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DECLARATION OF COVENANTS AND RESTRICTIONS

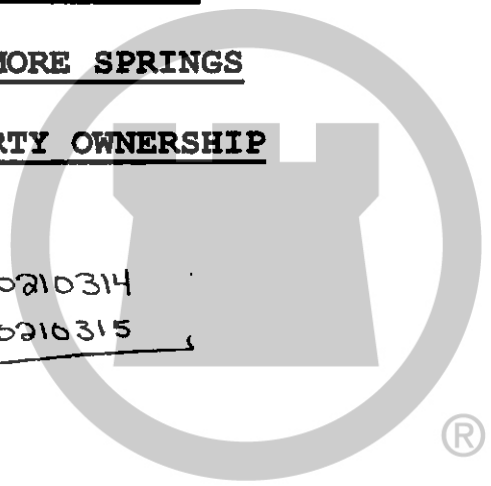
OF

Section J OF

SYCAMORE SPRINGS

PROPERTY OWNERSHIP

Survey Inst. # 2001-0210314
Plat Inst. # 2001-0210315



®

CHICAGO TITLE

APPROVED 11/26/09
BY: [Signature] Real Estate



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CHICAGO TITLE

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



CHICAGO TITLE

**DECLARATION OF COVENANTS AND RESTRICTIONS OF
Section J OF SYCAMORE SPRINGS PROPERTY OWNERSHIP**

THIS Section J DECLARATION made this 19th day of November, 2001, 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 J Real Estate").

B. Declarant intends to develop the Section J Real Estate into twelve (12) 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 the Section J Plat of a certain portion of the Section J Real Estate (the "Section J Tract"). A copy of the Section J 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 J Declaration, is subjecting the Section J Tract to the terms and provisions of this Section J Declaration and assuring that all properties which are conveyed which are a part of the Section J Tract shall be conveyed subject to the terms and conditions of this Section J Declaration, which shall run with the Section J Tract and be binding upon all parties having any right, title or interest in the Section J 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 J Declaration as follows:

1. Definitions. The following terms as used in this Section J 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 J Declaration.

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

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

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

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

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

(r) "Quorum" means Owners or Members constituting forty percent (40%) of the aggregate of all Owners or Members in Section J or the Section J 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 J where such entity intends to construct on such Lots Dwelling Units for resale.

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

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

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

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

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

(z) Intentionally omitted.

(aa) "Sycamore Springs" means the name by which the development of which the Section J 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 J Tract" means that the Section J Real Estate described in Paragraph A of the recitals above. ®

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

3. Description of Section J. Section J consists of all the Lots developed on the Section J Real Estate, together with

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the Overall Common Area and Common Area located within the Section J Real Estate. The Overall Common Area, Common Area, Streets, Landscape Easement and the size of the Lots within Section J are as designated on the applicable Section J Plats.

4. Lot Boundaries. The boundaries of each Lot in Section J shall be as shown on a Section J 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 J Corporation. The Section J 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 J Corporation. Common Area shall be used only for those uses specifically delineated in this Section J Declaration or on a Section J Plat.

7. Landscape Easement. Pursuant to the Overall Declaration, Declarant has created, if shown and designated as such on the Section J 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 J 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 J Lot, subject to the provisions of this Section J Declaration, including but not limited to, the following:

(a) The right of the Section J 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 J Corporation.

(b) The right of the Section J 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 J Corporation on the Applicable Date or earlier; provided, however, that the conveyance of the Common Area to the Section J 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 J 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 J 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 J 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 J Corporation, its officers, agents and employees and to any management company selected by the Section J 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 J Corporation, its officers, agents and employees and to any management company selected by the Section J Corporation and to any third party designated by the Section J Corporation to enter in or to cross over the Overall Common Area, Common Area, Landscape Easement and Lots to repair, TITLE

rebuild, maintain and paint the exterior of the Dwelling Units.

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

(a) Membership in the Section J 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 J 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 J Corporation.

