement of the Common Area and of other maintenance obligations of the Section E Corporation and all sums lawfully assessed against the Members of the Section E Corporation.
- (g) "SS Corporation" means Sycamore Springs Homeowners Association, Inc., its successors and assigns, a not-for-profit corporation.
- (h) "Declarant" shall mean and refer to Sycamore Springs Development Group L.L.C., and any successors and assigns of it whom it designates in one or more written recorded instruments, to have the rights of Declarant hereunder including, but not limited to, any mortgagee acquiring title to any portion of the Section E Tract pursuant to the exercise of rights under, or foreclosure of, a mortgage executed by Declarant.
- (i) "Dwelling Unit" means a living unit located upon a Lot.
- (j) "Fully Assessed Lot" means a Lot where the Dwelling Unit is available to be occupied as a new residence.
- (k) "Lot" means any plot of ground designated as such upon a Section E Plat and upon which one (1) Dwelling Unit is constructed, may be constructed or exists thereon. When Lot is used it shall be deemed to include the Dwelling Unit, if any, located thereon.
- (l) "Landscape Easement" is defined in Paragraph 7.

- (m) "Member" means a member of the Section E Corporation.
- (n) "Mortgagee" means the holder of a first mortgage lien on a Lot.
- (o) "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who owns the fee simple title to a Lot.
- (p) "Overall Common Area" means the area designated as such upon a Section E Plat or designated as such in the Overall Declaration.
- (q) "Overall Declaration" means the Declaration of Covenants and Restrictions of Sycamore Springs Property Ownership recorded in the Office of the Recorder of Marion County, Indiana, as Instrument No. 1996-0133112 and any supplements thereto.
- (r) "Quorum" means Owners or Members constituting thirty percent (30%) of the aggregate of all Owners or Members in Section E or the Section E Corporation.
- (s) "Regular Overall Assessment" means the assessment applicable to Owners in accordance with the terms and provisions of the Overall Declaration.
- (t) "Secondary Declarant" means any entity to whom Declarant has conveyed two (2) or more Lots in Section E where such entity intends to construct on such Lots Dwelling Units for resale.
- (u) "Section E" means the name by which the Section E Real Estate, which is the subject of this Section E Declaration, shall be known.
- (v) "Section E Corporation" means Section E Homeowners Association, Inc., its successors and assigns, a not-for-profit corporation whose Members shall be Owners of Lots in Section E as more particularly described in Paragraph 11(d) of this Section E Declaration.
- (w) "Section E Declaration" means the declaration of covenants and restrictions applicable to the Section E Real Estate.
- (x) "Section E Plat" means a subdivision survey of a portion of the Section E Real Estate which is recorded in the Office of the Recorder of Marion County, Indiana. Such Section E Plat may be part of a plat that includes more than just Section E Real Estate. Such Section E Plat shall designate the Lots, Overall Common Area, Common Area and Landscape Easements within such Section E Plat.
- (y) "Streets" shall be as designated on the Section E Plat, shall be private and shall be part of the Overall Common Area or the Common Area as designated on the Section E Plat.

(z) "Supplemental Section E Declaration" means a document supplementing this Section E Declaration and becoming a part of this Section E Declaration for the purpose of subjecting additional portions of the Section E Real Estate to this Section E Declaration or making additional portions of the Section E Real Estate part of the Section E Tract.

(aa) "Sycamore Springs" means the name by which the development of which the Section E Real Estate is a part shall be known. Sycamore Springs consists of nine (9) separate residential Sections as more fully described in the Overall Declaration.

(bb) "Section E Tract" means that portion of the Section E Real Estate described in Paragraph A of the recitals above and such other portions of the Section E Real Estate which have, as of any given time, been subjected to this Section E Declaration by Supplemental Section E Declaration.

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

3. Description of Section E. Section E consists of all the Lots developed on the Section E Real Estate, together with the Overall Common Area and Common Area located within the Section E Real Estate. The Overall Common Area, Common Area, Streets, Landscape Easement and the size of the Lots within Section E are as designated on the applicable Section E Plats.

4. Lot Boundaries. The boundaries of each Lot in Section E shall be as shown on a Section E Plat.

5. Overall Common Area. The Overall Common Area shall be conveyed to the SS Corporation and the SS Corporation shall have the obligation to provide for the maintenance, upkeep, repairs and replacement of the Overall Common Area at all times, even if the Overall Common Area has not yet been conveyed to the SS Corporation, all as more fully described in the Overall Declaration.

6. Common Area. The Common Area shall be conveyed to the Section E Corporation. The Section E Corporation shall have the obligation to provide for the maintenance, upkeep, repair and replacement of the Common Area, even if the Common Area has not been conveyed to the Section E Corporation. Common Area shall be used only for those uses specifically delineated in this Section E Declaration or on a Section E Plat.

7. Landscape Easement. Pursuant to the Overall Declaration, Declarant has created, if shown and designated as such on the Section E Plat, a Landscape Easement. Notwithstanding any other provision contained herein, any such Landscape Easement (whether located in the Common Area or Overall Common Area) shall be maintained by the SS Corporation all as provided in the Overall Declaration.

8. Ownership of Common Area. The Common Area shall be conveyed to or owned by the Section E Corporation, and shall be held for the use and enjoyment of the Members, all of whom shall have the right and easement of enjoyment in and to the Common Area which right shall pass with title to every Section E Lot, subject to the provisions of this Section E Declaration, including but not limited to, the following:

(a) The right of the Section E Corporation, upon approval by a written instrument signed by two-thirds of all Class A Members, two-thirds of all Class B Members, and by two-thirds of all first mortgagees and by the SS Corporation, to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such Common Area purposes and subject to such conditions as may be agreed by the Section E Corporation.

(b) The right of the Section E Corporation to adopt such rules and regulations regarding the Common Area as it deems necessary as provided in Paragraph 12.

(c) The Common Area shall be conveyed to or owned by the Section E Corporation on the Applicable Date or earlier; provided, however, that the conveyance of the Common Area to the Section E Corporation shall not prevent Declarant from improving the Common Area as Declarant deems appropriate at any time prior to the Applicable Date; and further provided the Section E Corporation shall be responsible for any costs and expenses related to the Common Area, even if the Common Area or any part thereof has not been conveyed to the Section E Corporation.

9. Delegation of Use of the Common Area. Any Member may delegate, in accordance with provisions of this Declaration and the rules or regulations promulgated by the Section E Corporation, his right of enjoyment, and use of the Common Area and facilities to members of his family, his tenants or contract purchasers who reside on any Lot.

10. Easements in Common Area. Each Owner shall have an easement in common with each other Owner to use all pipes, wires, ducts, cables, conduits, utility lines and other common facilities, if any, located in the Common Area. Such easement and right to use shall pass with title to the Lot even though not expressly mentioned in the document passing title.

An easement is also granted to the Section E Corporation, its officers, agents and employees and to any management company selected by the Section E Corporation to enter in or to cross over the Overall Common Area, Common Area, Landscape Easement and Lots to perform its duties; provided, however, except in the case of an emergency, reasonable notice shall be given to the Owner.

An easement is also granted to the Section E Corporation, its officers, agents and employees and to any management company selected by the Section E Corporation and to any third party designated by the Section E Corporation to enter in

or to cross over the Overall Common Area, Common Area, Landscape Easement and Lots to repair, rebuild, maintain and paint the exterior of the Dwelling Units.

11. Section E Corporation; Membership; Voting; Functions.

(a) Membership in the Section E Corporation. Declarant and each Owner of a Lot which is subject to assessment shall, automatically upon becoming an Owner, be and become a Member of the Section E Corporation and shall remain a Member until such time as his ownership of a Lot ceases at which time his membership shall terminate and will be transferred to the new Owner of his 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 until and unless he realizes upon his security, at which time he shall automatically be and become an Owner and a Member of the Section E Corporation.

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

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

(ii) Class B. Class B Members shall be Declarant, any Secondary Declarant and all successors and assigns of Declarant designated by Declarant as Class B Members in a written notice mailed or delivered to the Secretary of the Section E Corporation. Each Class B Member shall be entitled to ten (10) votes for each Lot of which it is the Owner on all matters requiring a vote of the Members of the Section E Corporation. The Class B membership shall cease and terminate upon the Applicable Date, which shall be the first to occur of (i) the date upon which the written resignation of all Class B Members is delivered to the Secretary of the Section E Corporation, (ii) the date when at least sixty-five (65) Lots have been conveyed to Owners other than (x) Secondary Declarants or (y) entities designated by Declarant as Class B Members, or (iii) January 1, 2010.

(c) Functions. The Section E Corporation has been formed for the purpose of providing for the maintenance, repair, upkeep, replacement, administration, operation and ownership of the Common Area, to pay taxes assessed against and payable with respect to the Common Area and to pay any other necessary expenses and costs in connection with the Common Area, and to perform such other functions as may be designated for it to perform under this Section E Declaration.

12. Board of Directors.

(a) Management. The business and affairs of the Section E Corporation shall be governed and managed by the Board of Directors consisting of five (5) Owners.

(b) Initial Board of Directors. The Initial Board of Directors shall be composed of the persons designated in the Articles, to-wit: Sol C. Miller, James J. Curtis, and Patrick J. Early (herein referred to as the "Initial Board"), all of whom have been or shall be appointed by Declarant. Notwithstanding anything to the contrary contained in this Section E Declaration, the Articles or the By-Laws (a) the Initial Board shall hold office until 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 the Applicable Date, determined as provided above, every such vacancy shall be filled by a person appointed by Declarant, who shall thereafter be deemed a member of the Initial Board. Each Owner, by acceptance of a deed to a Lot, or by acquisition of any interest in a Dwelling Unit by any method 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 determined as provided above, to exercise all of said Owner's right to vote, and to vote as Declarant determines, on all matters as to which Members of the Section E Corporation are entitled to vote under the Section E 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, whether as an original member thereof or as a member thereof appointed by Declarant to fill a vacancy, shall be deemed a Member of the Section E Corporation and an Owner solely for the purpose of qualifying to act as a member of the Board of Directors and for no other purpose. No such person serving on the Initial Board shall be deemed or considered a Member of the Section E Corporation nor an Owner of a Lot for any other purpose (unless he is actually the Owner of a Lot and thereby a Member of the Section E Corporation).

(c) Additional Qualifications.

- (i) Where an Owner consists of more than one person or is a partnership, Section E Corporation, trust or other legal entity, then one of the persons constituting the multiple Owner, or a

partner or an officer or trustee shall be eligible to serve on the Board of Directors, except that no single Lot may be represented on the Board of Directors by more than one person at a time.

- (ii) The Board of Directors shall be composed of five (5) Owners.

(d) Term of Office and Vacancy. Subject to the provisions of subparagraph (b) of this Paragraph 12, at least one (1) member of the Board of Directors shall be elected at each annual meeting of the Section E Corporation. The Initial Board shall be deemed to be elected and re-elected as the Board of Directors at each annual meeting until the Applicable Date provided herein. At the Section E Corporation meeting held on April 22, 2004, which was the first meeting of the Members held after the Applicable Date, two (2) Directors were elected for a term of three (3) years, two (2) Directors for a two (2) year term, and one (1) Director for a one (1) year term. Thereafter, each Director shall serve a three (3) year term so that the terms shall be staggered. If such election is at a special meeting, the Directors elected shall serve for the applicable period plus the time from the special meeting to the first annual meeting. Those nominees receiving the highest number of votes shall be elected at each Annual Meeting. Each Director shall hold office throughout the term of his election and until his successor is elected and qualified. Subject to the provisions of subparagraph (b) of this Paragraph 12 as to the Initial Board, any vacancy or vacancies occurring in the Board shall be filled by a vote of a majority of the remaining members of the Board or by vote of the Owners if a Director is removed in accordance with subparagraph (e) of this Paragraph 12, subject to the requirements of Paragraph 12(c)(ii), above. The Director so filling a vacancy shall serve until the next annual meeting of the members and until his successor is elected and qualified. At the first annual meeting following any such vacancy, a Director shall be elected for the balance of the term of the Director so removed or in respect to whom there has otherwise been a vacancy, subject to the requirements of Paragraph 12(c)(ii), above.