(b) Voting Rights. The Section J 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 (provided, however, if such Member owns more than one (1) Lot but is assessed as if such Member owned just one (1) Lot, as provided in paragraphs 17 and 18(c), such Member shall have just one (1) vote) 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 J 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 J 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 J 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 J Corporation, (ii) the date when at least twelve (12) 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 J 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 J Declaration. ®

12. Board of Directors.

(a) Management. The business and affairs of the Section J 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 J

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 J 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 J Corporation are entitled to vote under the Section J 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 J 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 J 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 J Corporation).

(c) Additional Qualifications.

(i) Where an Owner consists of more than one person or is a partnership, Section J

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 J 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 J Corporation representing all of the Owners and being responsible for the functions and duties of the Section J Corporation, including, but not limited to, providing for the administration of the Section J 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 J 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 J 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, if any (except as is otherwise the obligation of an Owner);
- (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 J Corporation and the Board the insurance coverages required under this Section J 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) Trash removal for each Owner in accordance with the rules and regulations established by the Board;
- (xi) Maintenance, repair, replacement and upkeep of mailboxes.

(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 J 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 J 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 J 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 J Tract, the Common Area (in addition to those set forth in this Section J 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 J Corporation shall indemnify and hold harmless and defend each of the Directors against any and all

liability to any person, firm or Section J Corporation arising out of contracts made by the Board on behalf of the Section J 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 J Corporation.

(k) Additional Indemnity of Directors. The Section J 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 J 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 J 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 J 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 J Corporation employed by the Section J 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.

(l) Bond. The Board of Directors may provide surety bonds and may require the Managing Agent (if

any), the treasurer of the Section J Corporation, and such other officers as the Board deems necessary, to provide surety bonds, indemnifying the Section J 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 J 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 J 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 J 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 J Tract and perform all the functions of the Section J 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 J 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 J Corporation's responsibility under this Section J 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 J 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 J Corporation, unless such loss is covered by the Section J Corporation's insurance with such policy having a waiver of subrogation clause. If not paid by such Owner upon demand by the Section J 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 J Tract is subject to this Section J Declaration each Owner, by his acceptance of a deed to any Lot, irrevocably grants to the Section J 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 J Tract shall be governed by the provisions relating to architectural control as established in the Overall Declaration. Furthermore, whenever more than one contiguous Lot in Section J shall be owned by the same Owner and such Owner desires to use such Lots as a single building site for one (1) single family dwelling unit, such Owner shall apply in writing pursuant to the provisions relating to architectural control as established in the Overall Declaration, to the Architectural Review Board for permission to combine such Lots in such manner. If the Architectural Review Board grants permission for such Lots to be

used as a single building site for one (1) single family dwelling unit, such Lots shall be treated as a single Lot for all purposes under this Section J Declaration and the Overall Declaration so long as such Lots remain improved with only one single family dwelling unit.

18. Assessments

(a) Annual Accounting. Annually, after the close of each fiscal year of the Section J 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 J 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 J 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 J 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 J 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 J 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 J 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 J 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 J Tract and (ii) one-quarter (1/4) of the Lots in the Section J Tract that are not fully assessed. Notwithstanding the foregoing, in the event an Owner owns more than one Lot and such Lots have been approved under paragraph 17 to be used as a single building site, such Lots, for purposes of establishing assessments, shall be considered one Lot. 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 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. In the event the Regular Assessment for a particular fiscal year of the Section J 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 J Corporation shall become a lien on each separate Lot as of the first day of each fiscal year of the Section J 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 J 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 J Corporation, and neither the Board nor the Section J 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 J 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 J Tract, it is difficult to accurately allocate the Common Expenses to the individual Lots. The purpose of this Section Js to provide the method for the payment of the Common Expenses during the period prior to the Applicable Date to enable the Section J Corporation to perform its duties and functions. Accordingly and notwithstanding any other provision contained in this Section J 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 J 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 J 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, 2002, the yearly Regular Assessment for a Fully Assessed Lot shall not exceed One Hundred Fifty Dollars (\$150.00) (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, 2002, 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, 2001, 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 J 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 J 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 Corporation. The Section J Corporation shall include as part of the Regular Assessment (as defined in the Section Declaration) applicable to Section J the Regular Overall Assessment applicable to each Lot. Upon collection of the Regular Assessment for Section J, the Section J 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 J and the obligation of the Section J Corporation to remit such amount to the SS Corporation