(e) Removal of Directors. A Director or Directors, except the members of the Initial Board, may be removed with or without cause by vote of a majority of the votes entitled to be cast at a special meeting of the Owners duly called and constituted for such purpose. In such case, his successor shall be elected at the same meeting from eligible Owners (and subject to the requirements of Paragraph 12(c)(ii), above) nominated at the meeting. A Director so elected shall serve until the next annual meeting of the Owners and until his successor is duly elected and qualified.

(f) Duties of the Board of Directors. The Board of Directors shall be the governing body of the Section E Corporation representing all of the Owners and being responsible for the functions and duties of the Section E Corporation, including, but not limited to, providing for the administration of the Section E

Corporation, the management, maintenance, repair, upkeep and replacement of the Common Area (unless the same are otherwise the responsibility or duty of Owners) and the collection and disbursement of the Common Expenses. The Board may, on behalf of the Section E Corporation, employ a reputable and recognized professional property management agent (herein called the "Managing Agent") upon such terms as the Board shall find, in its discretion, reasonable and customary. The Managing Agent, if one is employed, shall assist the Board in carrying out the Board's duties and the Section E Corporation's responsibilities, which include, but are not limited to:

- (i) Protection and replacement of the Common Area (unless specifically designated as an obligation of an Owner);
- (ii) Maintenance, repair, upkeep and replacement of the Common Area (except as is otherwise the obligation of an Owner), including but not limited to, the maintenance, repair, upkeep and replacement of the following (if located within the Common Area): (1) street furniture, (2) signage, (3) walls, fences and gates, (4) flowers, plant material, grass and other landscaping, (5) irrigation system, (6) lighting, and (7) Streets;
- (iii) Assessment and collection from the Owners of each Owner's respective share of the Common Expenses;
- (iv) Preparation of the proposed annual budget, a copy of which will be mailed or delivered to each Owner at the same time as the notice of annual meeting is mailed or delivered;
- (v) Preparing and delivering annually to the Owners a full accounting of all receipts and expenses incurred in the prior year; such accounting shall be delivered to each Owner;
- (vi) Procuring and maintaining for the benefit of the Section E Corporation and the Board the insurance coverages required under this Section E Declaration and such other insurance coverages as the Board, in its sole discretion, may deem necessary or advisable;
- (vii) Paying taxes assessed against and payable with respect to the Common Area and paying any other necessary expenses and costs in connection with the Common Area;
- (viii) Snow removal from the Streets that are part of the Common Area;
- (ix) Snow removal from the private walks, stoops and drives of each Owner;

- (x) Trash removal for each Owner in accordance with the rules and regulations established by the Board;
- (xi) Maintenance, repair, replacement and upkeep of (i) the grass, flower beds, bushes, and other landscaping on the Lots, (ii) any fences and gates located on a Lot, and (iii) the irrigation system applicable to any Lot, all to the extent as determined by the Board of Directors by resolution or rules and regulations adopted by the Board;
- (xii) Maintenance, repair, replacement and upkeep of mailboxes and of any yard lighting initially installed in connection with construction of the Dwelling Unit on the Lot.

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

- (i) To employ a Managing Agent to assist the Board in performing its duties;
- (ii) To purchase, lease or otherwise obtain for the Section E Corporation, to enable it to perform its functions and duties, such equipment, materials, labor and services as may be necessary in the judgment of the Board of Directors;
- (iii) To employ legal counsel, architects, contractors, accountants and others as in the judgment of the Board of Directors may be necessary or desirable in connection with the business and affairs of the Section E Corporation;
- (iv) To employ, designate, discharge and remove such personnel as in the judgment of the Board of Directors may be necessary for the Board of Directors to perform its duties;
- (v) To include the costs of all of the above and foregoing as Common Expenses and to pay all of such costs therefrom;
- (vi) To open and maintain a bank account or accounts in the name of the Section E Corporation;
- (vii) To promulgate, adopt, revise, amend and alter from time to time such additional rules and regulations with respect to use, occupancy, operation and enjoyment of the Section E Tract, the Common Area (in addition to those set forth in this Section E Declaration) as the Board, in its discretion, deems necessary or advisable; provided, however, that copies of

any such additional rules and regulations so adopted by the Board shall be promptly delivered or mailed to all Owners, and further provided that such rules and regulations are not in conflict with any terms and provisions of the Overall Declaration or of any rules and regulations adopted by the SS Corporation.

(h) Limitation on Board Action. After the Applicable Date, the authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than \$5,000.00 without obtaining the prior approval of a majority of the Owners, except that in the following cases such approval shall not be necessary:

- (i) Contracts for replacing or restoring portions of the Common Area damaged or destroyed by fire or other casualty where the cost thereof is payable out of insurance proceeds actually received;
- (ii) Proposed contracts and proposed expenditures covered in the annual budget; and
- (iii) Expenditures necessary to deal with emergency conditions in which the Board of Directors reasonably believes there is insufficient time to call a meeting of the Owners.
- (iv) Compensation. No Director shall receive any compensation for his services as such except to such extent as may be expressly authorized by a majority vote of the Owners. The Managing Agent, if any is employed, shall be entitled to reasonable compensation for its services, the cost of which shall be a Common Expense.

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

(j) Additional Indemnity of Directors. The Section E Corporation shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives, made a party to any action, suit or proceeding by reason of the fact that he is or was a Director of the Section E Corporation, against the

reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except as otherwise specifically provided herein in actions, suits or proceedings where such Director is adjudged liable for bad faith, gross negligence or willful misconduct in the performance of his duties.

The Section E Corporation shall also reimburse 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 vote of the Owners constituting sixty percent (60%) of a Quorum that such Director was not guilty of gross negligence or misconduct. In making such findings and notwithstanding the adjudication in any action, suit or proceeding against a 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 relied on the books and records of the Section E Corporation 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 Section E Corporation employed by the Section E Corporation to render advice or service unless such Director 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 failed or neglected to attend a meeting or meetings of the Board of Directors.

- (i) Bond. The Board of Directors may provide surety bonds and may require the Managing Agent (if any), the treasurer of the Section E Corporation, and such other officers as the Board deems necessary, to provide surety bonds, indemnifying the Section E Corporation against larceny, theft, embezzlement, forgery, misappropriation, willful misapplication, and other acts of fraud or dishonesty, in such sums and with such sureties as may be approved by the Board of Directors and any such bond shall specifically include protection for any insurance proceeds received for any reason by the Board. The expense of any such bonds shall be a Common Expense.

13. Initial Management. The Initial Board of Directors has entered or will hereafter enter into a management agreement with Declarant (or a corporation or other entity affiliated with Declarant) for a term not to exceed three (3) years with either party having the right to terminate upon ninety (90) days' notice under which Declarant (or such affiliate of Declarant as appropriate) will provide supervision, management and maintenance of the Common Area (except as such is the obligation of the individual Owners) and in general, perform all of the duties and obligations of the Section E Corporation. Such management agreement may be renewed by the parties for additional terms of three (3) or less years. Such management agreement is or will be subject to termination by Declarant (or its affiliate as appropriate) at any time prior to expiration of its term, in which event the Section E Corporation shall thereupon and thereafter resume performance of all of its duties and obligations. Notwithstanding

anything to the contrary contained herein, so long as a management agreement between the Section E Corporation and Declarant (or its affiliate as appropriate) is in effect, Declarant (or its affiliate as appropriate) shall have and Declarant hereby reserves to itself (or to its affiliate as appropriate), the exclusive right to manage the Section E Tract and perform all the functions of the Section E Corporation.

14. Real Estate Taxes. Real estate taxes are to be separately assessed and taxed to each Lot to the Common Area and to the Overall Common Area and are to be paid as provided in the Overall Declaration.

15. Utilities. Each Owner shall pay for his own utilities which are separately metered. Utilities applicable to the Common Area shall be a Common Expense.

16. Maintenance, Repairs and Replacements. Maintenance, repairs, replacements and upkeep of the Common Area (except as such is the obligation of the individual Owners) as provided in Paragraph 12(f) shall be furnished by the Section E Corporation, as a part of its duties, and the cost thereof shall constitute a part of the Common Expenses.

Each Owner (except as otherwise established as Section E Corporation's responsibility under this Section E Declaration) shall be responsible for maintaining and keeping his Lot, Dwelling Unit, and all other structural improvements located on his Lot in a good, clean, neat, sanitary and well maintained condition and shall do such work thereon as is required to cause such Lot and structural improvements to be so maintained.

Notwithstanding any obligation or duty of the Section E Corporation to repair or maintain the Common Area, if, due to the willful, intentional or negligent acts or omissions of an Owner or of a member of his family or of a guest, tenant, invitee or other occupant or visitor of such Owner, damage shall be caused, or if maintenance, repairs or replacements shall be required thereby, which would otherwise be a Common Expense, then such Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Section E Corporation, unless such loss is covered by the Section E Corporation's insurance with such policy having a waiver of subrogation clause. If not paid by such Owner upon demand by the Section E Corporation, the cost of repairing such damage shall be added to and become a part of the assessment to which such Owner's Lot is subject.

So long as the Section E Tract is subject to this Section E Declaration each Owner, by his acceptance of a deed to any Lot, irrevocably grants to the Section E Corporation, its agents and employees, the right to enter upon, across and over the Lot owned by such Owner under such conditions as are reasonably necessary to effect the maintenance, cleaning, repair, landscaping or other work contemplated herein.

17. Architectural Control. Architectural control of the Section E Tract shall be governed by the provisions relating to architectural control as established in the Overall Declaration.

18. Assessments.

(a) Annual Accounting. Annually, after the close of each fiscal year of the Section E Corporation, the Board shall cause to be prepared and furnished to each Owner a financial statement prepared by an accounting group approved by the Board, which statement shall show all receipts and expenses received, incurred and paid during the preceding fiscal year.

(b) Proposed Annual Budget. Annually, before the date of the annual meeting of the Section E Corporation, the Board of Directors shall cause to be prepared a proposed annual budget for the next fiscal year estimating the total amount of the Common Expenses for the next fiscal year and shall furnish a copy of such proposed budget to each Owner at or prior to the time the notice of such annual meeting is mailed or delivered to such Owners. The annual budget shall be submitted to the Owners at the annual meeting of the Section E Corporation for adoption and, if so adopted, shall be the basis for the Regular Assessments (hereinafter defined) for the next fiscal year. At the annual meeting of the Owners, notwithstanding any other provision in this Section E Declaration, the Articles or the By-Laws, the budget may be approved in whole or in part or may be amended in whole or in part by a majority vote of those Owners present either in person or by proxy; provided, however, that in no event shall the annual meeting of the Owners be adjourned until an annual budget is approved and adopted at such meeting, either the proposed annual budget or the proposed annual budget as amended. The annual budget, the Regular Assessments and all sums assessed by the Section E Corporation shall be established by using generally accepted accounting principles applied on a consistent basis.

The annual budget and the Regular Assessments may, in the Board's discretion, be established to include the establishment and maintenance of a replacement reserve fund for capital expenditures and replacement and repair of the Common Area and other repair and maintenance and replacement obligations of the Section E Corporation that must be repaired and replaced on a periodic basis, which replacement reserve fund shall be used for those purposes and not for usual and ordinary repair expenses. Such replacement reserve fund, if any, for capital expenditures and replacement and repair shall be maintained by the Section E Corporation in a separate interest bearing account or accounts with one or more banks or savings and loan associations authorized to conduct business in Marion County, Indiana selected from time to time by the Board.

The failure or delay of the Board of Directors to prepare a proposed annual budget and to furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner of the obligations of the Owners to pay the Common Expenses as herein provided, whenever determined. Whenever, whether before or after the annual meeting of the Section E Corporation, there is no annual budget approved by the Owners as herein provided for such current fiscal year, the Owners shall continue to pay Regular Assessments based upon the last approved budget.

(c) **Regular Assessments.** The annual budget, as adopted by the Owners, shall, based on the estimated cash requirement for the Common Expenses in the current fiscal year as set forth in said budget, contain a proposed assessment, against each Lot. The assessment against each Fully Assessed Lot shall be equal to the Common Expenses multiplied by a percentage equal to one (1) divided by the sum of (i) the number of Fully Assessed Lots in the Section E Tract and (ii) one-quarter (1/4) of the Lots in the Section E Tract that are not fully assessed. The assessment against each Lot that is not a Fully Assessed Lot shall equal one-quarter (1/4) of the assessment applicable to each Fully Assessed Lot. Immediately following the adoption of the annual budget, each Owner shall be given written notice of such assessment against his respective Lot (herein called the "Regular Assessment"). The aggregate amount of the Regular Assessments shall be equal to the total amount of expenses provided and included in the final annual budget, including reserve funds as hereinabove provided. The Regular Assessment against each Lot shall be paid in advance in equal monthly installments with the first payment due on the first day of the month following the date such Lot is established (platted) prorated to the first day of the month when the next monthly payment is due. Thereafter, payment of the Regular Assessment shall be paid monthly. Payment of the monthly installments of the Regular Assessment shall be made to the Board of Directors or the Managing Agent, as directed by the Board of Directors; provided, however, the Board may elect to have the Owners pay assessments quarterly, semi-annually or annually, in advance.

The Regular Assessment for the current fiscal year of the Section E Corporation shall become a lien on each separate Lot as of the first day of each fiscal year of the Section E Corporation, even though the final determination of the amount of such Regular Assessment may not have been made by that date. Monthly installments, semi-annual installments or annual installments of Regular Assessments (as applicable) shall be due and payable automatically on their respective due dates without any notice from the Board or the Section E Corporation, and neither the Board nor the Section E Corporation shall be responsible for providing any notice or statements to Owners for the same.

(d) **Special Assessments.** From time to time Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time and without the approval of the Owners, unless otherwise provided in this Section E Declaration, the Board of Directors shall have the full right, power and authority to make special assessments which, upon resolution of the Board, shall be the equal obligation of all Owners and shall become a lien on each Lot (herein called "Special Assessment"). The Board shall be obligated to provide the Owners with notice of the date of the Board of Directors' meeting when the vote for any resolution for a Special Assessment is to be made. 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 caused by fire or other casualty or disaster to the extent insurance proceeds are insufficient therefor. No

Special Assessment shall be made prior to the Applicable Date without the approval of Declarant and any Secondary Declarant.

(e) Regular Assessments Prior to the Applicable Date. During the period that Declarant or Secondary Declarant are selling Lots and Dwelling Units are being constructed within the Section E Tract, it is difficult to accurately allocate the Common Expenses to the individual Lots. The purpose of this section is to provide the method for the payment of the Common Expenses during the period prior to the Applicable Date to enable the Section E Corporation to perform its duties and functions. Accordingly and notwithstanding any other provision contained in this Section E Declaration, the Articles or the By-Laws or otherwise, prior to the Applicable Date, the annual budget and all Regular Assessments and Special Assessments shall be established by the Initial Board without any meeting or concurrence of the Owners; provided, however, the Regular Assessments shall be determined in accordance with the provisions contained in this Paragraph 18.

Prior to the Applicable Date, the Section E Corporation will enter into a management agreement with Declarant (or a corporation or other entity affiliated with Declarant) (hereinafter referred to as "Management Agent or Managing Agent") in accordance with the provisions of Paragraph 13 of this Section E Declaration. So long as such management agreement remains in effect, the Common Expenses or Regular Assessments shall be paid by Owners to Management Agent. Management Agent shall guarantee that until the earlier of (1) the termination of said management agreement, or (2) December 31, 1998, the yearly Regular Assessment for a Fully Assessed Lot shall not exceed Two Thousand Four Hundred Six Dollars (\$2,406.00) (the "Guaranteed Charge"). The Regular Assessment for a Lot that is not a Fully Assessed Lot shall be one-quarter (1/4) of the Guaranteed Charge. After December 31, 1998, assuming that said management agreement has not been terminated) and so long thereafter as said management agreement remains in effect and Management Agent continues to perform such functions, Management Agent guarantees that the yearly Regular Assessment shall not exceed the amount of the Guaranteed Charge, plus (1) the greater of an amount representing an increase thereof to reflect any increase in the Consumer Price Index (all items - all cities) published by the United States government over such index as existed in the month of December, 1997, or (2) ten percent (10%). The amount to be added to the Guaranteed Charge shall be in an amount equal to the same percentage of the Guaranteed Charge as the percentage increase in said Consumer Price Index or ten percent (10%), whichever is greater, or if Declarant so determines a lesser amount. Such adjustments to the Guaranteed Charge shall be made annually on the first day of each fiscal year so long as said management agreement remains in effect and Management Agent continues to perform such functions. Such yearly charge shall, during such guaranteed period, entirely defray the Owner's obligation for his share of Common Expenses or shall be the Owner's entire Regular Assessment. Management Agent shall be responsible for any deficit during such guarantee period; provided, however, that

this guarantee is not intended to include, and does not include, major physical alterations or other unusual expenditures not ordinarily anticipated in normal maintenance operations. Such expenditures would be covered through Special Assessments, or, if sufficient, the replacement reserve fund.

Ten percent (10%) of the Regular Assessment prior to the Applicable Date shall be designated as a reserve fund for maintenance, repairs or replacement of Common Area and maintenance items relating to the Dwelling Units that must be repaired and replaced on a periodic basis (hereinafter referred to as "Capital Items").

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

Payment of the Regular Assessment prior to the Applicable Date with respect to each Lot shall commence on the first day of the month following the date that the Lot is established (platted) ("Commencement Date"). The first payment shall be payable on the Commencement Date. Thereafter, payment of the Regular Assessment shall be paid monthly.

Each Owner hereby authorizes the Section E Corporation and the Board of Directors and its officers to enter into the aforesaid management agreement described in Paragraph 13 of this Declaration and to adhere to and abide by the same.

(f) Collection by Section E Corporation. The Section E Corporation shall only be responsible for collecting the Regular Assessment payable by the Section E Owners. The Section E Owners shall remit directly to the SS Corporation the Regular Overall Assessment applicable to each Lot and assessed per the terms of the Overall Declaration.

(g) Failure of Owner to Pay Assessments. No Owner may exempt himself from paying Regular Assessments and Special Assessments or from contributing toward the Common Expenses or toward any other expense lawfully agreed upon by waiver of the use or enjoyment of the Common Area or by abandonment of the Lot belonging to him. Each Owner shall be personally liable for the payment of all Regular and Special Assessments. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several. If any Owner shall fail, refuse or neglect to make any payment of any Regular Assessment or Special Assessment when due, the lien for such assessment on the Owner's Lot and Dwelling Unit may be filed and foreclosed by the Board of Directors for and on behalf of the Section E Corporation as a mortgage on real property or as otherwise provided by law. Upon the failure of the Owner to make timely payments of any Regular Assessment or Special

Assessment when due the Board may, in its discretion, (i) impose a late fee in an amount up to 25% of the delinquent installment, and (ii) accelerate the entire balance of unpaid assessments and declare the same immediately due and payable, notwithstanding any other provisions hereof to the contrary. The Board may, at its option, bring suit to recover a money judgment for any unpaid Regular Assessment or Special Assessment without foreclosing or waiving the lien securing the same. In any action to recover a Regular Assessment or Special Assessment, whether by foreclosure or otherwise, the Board for and on behalf of the Section E Corporation shall be entitled to recover from the Owner of the respective Lot and Dwelling Unit, regardless of whether litigation is initiated, costs and expenses of such action incurred, including but not limited to collection costs incurred by the Section E Corporation to the Managing Agent for processing delinquent Owners' accounts and reasonable attorneys' fees, and interest from the date such assessments were due until paid at the rate equal to the prime interest rate as announced by Bank One, Indianapolis, N.A., from time to time (or if said Bank is no longer in existence then such rate charged by a national bank in Marion County, Indiana, selected by the Board of Directors) during the unpaid period plus three percent (3%).

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

19. Mortgages and Unpaid Assessments.

(a) Notice to Section E Corporation. Any Owner who places a first mortgage lien upon his Lot, or the Mortgagee, shall notify the Secretary of the Section E Corporation thereof and provide the name and address of the Mortgagee. A record of such Mortgagee and name and address shall be maintained by the Secretary and any notice required to be given to the Mortgagee pursuant to the terms of this Section E Declaration, the By-Laws or otherwise shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record at the time provided. Unless notification of any such mortgage and the name and address of Mortgagee are furnished to the

Secretary, either by the Owner or the Mortgagee, no notice to any Mortgagee, as may be otherwise required by this Section E Declaration, the By-Laws or otherwise, shall be required and no Mortgagee shall be entitled to vote on any matter to which it otherwise may be entitled by virtue of this Section E Declaration, the By-Laws, a proxy granted to such Mortgagee in connection with the mortgage, or otherwise.

The Section E Corporation shall, upon request of a Mortgagee who has furnished the Section E Corporation 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 Section E Declaration or the By-Laws which is not cured within sixty (60) days.

(b) Notice of Unpaid Assessments. The Section E Corporation shall, upon request of a Mortgagee, a proposed mortgagee, or a proposed purchaser who has a contractual right to purchase a Lot, furnish to such Mortgagee or purchaser a statement setting forth the amount of the unpaid Regular Assessments or Special Assessments or other charges against the Lot, which statement shall be binding upon the Section E Corporation and the Owners, and any Mortgagee or grantee of the Lot shall not be liable for nor shall the Lot conveyed be subject to a lien for any unpaid assessments or charges in excess of the amounts set forth in such statement or as such assessments may be adjusted upon adoption of the final annual budget, as referred to in Paragraph 18 hereof.

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

20. Insurance.

(a) Casualty Insurance. The Section E Corporation shall purchase a master casualty insurance policy affording fire and extended coverage insurance insuring all of the Common Area in an amount equal to the full replacement value of the improvements which in whole or in part, comprise the Common Area and Landscape Easement Improvements, unless the Board determines that a lesser amount of insurance is appropriate. If the Board of Directors can obtain such coverage for reasonable amounts they shall also obtain "all risk" coverage. The Board of Directors shall be responsible for reviewing at least annually the amount and type of such insurance and shall purchase such additional insurance as is necessary to provide the insurance required above.

All proceeds payable as a result of casualty losses sustained which are covered by insurance purchased by the Section E Corporation as hereinabove set forth shall be paid to it or to the Board of Directors. The proceeds shall be used or disbursed by the Section E Corporation or Board of Directors, as appropriate.

Such master casualty insurance policy, and "all risk" coverage, if obtained, shall (to the extent the same are obtainable) contain provisions that the insurer (a) waives its right to subrogation as to any claim against the Section E Corporation, the Board of Directors, its agents and employees, Owners, their respective agents and guests, and (b) contains an endorsement that such policy shall not be terminated for nonpayment of premiums without at least thirty (30) days prior written notice to Mortgagees.

Each Owner shall be solely responsible for loss or damage to his Dwelling Unit and the contents thereof however caused and his personal property stored elsewhere on the Section E Tract, and the Section E Corporation shall have no liability to the Owner for such loss or damage. Each Owner shall be solely responsible for obtaining his own insurance to cover any such loss and risk.

Each Owner shall obtain fire and casualty insurance for his Dwelling Unit as necessary to provide sufficient proceeds to fully replace a Dwelling Unit damaged or destroyed as a result of fire or any other casualty, to the way such Dwelling Unit existed prior to such fire or other casualty. Each Owner shall provide the Section E Corporation with proof of insurance. In the event an Owner does not obtain appropriate insurance (insurance sufficient to pay for the full replacement of the Dwelling Unit), the Section E Corporation shall have the right, but not the obligation, to provide such insurance and assess the Owner for the cost. To the extent insurance proceeds are insufficient to pay for the full replacement of the Dwelling Unit after such fire or other casualty, the Owner shall nevertheless be obligated to fully replace the Dwelling Unit and to pay any cost thereof not covered by insurance proceeds.

(b) Public Liability Insurance. The Section E Corporation shall 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. Such comprehensive public liability insurance policy shall cover the Section E Corporation, the Board of Directors, any committee or organ of the Section E Corporation or Board, any Managing Agent appointed or employed by the Section E Corporation, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Section E Tract. Such public liability insurance policy shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Section E Corporation or other Owners.

(c) Other Insurance. The Section E Corporation shall also obtain any other insurance required by law to be maintained, including but not limited to

workmen's compensation and occupational disease insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate, including, but not limited to, liability insurance on vehicles owned or leased by the Section E Corporation and officers' and directors' liability policies. Such insurance shall inure to the benefit of each Owner, the Section E Corporation, the Board of Directors and any Managing Agent acting on behalf of the Section E Corporation. Each Owner shall be deemed to have delegated to the Board of Directors his right to adjust with the insurance companies all losses under the policies purchased by the Board of Directors the proceeds of which are payable to the Board or the Section E Corporation.

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

21. Casualty and Restoration of Common Area.

In the event of damage to or destruction of any of the Common Area due to fire or any other casualty or disaster, the Section E Corporation shall promptly cause the same to be repaired and reconstructed. The proceeds of insurance carried by the Section E Corporation, if any, shall be applied to the cost of such repair and reconstruction.

In the event the insurance proceeds, if any, received by the Section E Corporation as a result of any such fire or any other casualty or disaster are not adequate to cover the cost of repair and reconstruction of the Common Area, or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing the Common Area so damaged or destroyed (or the costs thereof in excess of insurance proceeds received, if any) shall be assessed by the Section E Corporation 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.

For purposes of this Article, repair, reconstruction and restoration shall mean construction or rebuilding the Common Area to as near as possible the same condition as it existed immediately prior to the damage or destruction.

22. Covenants and Restrictions. The following covenants and restrictions on the use and enjoyment of the Section E Tract shall be in addition to any other covenants or restrictions contained herein, in the Section E Plat or in the Overall Declaration, and all such covenants and restrictions are for the mutual benefit and protection of the present and future Owners and shall run with the land and inure to the benefit of and be enforceable by any Owner, or by the Section E Corporation. Present or future Owners or the Section E Corporation shall be entitled to injunctive relief against any violation or attempted violation of any such covenants and restrictions, and shall, in addition, be entitled to damages for any injuries or losses resulting from any violations thereof, but

there shall be no right of reversion or forfeiture resulting from such violation. These covenants and restrictions are as follows:

- (a) Each Dwelling Unit shall be at least two thousand five hundred (2,500) square feet in size exclusive of basements, patios, porches and garages.
- (b) Each Dwelling Unit shall have, at a minimum, an attached two (2) car garage.

All other covenants and restrictions related to the Lots and any Dwelling Units are set forth on the Section E Plat or in the Overall Declaration. In the event of a conflict between the covenants and restrictions contained herein and those in the Overall Declaration, the covenants and restrictions contained in the Overall Declaration shall control. In the event of a conflict between the covenants and restrictions contained herein and those in the Section E Plat, the covenants and restrictions contained herein shall control.

Notwithstanding anything to the contrary contained herein or in the Articles or By-Laws, including, but not limited to, any covenants and restrictions set forth herein or otherwise, Declarant or Secondary Declarant shall have, until the Applicable Date, the right to use and maintain any Lots and Dwelling Units owned by Declarant or such Secondary Declarant and other portions of the Section E Tract (other than individual Dwelling Units and Lots owned by persons other than Declarant or Secondary Declarants), all of such number and size and at such locations as Declarant or Secondary Declarants in their sole discretion may determine, as Declarant or Secondary Declarants may deem advisable or necessary in their sole discretion to aid in the construction of Dwelling Units and the sale of Lots and Dwelling Units or for the conducting of any business or activity attendant thereto, including, but not limited to, model Dwelling Units, storage areas, construction yards, signs, construction offices, sales offices, management offices and business offices. Declarant or Secondary Declarants shall have the right to relocate any or all of the same from time to time as they desire. At no time shall any of such facilities so used or maintained by Declarant or Secondary Declarants be or become part of the Overall Common Area or Common Area, unless so designated by Declarant or Secondary Declarants, and Declarant and Secondary Declarants shall have the right to remove the same from the Section E Tract at any time.

23. Amendment of Declaration.

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

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

notice shall be at least fourteen (14) days prior to the date of the meeting.

- (ii) **Resolution.** A resolution to adopt a proposed amendment may be proposed by the Board of Directors or Owners having in the aggregate at least ten percent (10%) of the votes of all Owners.
- (iii) **Meeting.** The resolution concerning a proposed amendment must be adopted by the designated vote at a meeting duly called and held in accordance with the provisions of the By-Laws.
- (iv) **Adoption.** Any proposed amendment to this Declaration must be approved by a vote of not less than sixty percent (60%) in the aggregate of the votes of all Owners constituting a Quorum; provided, however, that prior to the Applicable Date all proposed amendments shall require the written consent of the Declarant. In the event any Lot or Dwelling Unit is subject to a first mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the same manner as an Owner if the Mortgagee has given prior notice of its mortgage interest to the Board of Directors in accordance with the provisions hereof.
- (v) **Special Amendments.** No amendment to this Section E Declaration shall be adopted which changes (1) the applicable share of an Owner's liability for the Common Expenses, or the method of determining the same, or (2) the provisions of this Declaration of Paragraph 20 with respect to casualty insurance to be maintained by the Section E Corporation, or (3) the provisions of Paragraph 21 of this Section E Declaration with respect to reconstruction or repair of the Common Area, or the provisions of Paragraph 20 with respect to the reconstruction or repair of a Dwelling Unit, in the event of fire or any other casualty or disaster, or (4) the provisions of Paragraph 18 of this Declaration with respect to the commencement of assessments on any Lot, or (5) the provisions of paragraph 23 of this Section E Declaration with respect to amendments solely by Declarant, or (6) the provisions of Paragraph 12 relating to the makeup of the Board and the duties of the Board and the Section E Corporation without, in each and any of such circumstances, the unanimous approval of all Owners, including Declarant so long as Declarant owns any Lot, and of all Mortgagees whose mortgage interests have been made known to the

Board of Directors in accordance with the provisions of this Section E Declaration.

- (vi) Recording. Each amendment to this Section E Declaration shall be executed by the President and Secretary of the Section E Corporation and shall be recorded in the Office of the Recorder of Marion County, Indiana, and such amendment shall not become effective until so recorded.

(b) Amendments by Declarant Only. Notwithstanding the foregoing or anything elsewhere contained herein or in any other documents, the Declarant shall have and hereby reserves the right and power acting alone and without the consent or approval of the Owners, the Section E Corporation, the Board of Directors, any Mortgagees or any other person to amend or supplement this Section E Declaration at any time and from time to time if such amendment or supplement is made (a) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing & Urban Development, the Federal Housing Association, the Veteran's 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 guarantee first mortgages covering Lots and Dwelling Units, (c) to bring this Section E Declaration into compliance with any statutory requirements, (d) to correct clerical, typographical or other errors in this Section E Declaration or any Exhibit hereto or any supplement or amendment thereto, (e) to clarify Declarant's original intent, or (f) to expand or subject to this Section E Declaration additional portions of the Section E Real Estate. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to vote in favor of, make, or consent to any amendments described in this Paragraph 23 on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot or Dwelling Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Declarant to vote in favor of, make, execute and record any such amendments. The right of the Declarant to act pursuant to rights reserved or granted under this Paragraph 23 shall terminate at such time as the Declarant no longer holds or controls title to any part or portion of the Section E Tract.

24. Acceptance and Ratification. All present and future Owners, Mortgagees, tenants and occupants of the Lots shall be subject to and shall comply with the provisions of this Section E Declaration, the Articles, and the By-Laws incorporated herein by reference, and the rules and regulations as adopted by the Board of Directors as each may be amended from time to time. The acceptance of a deed of conveyance or the act of occupancy of any Lot shall constitute an agreement that the provisions of this Section E Declaration, the Articles, the By-Laws, and rules and regulations, as each

may be amended or supplemented from time to time, are accepted and ratified by such Owner, tenant or occupant, and all such provisions shall be covenants running with the land and shall be binding on any person having at any time any interest or estate in a Lot or the Section E Tract as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. All persons, corporations, partnerships, trusts, associations, or other legal entities who may occupy, use, enjoy or control a Lot or Lots or any part of the Section E Tract in any manner shall be subject to the Section E Declaration, the Articles of Incorporation, the By-Laws, and the rules and regulations applicable thereto as each may be amended or supplemented from time to time.

25. Negligence. Each Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees to the extent that such expense is not covered by the proceeds of insurance carried by the Section E Corporation.

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

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

28. Severability Clause. The invalidity of any covenant, restriction, condition, limitation or other provision of this Section E 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 Section E Declaration, the Articles, or the By-Laws, and each shall be enforced to the greatest extent permitted by law.

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

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

31. The Plat. The Section E Plat for a certain portion of Section E as set forth in Exhibit B-1 has been recorded in the Office of the Recorder of Marion County, Indiana, and is incorporated herein by reference.

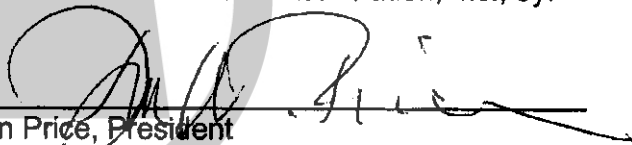
32. Controlling Document. In the event there is any conflict between the provisions of this Section E Declaration and the Overall Declaration (or supplements or amendments thereto), the terms and provisions of the Overall Declaration shall be controlling. In the event there is a conflict between the provisions of this Section E Declaration and any Section E Plat, the terms of this Section E Declaration, as supplemented or amended, shall be controlling.

Conflict, as used herein, shall mean a situation where the application of the language in one document contradicts the language in another document. Conflict does not occur where language in one document is simply more restrictive than language in another document.

33. No Liability. Declarant and the Board (and any Secondary Declarant) may grant, withhold or deny its permission or approval in any instance where its permission or approval is permitted or required without liability of any nature to Owner or any other person for any reason whatsoever and any permission or approval granted shall be binding upon all persons.

IN WITNESS WHEREOF, the undersigned have caused this Amended and Restated Declaration to be executed as of June 6, 2008.

Section E Homeowners Association, Inc., by:

* 
 Don Price, President

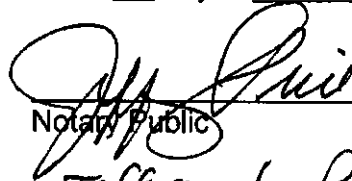
Attest:

* 
 Peggy Ford, Secretary

STATE OF INDIANA)
) SS:
 COUNTY OF MARION)

Before me a Notary Public in and for said County and State, personally appeared Don Price and Peggy Ford, the President and Secretary, respectively, of Section E Homeowners Association, Inc. who acknowledged the execution of the foregoing "Amended and Restated Declaration of Covenants and Restrictions of Section E of Sycamore Springs Property Ownership" on behalf of said corporation and its members. Said President and Secretary also state that the foregoing is true and correct after the members of the Section E Corporation approved various amendments at a meeting duly called for such purpose on April 22, 2004, which was the first meeting of the Section E Corporation's members after the Applicable Date.

Witness my hand and Notarial Seal this 6th day of June, 2008.



Notary Public

Jeffrey L. Price
(Printed Signature)

My Commission Expires: 9/20/08

My County of Residence: Marion



CHICAGO TITLE

"I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security Number in this document, unless required by law."
P. Thomas Murray, Jr., Esq.

This instrument prepared by, and should be returned to:

P. Thomas Murray, Jr.

EADS MURRAY & PUGH, P.C.

Attorneys at Law

9515 E. 59th Street, Suite B

Indianapolis, IN 46216. (317) 536-2565.



AMENDED AND RESTATED CODE OF BY-LAWS

OF

SECTION E HOMEOWNERS ASSOCIATION, INC.

(An Exhibit to the Amended and Restated Declaration of Covenants

and Restrictions of Section E of [®]

Sycamore Springs Property Ownership)

CHICAGO TITLE

**AMENDED AND RESTATED CODE OF BY-LAWS
OF
SECTION E HOMEOWNERS ASSOCIATION, INC.**

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CHICAGO TITLE

**AMENDED AND RESTATED CODE OF BY-LAWS
OF
SECTION E HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
Identification and Applicability**

Section 1.01. Identification and Adoption. These By-Laws are adopted simultaneously with the execution of a certain Declaration (the "Section E Declaration") creating Section E Homeowners Association, Inc. The Section E Declaration is incorporated herein by reference, and all of the covenants, 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 Section E Declaration shall have the same meaning in these By-Laws and reference is specifically made to paragraph 1 of the Section E Declaration containing definitions of terms. The provisions of these By-Laws shall apply to the Tract and the administration and conduct of the affairs of the Section E Corporation. These By-Laws shall also constitute the By-Laws of the Section E Corporation.

Section 1.02. Name, Principal Office and Resident Agent. The name of the Section E Corporation is Section E Homeowners Association, Inc. (hereinafter referred to as the "Section E Corporation"). The post office address of the principal office of the Section E Corporation is 941 North Meridian Street, Indianapolis, Indiana, 46204; the name of its Resident Agent in charge of such office is Sol Miller. The location of the principal office of the Section E Corporation, or the designation of its Resident Agent, or both, may be changed at any time or from time to time when authorized by the Board of Directors by filing with the Secretary of State on or before the day any such change is to take effect or

as soon as possible after the death of its Resident Agent or other unforeseen termination of its agent.

Section 1.03. Individual Application. All of the Owners, future Owners, tenants, future tenants, or their guests and invitees, or any other person that might use or occupy a Dwelling Unit or any part of a Lot, shall be subject to the restrictions, terms and conditions set forth in the Section E Declaration and these By-Laws, and to any rules and regulations adopted by the Board of Directors as herein provided.

ARTICLE II
Meetings of Section E Corporation

Section 2.01. Purpose of Meetings. At least annually, and at such other times as may be necessary, a meeting of the Owners shall be held for the purpose of electing the Board of Directors (subject to the provisions of Section 3.02 hereof), receiving the annual budget, and for such other purposes as may be necessary or required by the Section E Declaration and these By-Laws.

Section 2.02. Annual Meetings. The annual meeting of the members of the Section E Corporation is to be held in the month of October, with the exact date, time and location to be determined by the Board of Directors each year. At the annual meeting the Owners shall (subject to the provisions of Section 3.02 hereof) elect the Board of Directors of the Section E Corporation in accordance with the provisions of these By-Laws and transact such other business as may properly come before the meeting.

Section 2.03. Special Meetings. A special meeting of the members of the Section E Corporation may be called by resolution of the Board of Directors or upon a written petition of Owners who have not less than ten percent (10%) of the Votes (entitled

to be cast by the Owners as set forth in the Section E Declaration). The resolution or petition shall be presented to the President or Secretary of the Section E Corporation and shall state the purpose for which the meeting is to be called. No business shall be transacted at a special meeting except as stated in the petition or resolution.

Section 2.04. Notice and Place of Meetings. All meetings of the members of the Section E Corporation shall be held at any suitable place in Marion County, Indiana, as may be designated by the Board of Directors. Written notice stating the date, time and place of any meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered or mailed by the Secretary of the Section E Corporation to each member entitled to vote thereat not less than ten (10) days prior to the date of such meeting. The notice shall be mailed or delivered to the Owners at the addresses of their respective Lots and not otherwise. A copy of each such written notice shall also be delivered or mailed simultaneously by the Secretary of the Section E Corporation to each Mortgagee (a) who requests in writing that such notices be delivered to it, and (b) who has furnished the Section E Corporation with its name and address in accordance with Section 8.01 of these By-Laws. Such Mortgagee may designate a representative to attend the meeting. Attendance at any meeting in person, by agent or by proxy shall constitute a waiver of notice of such meeting.

Section 2.05. Voting and Conduct of Meetings.

(a) **Number of Votes.** On each matter coming before the meeting as to which an Owner is entitled to vote, such Owner shall be entitled to cast such votes as provided in Section 11(b) of the Section E Declaration.

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

(c) Voting by Corporation or Trust. Where a corporation or trust is an Owner or is otherwise entitled to vote, the trustee may cast the vote on behalf of the trust and the agent or other representative of the corporation duly empowered by the board of directors of such corporation may cast the vote to which the corporation is entitled. The secretary of the corporation or a trustee of the trust so entitled to vote shall deliver or cause to be delivered prior to the commencement of the meeting a certificate signed by such person to the Secretary of the Section E Corporation stating who is authorized to vote on behalf of said corporation or trust.

(d) Proxy. An Owner may vote either in person or by his duly authorized and designated proxy holder. Where voting is by proxy, the Owner shall duly designate his proxy holder in writing, delivered to an officer or the Managing Agent (as defined in Section 3.06) of the Section E Corporation prior to the commencement of the meeting.

(e) Quorum. Except where otherwise expressly provided in the Section E Declaration, these By-Laws, or the Indiana Nonprofit Corporation Act of 1991 (hereinafter referred to as the "Statute"), the Owners representing thirty percent (30%) of the Votes shall constitute a quorum at all meetings. The term thirty percent (30%) of Owners or

thirty percent (30%) of Votes, as used in these By-Laws, shall mean the Owners entitled to at least thirty percent (30%) of the Votes in accordance with the applicable percentage set forth in the Section E Declaration, as such may be amended from time to time. As used elsewhere in these By-Laws, the term majority of the Votes shall mean the majority of the votes cast at a meeting of the Section E Corporation at which a quorum is present either in person or by proxy.

(f) Conduct of Annual Meeting. The President of the Section E Corporation shall act as the Chairman of all annual meetings of the Section E Corporation if he is present. At all annual meetings, the Chairman shall call the meeting to order at the duly designated time and business will be conducted in the following order:

(1) Reading of Minutes. The Secretary shall read the minutes of the last annual meeting and the minutes of any special meeting held subsequent thereto, unless such reading is waived by a majority of the Votes.

(2) Treasurer's Report. The Treasurer shall report to the Owners concerning the financial condition of the Section E Corporation and answer relevant questions of the Owners concerning the Common Expenses and financial report for the current year and the proposed budget for the next year.

(3) Budget. The budget for the next fiscal year shall be presented to the Owners.

(4) Election of Board of Directors. Nominations for the Board of Directors may be made by any Owner from those persons eligible to serve. The ballot shall contain the name of each person nominated to serve as a Board member. Each Owner may cast the total number of votes to which he is entitled for as many

nominees as are to be elected; however, he shall not be entitled to cumulate his votes. Those persons receiving the highest number of votes shall be elected. Each voting Owner shall sign his ballot. The foregoing provisions are subject to the provisions of Section 3.02 hereof.

(5) Other Business. Other business may be brought before the meeting only upon a written request submitted to the Secretary of the Section E Corporation at least seven (7) days prior to the date of the meeting; provided, however, that such written request may be waived at the meeting if agreed by a majority of the Votes.

(6) Adjournment.

(g) Conduct of Special Meeting. The President of the Section E Corporation shall act as Chairman of any special meetings of the Section E Corporation if he is present. The Chairman shall call the meeting to order at the duly designated time and the only business to be considered at such meeting shall be in consideration of the matters for which such meeting was called, as set forth in the notice of such special meeting.

CHICAGO TITLE
ARTICLE III
Board of Directors

Section 3.01. Management. The affairs of the Section E Corporation shall be governed and managed by the Board of Directors (herein collectively called "Board" or "Directors" and individually called "Director"). The Board of Directors shall be composed of five (5) Owners.

Section 3.02. Initial Board of Directors. The initial Board of Directors shall be Sol Miller, James J. Curtis and Patrick J. Early (herein referred to as the "Initial Board"), all of whom have been or shall be appointed by Declarant. Notwithstanding anything to the

contrary contained in, or any other provisions of, these By-Laws, the Section E Declaration or elsewhere (a) the Initial Board shall hold office until the earlier of (1) January 1, 2010, or (2) the date when at least sixty-five (65) Lots have been conveyed to Owners other than (x) Secondary Declarants or (y) entities designated by Declarant as Class B Members, or (3) the date upon which the written resignation of all Class B Members is delivered to the Secretary of the Section E Corporation (such date when the Initial Board shall no longer hold office being herein referred to as 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 the Applicable Date determined as provided above, every such vacancy shall be filled by a person appointed by Declarant, who shall thereafter be deemed a member of the Initial Board. Each Owner, by acceptance of a deed to a Lot, or by acquisition of any interest in a Lot by any type of juridic acts, inter vivos or causa mortis, or otherwise, 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 determined as provided above, to exercise all of said Owner's right to vote and to vote as Declarant determines on all matters as to which members are entitled to vote under the Section E Declaration, these 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.

Section 3.03. Additional Qualifications. Where an Owner consists of more than one person or is a partnership, corporation, trust or other legal entity, then one of the persons constituting the multiple Owner, or a partner or an officer or trustee shall be

eligible to serve on the Board of Directors, except that no single Lot may be represented on the Board of Directors by more than one person at a time.

Section 3.04. Term of Office and Vacancy. At the Section E Corporation meeting held on April 22, 2004, which was the first meeting of the Members held after the Applicable Date, two (2) Directors were elected for a term of three (3) years, two (2) Directors for a two (2) year term, and one (1) Director for a one (1) year term. Thereafter, each Director shall serve a three (3) year term so that the terms shall be staggered. Those nominees receiving the highest number of votes shall be elected at each Annual Meeting. Each Director elected shall hold office throughout the term of his election and until his successor is elected and qualified. Any vacancy or vacancies occurring in the Board shall be filled by a vote of a majority of the remaining Directors or by vote of the Owners if a Director is removed in accordance with Section 3.05 of this Article III. The Director so filling a vacancy shall serve until the next annual meeting of the members and until his successor is elected and qualified. At the first annual meeting following any such vacancy, a Director shall be elected for the balance of the term of the Director so removed or in respect to whom there has otherwise been a vacancy.

Section 3.05. Removal of Directors. A Director or Directors, except the members of the Initial Board, may be removed with or without cause by vote of a majority of the Votes at a special meeting of the Owners duly called and constituted for such purpose. In such case, his successor shall be elected at the same meeting from eligible Owners nominated at the meeting. A Director so elected shall serve until the next annual meeting of the Owners and until his successor is duly elected and qualified.

Section 3.06. Duties of the Board of Directors. The Board of Directors shall provide for the administration of Section E, the maintenance, upkeep and replacement of the Common Areas and Limited Areas (unless the same are otherwise the responsibility or duty of Owners of Lots), the establishment of a budget and the collection and disbursement of the Common Expenses. After the Applicable Date, the Board shall, on behalf of the Section E Corporation, employ a reputable and recognized professional property management agent (herein called the "Managing Agent") upon such terms as the Board shall find, in its discretion, reasonable and customary. The Managing Agent shall assist the Board in carrying out the Board's duties and the Section E Corporation's responsibilities, which include, but are not limited to:

(a) protection and replacement of the Common Areas, unless the same are otherwise the responsibility or duty of an Owner;

(b) maintenance, repair, upkeep and replacement of the Common Area (except as is otherwise the obligation of an Owner), including but not limited to, the maintenance, repair, upkeep and replacement of the following (if located within the Common Area): (1) street furniture, (2) signage, (3) walls, fences and gates, (4) flowers, plant material, grass and other landscaping, (5) irrigation system, (6) lighting, and (7) streets;

(c) assessment and collection from the Owners of the Owner's share of the Common Expenses and, as required by the Overall Declaration, the Overall Common Expenses;

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

(e) preparing and delivering annually to the Owners a full accounting of all receipts and expenses incurred in the prior year; such accounting shall be delivered to each Owner;

(f) procuring and maintaining for the Section E Corporation and the Board the insurance coverages required under the Section E Declaration and such other insurance coverages as the Board, in its sole discretion, may deem necessary or advisable.

(g) paying taxes assessed against and payable with respect to the Common Area and paying any other necessary expenses and costs in connection with the Common Area;

(h) snow removal from the Streets that are part of the Common Area;

(i) snow removal from the private walks, stoops and drives of each Owner;

(j) trash removal for each Owner in accordance with the rules and regulations established by the Board;

(k) maintenance, repair, replacement and upkeep of (i) the grass, planting beds, bushes, and other landscaping on the Lots, (ii) any fences and gates located on a Lot, and (iii) the irrigation system applicable to any Lot, all to the extent as determined by the Board of Directors by resolution or rules and regulations adopted by the Board; and

(l) maintenance, repair, replacement and upkeep of mailboxes and of any yard lighting initially installed in connection with construction of the Dwelling Unit on the Lot.

Section 3.07. Powers of the Board of Directors. The Board of Directors shall have such powers as are reasonable and necessary to accomplish the performance of their duties. These powers include, but are not limited to, the power:

(a) to employ a Managing Agent to assist the Board in performing its duties, including keeping a record and minutes of all meetings; provided, however, except as otherwise provided in Paragraph 13 of the Section E Declaration, any management agreement shall be terminable by the Section E Corporation with or without cause upon thirty (30) days written notice and any such agreement may not exceed two (2) years, renewable by agreement of the parties for successive one (1) year periods.

(b) to purchase, lease or otherwise obtain for the Section E Corporation to perform its duties such equipment, materials, labor and services as may be necessary in the judgment of the Board of Directors;

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

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

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

(f) to open and maintain a bank account or accounts in the name of the Section E Corporation; and

(g) to promulgate, adopt, revise, amend and alter from time to time such additional rules and regulations with respect to use, occupancy, operation and enjoyment of the Section E Tract, the Common Area (in addition to those set forth in the Section E Declaration) as the Board, in its discretion, deems necessary or advisable; provided,

however, that copies of any such additional rules and regulations so adopted by the Board shall be promptly delivered or mailed to all Owners, and further provided that such rules and regulations are not in conflict with any terms and provisions of the Overall Declaration or of any rules and regulations adopted by the SS Corporation;

Section 3.08. Limitation on Board Action. After the Applicable Date, the authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than \$5,000.00 without the Board amending the budget, after notice to (but not approval of) the Owners, except that in the following cases such amendment and notice shall not be necessary:

(a) contracts for replacing or restoring portions of the Common Areas or Limited Areas damaged or destroyed by fire or other casualty where the cost thereof is payable out of insurance proceeds actually received;

(b) proposed contracts and proposed expenditures covered in the annual budget; and

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

Section 3.09. Compensation. No Director shall receive any compensation for his services as such except to such extent as may be expressly authorized by a majority of the Votes. The Managing Agent shall be entitled to reasonable compensation for its services, the cost of which shall be a Common Expense.

Section 3.10. 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.

Special meetings of the Board may be called by the President or any two (2) members of the Board. The person or persons calling such meeting shall give written notice thereof to the Secretary who shall either personally or by mail, and at least three (3) days prior to the date of such special meeting, give notice to the Board members. The notice of the meeting shall contain a statement of the purpose for which the meeting is called. Such meeting shall be held at such place and at such time within Marion County, Indiana, or any of the contiguous counties, as shall be designated in the notice.

Section 3.11. Waiver of Notice. Before any meeting of the Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. The presence of any Director at a meeting or his subsequent consent to the actions taken thereat, shall constitute a waiver of notice of the time, place and purpose thereof. If all Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 3.12. Quorum. At all meetings of the Board a majority of the Directors shall constitute a quorum for the transaction of business and the votes of the majority of the Directors present at a meeting at which a quorum is present shall be the decision of the Board.

Section 3.13. Non-Liability of Directors. The Directors shall not be liable to the Owners or any other persons for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith or gross negligence. The Section E Corporation shall indemnify and

hold harmless and defend each of the Directors against any and all liability to any person, firm or corporation arising out of contracts made by the Board on behalf of Section E or the Section E Corporation, unless any such contract shall have been made in bad faith or contrary to the provisions of the Section E Declaration or By-Laws. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of Section E or the Section E Corporation and that in all matters the Board is acting for and on behalf of the Owners as their agent. The liability of any Owner arising out of any contract made by the Board or out of the aforesaid indemnity in favor of the Directors shall be limited to such percentage of the total liability or obligation thereunder as is equal to his Vote. Every contract made by the Board or the Managing Agent on behalf of the Section E Corporation shall provide that the Board of Directors and the Managing Agent, as the case may be, are acting as agent for the Owners and shall have no personal liability thereunder, except in their capacity as Owners (if applicable).

Section 3.14. Additional Indemnity of Directors. The Section E Corporation shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives, made a party to any action, suit or proceeding by reason of the fact that he is or was a Director of the Section E Corporation, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such 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 Section E Corporation shall also reimburse to any such Director the reasonable costs of settlement of or judgment rendered

in any action, suit or proceeding, unless it is determined by a majority of the Votes that such Director was guilty of gross negligence or misconduct. In making such findings and notwithstanding the adjudication in any action, suit or proceeding against a 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 relied on the books and records of the Section E Corporation or statements or advice made by or prepared by the Managing Agent of Section E or any officer or employee thereof, or any accountant, attorney or other person, firm or corporation employed by the Section E Corporation to render advice or service unless such Director 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 failed or neglected to attend a meeting or meetings of the Board of Directors.

Section 3.15. Bond. The Board of Directors shall require the Managing Agent, Treasurer, employees, officers and agents handling or responsible for funds of or administered on behalf of the Section E Corporation to have surety bonds indemnifying the Section E Corporation against larceny, theft, embezzlement, forgery, misappropriation, willful misapplication and other acts of fraud or dishonesty in an amount not less than the estimated maximum amount of funds, including reserve funds, in the custody of the Section E Corporation or the Managing Agent, as the case may be, at any given time, but in no event less than a sum equal to three (3) months aggregate assessments on all Lots, plus reserve funds. Such bonds shall also specifically include protection for any insurance proceeds received for any reason by the Board.

The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of employees or similar terms or expressions. The expense of any such bonds, except those maintained by the Managing Agent, shall be a Common Expense. The bonds shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days prior written notice to the Section E Corporation and to all Mortgagees.

ARTICLE IV **Officers**

Section 4.01. Officers of the Section E Corporation. The principal officers of the Section E Corporation 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 an 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 that the duties of the President and Secretary shall not be performed by the same person.

Section 4.02. Election of Officers. The officers of the Section E Corporation shall be elected annually by the Board at the initial meeting of each new Board. Upon an affirmative vote of a majority of all members of the Board, 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 4.03. The President. The President shall be elected from among the Directors and shall be the chief executive officer of the Section E Corporation. He shall preside at all meetings of the Section E Corporation and of the Board, shall have and discharge all the general powers and duties usually vested in the office of president or chief

executive officer of an association or a stock corporation organized under the laws of Indiana, including but not limited to the power to appoint committees from among the Owners as he may deem necessary to assist in the affairs of the Section E Corporation and to perform such other duties as the Board may from time to time prescribe.

Section 4.04. 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 4.05. The Secretary. The Secretary shall be elected from among the Directors. The Secretary shall attend all meetings of the Section E Corporation 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 as from time to time may be prescribed by the Board. The Secretary shall specifically see that all notices of the Section E Corporation or the Board are duly given, mailed or delivered, in accordance with the provisions of these By-Laws.

Section 4.06. 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 Section E Corporation and who shall perform such other duties incident to the office of Treasurer. He shall be the legal custodian of all monies, notes, securities and other valuables which may from time to time come into possession of the Section E Corporation. He shall immediately deposit all funds of the Section E Corporation coming into his hands in some reliable bank or other depository to

be designated by the Board and shall keep such bank account or accounts in the name of the Section E Corporation. The Treasurer may permit the Managing Agent to handle and account for monies and other assets of the Section E Corporation to the extent appropriate as part of its duties.

Section 4.07. Assistant Officers. The Board of Directors may, from time to time, designate and elect from among the Owners an Assistant Secretary and an Assistant Treasurer who shall have such powers and duties as the officers whom they are elected to assist shall delegate to them and such other powers and duties as these By-Laws or the Board of Directors may prescribe.

ARTICLE V
Assessments

Section 5.01. Annual Accounting. Annually, after the close of each fiscal year of the Section E Corporation, the Board shall cause to be prepared and furnished to each Owner a financial statement prepared by a certified public accountant or firm of certified public accountants then serving the Section E Corporation, which statement shall show all receipts and expenses received, incurred and paid during the preceding fiscal year.

Section 5.02. Proposed Annual Budget. Annually, before the date of the annual meeting of the Section E Corporation, the Board of Directors shall cause to be prepared a proposed annual budget for the next fiscal year estimating the total amount of the Common Expenses for the next fiscal year and shall furnish a copy of such proposed budget to each Owner at or prior to the time the notice of such annual meeting is mailed or delivered to such Owners. The annual budget shall be submitted to the Owners of the annual meeting of the Section E Corporation for adoption and, if so adopted, shall be the basis for the Regular Assessments for the next fiscal year. At the annual meeting of the Owners,

notwithstanding any other provision in the Section E Declaration, the Articles or these By-Laws, the budget may be approved in whole or in part or may be amended in whole or in part by a majority vote of those Owners present either in person or by proxy; provided however that in no event shall the annual meeting of the Owners be adjourned until an annual budget is approved and adopted at such meeting, either the proposed annual budget or the proposed annual budget as amended. The annual budget, the Regular Assessments and all sums assessed by the Section E Corporation shall be established by using generally accepted accounting principles applied on a consistent basis.

The annual budget and the Regular Assessments may, in the Board's discretion, be established to include the establishment and maintenance of an adequate replacement reserve fund for capital expenditures and replacement and repair of the Common Area, which replacement reserve fund shall be used for those purposes and not for usual and ordinary repair expenses. Such replacement reserve fund, if any, for capital expenditures and replacement and repair of the Common Area shall be maintained by the Section E Corporation in a separate interest bearing account or accounts with one or more banks or savings and loan associations authorized to conduct business in Marion County, Indiana, selected from time to time by the Board.

The Section E Corporation shall only be responsible for collecting the Regular Assessment payable by the Section E Owners. The Section E Owners shall remit directly to the SS Corporation the Regular Overall Assessment applicable to each Lot and assessed per the terms of the Overall Declaration.

The failure or delay of the Board of Directors to prepare an annual budget and to furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner

of the obligations of the Owners to pay the Common Expenses as herein provided, whenever determined.

Whenever, whether before or after the annual meeting of the Section E Corporation, there is no annual budget approved by the Owners as herein provided for such current fiscal year, the Owners shall continue to pay Regular Assessments based upon the last approved budget.

Section 5.03. Regular Assessments. The annual budget, as adopted by the Owners, shall, based on the estimated cash requirement for the Common Expenses in the current fiscal year as set forth in said budget, contain a proposed assessment, against each Lot. The assessment against each Fully Assessed Lot shall be equal to the Common Expenses multiplied by a percentage equal to one (1) divided by the sum of (i) the number of Fully Assessed Lots in the Section E Tract and (ii) one-quarter (1/4) of the Lots in the Section E Tract that are not fully assessed. The assessment against each Lot that is not a Fully Assessed Lot shall equal one-quarter (1/4) of the assessment applicable to each Fully Assessed Lot. Immediately following the adoption of the annual budget, each Owner shall be given written notice of such assessment against his respective Lot (herein called the "Regular Assessment"). The aggregate amount of the Regular Assessments shall be equal to the total amount of expenses provided and included in the final annual budget, including reserve funds as hereinabove provided. The Regular Assessment against each Lot shall be paid in advance in equal monthly installments with the first payment due on the first day of the month following the date such Lot is established (platted) prorated to the first day of the month when the next monthly payment is due. Thereafter, payment of the Regular Assessment shall be paid monthly. Payment of the monthly installments of the

Regular Assessment shall be made to the Board of Directors or the Managing Agent, as directed by the Board of Directors; provided, however, the Board may elect to have the Owners pay assessments quarterly, semi-annually or annually, in advance.

The Regular Assessment for the current fiscal year of the Section E Corporation shall become a lien on each separate Lot as of the first day of each fiscal year of the Section E Corporation, even though the final determination of the amount of such Regular Assessment may not have been made by that date. Monthly installments, semi-annual installments or annual installments of Regular Assessments (as applicable) shall be due and payable automatically on their respective due dates without any notice from the Board or the Section E Corporation, and neither the Board nor the Section E Corporation shall be responsible for providing any notice or statements to Owners for the same.

Section 5.04. 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 these By-Laws or the Section E Declaration, the Board of Directors shall have the full right, power and authority to make special assessments which, upon resolution of the Board shall be the equal obligation of all Owners and, shall become a lien on each Lot (herein called "Special Assessment"). Without limiting the generality of the foregoing provisions, Special Assessments may be made by the Board of Directors from time to time to pay for capital expenditures, to pay for the cost of any repair or reconstruction of damage caused by fire or other casualty or disaster to the extent insurance proceeds are insufficient therefor under the circumstances described in the Section E Declaration. No Special Assessment

shall be made prior to the Applicable Date without the approval of Declarant and any Secondary Declarant.

Section 5.05. 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 Areas and, in the proper case, of the Limited Areas, and toward any other expense lawfully agreed upon, by waiver of the use or enjoyment of the Common Areas or by abandonment of the Lot belonging to him. Each Owner shall be personally liable for the payment of all Regular Assessments and Special Assessments. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several. If any Owner shall fail, refuse or neglect to make any payment of any Regular Assessments or Special Assessments when due, the lien for such Assessment on the Owner's Lot may be filed and foreclosed by the Board for and on behalf of the Association as provided by law. Upon the failure of an Owner to make payments of any Regular Assessments and/or Special Assessments, within ten (10) days after any such Regular Assessments and/or Special Assessments (as applicable) are due (with such due dates being set forth in Sections 5.03 and 5.04 herein), the Board, in its discretion may (i) impose a late fee in an amount up to twenty-five percent (25%) of the delinquent installment, and (ii) accelerate the entire balance of unpaid assessments and declare the same immediately due and payable, notwithstanding any other provisions hereof to the contrary. The Board may, at its option, bring a suit to recover a money judgment for any unpaid Regular Assessment or Special Assessment without foreclosing or waiving the lien securing the same. In any action to recover a Regular Assessment or

Special Assessment, whether by foreclosure or otherwise, the Board, for and on behalf of the Section E Corporation, shall be entitled to recover from the Owner of the respective Lot and Dwelling Unit, regardless of whether litigation is initiated, costs and expenses of such action incurred, including but not limited to collection costs incurred by the Section E Corporation to the Managing Agent for processing delinquent Owners' accounts and reasonable attorneys' fees, and interest from the date such assessments were due until paid at the rate equal to the prime interest rate as announced by Bank One, Indianapolis, N.A., from time to time (or if said Bank is no longer in existence then such rate charged by a national bank in Marion County, Indiana, selected by the Board of Directors) during the unpaid period plus three percent (3%).

(b) Notwithstanding anything contained in this Section or elsewhere in the Section E Declaration and these By-Laws, the lien for any Regular Assessment or Special Assessment shall be subordinate to the lien of any Mortgagee and any sale or transfer of a Lot to a Mortgagee pursuant to a foreclosure on its mortgage or conveyance in lieu thereof or a conveyance to any person at a public sale in a manner provided by law with respect to mortgage foreclosures, shall extinguish the lien of any unpaid installment of any Regular Assessment or Special Assessment as to such 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 the purchaser at such foreclosure sale, or grantee in the event of conveyance in lieu thereof, from liability for any installments of Regular Assessments or Special Assessments thereafter becoming due or from the lien therefor. Such unpaid share of any Regular Assessments or Special Assessments, the lien for which

has been divested as aforesaid, shall be deemed to be a Common Expense, collectible from all Owners (including the party acquiring the subject Lot from which it arose).

Section 5.06. Regular Assessments Prior to Applicable Date. During the period that Declarant or Secondary Declarant are selling Lots and Dwelling Units are being constructed within the Section E Tract, it is difficult to accurately allocate the Common Expenses to the individual Lots. The purpose of this section is to provide the method for the payment of the Common Expenses during the period prior to the Applicable Date to enable the Section E Corporation to perform its duties and functions. Accordingly and notwithstanding any other provision contained in the Section E Declaration, the Articles, these By-laws or otherwise, prior to the Applicable Date, the annual budget and all Regular Assessments and Special Assessments shall be established by the Initial Board without any meeting or concurrence of the Owners; provided, however, the Regular Assessments shall be determined in accordance with the provisions contained in Paragraph 18 of the Section E Declaration.

Prior to the Applicable Date, the Section E Corporation will enter into a management agreement with Declarant (or a corporation or other entity affiliated with Declarant) (hereinafter referred to as "Management Agent" or "Managing Agent") in accordance with the provisions of Section E Declaration. So long as such management agreement remains in effect, the Common Expenses or Regular Assessments shall be paid by Owners to Management Agent. Management Agent shall guarantee that until the earlier of (1) the termination of said management agreement, or (2) December 31, 1998, the yearly Regular Assessment for a Fully Assessed Lot shall not exceed \$2,406.00 (the "Guaranteed Charge"). The Regular Assessment for a Lot that is not a Fully Assessed Lot shall be

one-quarter (1/4) of the Guaranteed Charge. After December 31, 1998, assuming that said management agreement has not been terminated, and so long thereafter as said management agreement remains in effect and Management Agent continues to perform such functions, Management Agent guarantees that the yearly Regular Assessment shall not exceed the amount of the Guaranteed Charge, plus (1) the greater of an amount representing an increase thereof to reflect any increase in the Consumer Price Index (all items - all cities) published by the United States government over such index as existed in the month of December 1997, or (2) ten percent (10%). The amount to be added to the Guaranteed Charge shall be in an amount equal to the same percentage of the Guaranteed Charge as the percentage increase in said Consumer Price Index or ten percent (10%), whichever is greater, or if Declarant so determines a lesser amount. Such adjustments to the Guaranteed Charge shall be made annually on the first day of each fiscal year so long as said management agreement remains in effect and Management Agent continues to perform such functions. Such yearly charge shall, during such guaranteed period, entirely defray the Owner's obligation for his share of Common Expenses or shall be the Owner's entire Regular Assessment. Management Agent shall be responsible for any deficit during such guarantee period; provided, however, that this guarantee is not intended to include, and does not include, major physical alterations or other unusual expenditures not ordinarily anticipated in normal maintenance operations. Such expenditures would be covered through Special Assessments, or, if sufficient, the replacement reserve fund.

Ten percent (10%) of the Regular Assessment prior to the Applicable Date shall be designated as a reserve fund for maintenance, repairs or replacement of Common Area

and maintenance items relating to the Dwelling Units that must be repaired and replaced on a periodic basis (hereinafter referred to as "Capital Items").

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

Payment of the Regular Assessment prior to the Applicable Date with respect to each Lot shall commence on the first day of the month following the date that the Lot is established (platted) ("Commencement Date"). The first payment shall be payable on the Commencement Date. Thereafter, payment of the Regular Assessment shall be paid monthly.

Each Owner hereby authorizes the Section E Corporation and the Board of Directors and its officers to enter into the aforesaid management agreement described in Paragraph 13 of the Section E Declaration and to adhere to and abide by the same.

Section 5.07. Maintenance and Repairs. Maintenance, repairs, replacements and upkeep of the Common Area (except as such is the obligation of the individual Owners) as provided in Paragraph 12 (f) of the Section E Declaration shall be furnished by the Section E Corporation, as a part of its duties, and the cost thereof shall constitute a part of the Common Expenses.

Each Owner (except as otherwise established as the Section E Corporation's responsibility under the Section E Declaration) shall be responsible for maintaining and keeping his Lot, Dwelling, and all other structural improvements located on his Lot in a

good, clean, neat, sanitary and well maintained condition and shall do such work thereon as is required to cause such Lot and structural improvements to be so maintained.

Notwithstanding any obligation or duty of the Section E Corporation to repair or maintain the Common Area if, due to the willful, intentional or negligent acts or omissions of an Owner or of a member of his family or of a guest, tenant, invitee or other occupant or visitor of such Owner, damage shall be caused, or if maintenance, repairs or replacements shall be required thereby, which would otherwise be an Common Expense, then such Owner shall pay for such damage and such maintenance, repairs, and replacements, as may be determined by the Section E Corporation, unless such loss is covered by the Section E Corporation's insurance with such policy having a waiver of subrogation clause. If not paid by such Owner upon demand by the Section E Corporation, the cost of repairing such damage shall be added to and become a part of the assessment to which such Owner's Lot is subject.

So long as the Section E Tract is subject to the Section E Declaration each Owner, by his acceptance of a deed to any Lot, irrevocably grants to the Section E Corporation, its agents and employees, the right to enter upon, across and over the Lot owned by such Owner under such conditions, as are reasonably necessary to effect the maintenance, cleaning, repair, landscaping or other work contemplated herein.

ARTICLE VI
Restrictions, Entry and Rules and Regulations

Section 6.01. Covenants and Restrictions. The following covenants and restrictions on the use and enjoyment of the Section E Tract shall be in addition to any other covenants or restrictions contained herein, in the Section E Plat, or in the Overall Declaration, and all such covenants and restrictions are for the mutual benefit and protection of the present and future Owners and shall run with the land and inure to the benefit of and be enforceable by any Owner, or by the Section E Corporation. Present or future Owners or the Section E Corporation shall be entitled to injunctive relief against any violation or attempted violation of any such covenants and restrictions, and shall, in addition, be entitled to damages for any injuries or losses resulting from any violations thereof, but there shall be no right of reversion or forfeiture resulting from such violation. These covenants and restrictions are as follows:

(a) Each Dwelling Unit shall be at least two thousand five hundred (2,500) square feet in size exclusive of basements, patios, porches and garages.

(b) Each Dwelling Unit shall have, at a minimum, an attached two (2) car garage. All other covenants and restrictions related to the Lots and any Dwelling Units are set forth on the Section E Plat or in the Overall Declaration. In the event of a conflict between the covenants and restrictions contained herein and those in the Overall Declaration, the covenants and restrictions contained in the Overall Declaration shall control. In the event of a conflict between the covenants and restrictions contained in the Section E Declaration and those in the Section E Plat, the covenants and restrictions contained in the Section E Declaration shall control.

Notwithstanding anything to the contrary contained herein or in the Articles or the Section E Declaration, including, but not limited to, any covenants and restrictions set forth herein or otherwise, Declarant or Secondary Declarant shall forth herein or otherwise, Declarant or Secondary Declarant shall have, until the Applicable Date, the right to use and maintain any Lots and Dwelling Units owned by Declarant or such Secondary Declarant and other portions of the Section E Tract (other than individual Dwelling Units and Lots owned by persons other than Declarant or Secondary Declarants), all of such number and size and at such locations as Declarant or Secondary Declarants in their sole discretion may determine, as Declarant or Secondary Declarants may deem advisable or necessary in their sole discretion to aid in the construction of Dwelling Units and the sale of Lots and Dwelling Units or for the conducting of any business or activity attendant thereto, including, but not limited, model Dwelling Units, storage areas, construction yards, signs, construction offices, sales offices, management offices and business offices. Declarant or Secondary Declarants shall have the right to relocate any or all of the same from time to time as they desire. At no time shall any of such facilities so used or maintained by Declarant or Secondary Declarants be or become part of the Overall Common Area or Common Area, unless so designated by Declarant or Secondary Declarants, and Declarant and Secondary Declarants shall have the right to remove the same from the Section E Tract at any time.

Section 6.02. Compliance with Covenants, Conditions and Restrictions. Every Owner, mortgagee, lessee or other occupant of a Lot shall comply strictly with the covenants, conditions and restrictions set forth in the Section E Declaration, these By-Laws and with the Rules and Regulations in relation to the use and operation of the Section E Tract. A violation committed by any persons residing in, occupying or visiting a Lot at the

behest or with the implied or express permission of the Owner or any other occupant of the Lot, or committed by any agent, employee, business invitee, or contractor of the Owner or of any person occupying a Lot, shall be attributed to that Lot and the Owner thereof. Failure to comply with any of said covenants, conditions and/or restrictions shall be grounds for withdrawal by the Board of Directors of privileges with respect to the use of any of the Common Areas by any defaulting Owner and by his tenants, invitees, guests and all members of his family and/or his tenant's family. The Board may also prohibit any Owner from entering into any new lease of his Lot with anyone so long as he is in default in the performance of any of his obligations under the Section E Declaration, By-Laws, or Rules and Regulations. An action seeking a declaratory judgment, the recovery of sums due for damages, or injunctive relief, or any or all of them may be maintained by the Board of Directors or by an interested party who has obtained the prior written consent of the Board of Directors against any Owner, or any person entitled to occupy a Lot who refuses to comply or threatens to refuse to comply with any provisions of the Section E Declaration, the By-Laws, the Rules and Regulations, or any other document establishing ownership or control over any part of the Section E Tract. One or more Owners may bring a class action on behalf of all Owners. Any and all expenses incurred by the Section E Corporation in enforcing any of the terms and provisions of the Section E Declaration, By-Laws or Rules and Regulations, including reasonable attorney's fees, may be levied as a special assessment against the Owner in question and his Lot.

Any action brought by the Section E Corporation hereunder may be brought in its own name, in the name of its Board of Directors or in the name of the Managing Agent. In any case of flagrant or repeated violation by an Owner, he may be required by the Board of

Directors to give sufficient surety or sureties for his future compliance with the covenants, conditions and restrictions contained in the Section E Declaration, these By-Laws and the Rules and Regulations.

Section 6.03. Right of Entry. All Owners and occupants of a Lot shall be deemed to have granted the right of entry thereto to the Managing Agent or any other person authorized by the Board in case of any emergency originating in or threatening his Lot, whether the Owner is present at the time or not.

Section 6.04. Right of Board to Adopt Rules and Regulations. The Board may promulgate and adopt such additional rules and regulations regarding the operating of the Section E Tract, including but not limited to the use of the Common Areas and Limited Areas, as it may deem necessary from time to time and such rules as are adopted may be amended by a vote of a majority of the Board, and the Board shall cause copies of such rules and regulations and all amendments thereto to be delivered or mailed promptly to all Owners. Such rules may further restrict the provisions contained in these By-Laws.

ARTICLE VII
Amendment to By-Laws

Section 7.01. Subject to any contrary, overriding or superseding provisions set forth herein or in the Section E Declaration, these By-Laws may be amended in the same manner, and subject to the same limitations and requirements, as amendments to the Section E Declaration, as set forth in Paragraph 23 of the Section E Declaration. Notwithstanding anything to the contrary contained herein or in the Section E Declaration, there shall be no amendment of the Section E Declaration or these By-Laws prior to the Applicable Date without the consent and approval of Declarant.

ARTICLE VIII
Mortgages

Section 8.01. Notice to Section E Corporation. Any Owner who places a first mortgage lien upon his Lot or the Mortgagee shall notify the Secretary of the Section E Corporation thereof and provide the name and address of the Mortgagee. A record of such Mortgagee and name and address shall be maintained by the Secretary and any notice required to be given to the Mortgagee pursuant to the terms of the Section E Declaration and these By-Laws shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record in the time provided. Unless notification of any such mortgage and the name and address of Mortgagee are furnished to the Secretary, either by the Owner or the Mortgagee, no notice to any Mortgagee as may be otherwise required by the Section E Declaration or these By-Laws shall be required and no Mortgagee shall be entitled to vote on any matter to which he otherwise may be entitled by virtue of the Section E Declaration, these By-Laws, or any proxy granted to such Mortgagee in connection with the mortgage. ®

The Section E Corporation shall, upon request of a Mortgagee who has furnished the Section E Corporation 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 the Section E Declaration or these By-Laws which is not cured within thirty (30) days. Any Mortgagee shall have the right to inspect the books and records of the Section E Corporation during normal business hours.

A guarantor or insurer of a Mortgage may, upon written request to the Section E Corporation giving the Section E Corporation its name and address, receive from the

Section E Corporation any notice that would be given to a Mortgagee also be given to the applicable insurer or guarantor.

Section 8.02. Notice of Unpaid Assessments. The Section E Corporation shall, upon request of a Mortgagee, a proposed mortgagee, or a proposed purchaser who has a contractual right to purchase a Lot, furnish to such Mortgagee or purchaser a statement setting forth the amount of the unpaid Regular Assessments or Special Assessments against the Lot, which statement shall be binding upon the Section E Corporation 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 in excess of the amount set forth in such statement or as such assessments may be adjusted upon adoption of the final annual budget, as referred to in Section 5.03 hereof.

ARTICLE IX
Miscellaneous

Section 9.01. Fiscal Year. The fiscal year of the Section E Corporation shall be the calendar year.

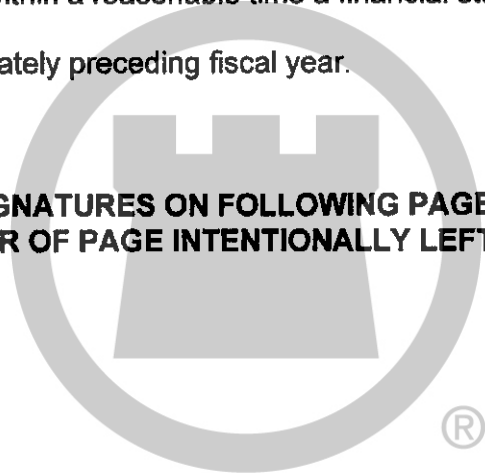
Section 9.02. Personal Interests. No member of the Section E Corporation shall have or receive any earnings from the Section E Corporation as a result of being an officer or director of the Section E Corporation except a member may receive principal and interest on moneys loaned or advanced to the Section E Corporation as provided in the Statute.

Section 9.03. Contracts, Checks, Notes, Etc. All contracts and agreements entered into by the Section E Corporation and all checks, drafts and bills of exchange and orders for the payment of money shall, in the conduct of the ordinary course of business of

the Section E Corporation, unless otherwise directed by the Board of Directors, or unless otherwise required by law, be signed by the President or in his absence the Treasurer. Any one of the documents heretofore mentioned in this section for use outside the ordinary course of business of the Section E Corporation or any notes or bonds of the Section E Corporation shall be executed by and require the signature of the President and Secretary.

Section 9.04. Financial Statement. Upon the written request from any entity that has an interest or prospective interest in any Lot, the Section E Corporation shall prepare and furnish to such entity within a reasonable time a financial statement of the Section E Corporation for the immediately preceding fiscal year.

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CHICAGO TITLE

IN WITNESS WHEREOF, we, the undersigned, do hereby execute this Amended and Restated Code of By-Laws and certify the truth of the facts herein stated, this 6 day of June, 2008.

Section E Homeowners Association, Inc., by:

Don Price
Don Price, President

Attest:

Peggy Ford
Peggy Ford, Secretary

STATE OF INDIANA)
)
COUNTY OF MARION)

Before me a Notary Public in and for said County and State, personally appeared Don Price and Peggy Ford, the President and Secretary, respectively, of Section E Homeowners Association, Inc., who acknowledged execution of the foregoing Amended & Restated Code of By-Laws of said corporation for and on behalf of said corporation and its members and who, having been duly sworn, stated that the representations contained herein are true. Said President and Secretary also state that the foregoing Amended & Restated Code of By-Laws are true and correct after the members of the Section E Corporation approved various amendments at a meeting duly called for such purpose on April 22, 2004, which was the first meeting of the Section E Corporation's members after the Applicable Date.

Witness my hand and Notarial Seal this 6th day of June, 2008.

Jeffrey L. Price
Notary Public - Signature
Jeffrey L. Price
Printed

My Commission Expires:

9/20/08

Residence County: Marion

"I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security Number in this document, unless required by law."
P. Thomas Murray, Jr., Esq.

This instrument prepared by, and should be returned to:
P. Thomas Murray, Jr.
EADS MURRAY & PUGH, P.C.
Attorneys at Law
9515 E. 59th Street, Suite B
Indianapolis, IN 46216. (317) 536-2565.



CHICAGO TITLE