shall not in any way make the Section J 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 J 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 J 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 J Corporation. Any Owner who places a first mortgage lien upon his Lot, or the Mortgagee, shall notify the Secretary of the Section J 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 J 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 J Declaration, the Bylaws or otherwise, shall be required and no Mortgagee shall be entitled to vote

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on any matter to which it otherwise may be entitled by virtue of this Section J Declaration, the Bylaws, a proxy granted to such Mortgagee in connection with the mortgage, or otherwise.

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

(b) Notice of Unpaid Assessments. The Section J 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 J 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 J Corporation. ®

20. Insurance.

(a) Casualty Insurance. The Section J 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 J 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 J 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 J 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 J Tract, and the Section J 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 J 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 J 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 J 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 J Corporation, the Board of Directors, any committee or organ of the Section J Corporation or Board, any Managing Agent appointed or employed by the Section J Corporation, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Section J 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 J Corporation or other Owners.

(c) Other Insurance. The Section J 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 J Corporation and officers' and directors' liability policies. Such insurance shall inure to the benefit of each Owner, the Section J Corporation, the Board of Directors and any Managing Agent acting on behalf of the Section J 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 J Corporation.

(d) General Provisions. The premiums for all insurance hereinabove described shall be paid by the Section J 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 J Corporation shall promptly cause the same to be repaired and reconstructed. The proceeds of insurance carried by the Section J 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 J 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 J 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 J Tract shall be in addition to any other covenants or restrictions contained herein, in the Section J 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 J Corporation. Present or future Owners or the Section J 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 three thousand five hundred (3,500) square feet in size exclusive of garages, carports and open porches and shall be custom built.

(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 J 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 J 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 J 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 J Tract at any time.

23. Amendment of Declaration.

(a) Generally. Except as otherwise provided in this Section J Declaration, amendments to this Section J 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 J 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 J Corporation, or (3) the provisions of Paragraph 21 of this Section J 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 J 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 J 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 J Declaration.

- (vi) Recording. Each amendment to this Section J Declaration shall be executed by the President and Secretary of the Section J 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 J Corporation, the Board of Directors, any Mortgagees or any other person to amend or supplement this Section J 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 J Declaration into compliance with any statutory requirements, (d) to correct clerical, typographical or other errors in this Section J 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 J Declaration additional portions of the Section J 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 J 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 J 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 J 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 J 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 J Tract in any manner shall be subject to the Section J 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 J 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 J Declaration, the Articles, the Bylaws, or the rules and regulations adopted pursuant thereto as each may be amended from time to time, the Section J 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 J 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 J 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 J 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 J Declaration or any provision hereof.

31. The Plat. The Section J Plat for a certain portion of Section J 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 J 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 J Declaration and any Section J Plat, the terms of this Section J 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.

CHICAGO TITLE

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: WJL

Printed: MICHAEL J. KLEIN

Title: MEMBER

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Michael J. Klein, 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 J of Sycamore Springs Property Ownership" on behalf of said limited liability company.

Witness my hand and Notarial Seal this 19th day of November, 2001.

Pasha N Wade
Notary Public
PASHA N WADE
(Printed Signature)

My Commission Expires: 7-27-06

My County of Residence: Hamilton

This instrument prepared by Philip A. Nicely, Attorney-at-Law, Bose McKinney & Evans, LLP, 600 East 96th Street, Suite 500, Indianapolis, Indiana 46240.

CHICAGO TITLE

EXHIBIT "A"
The Real Estate

LAND DESCRIPTION
Section J of Sycamore Springs

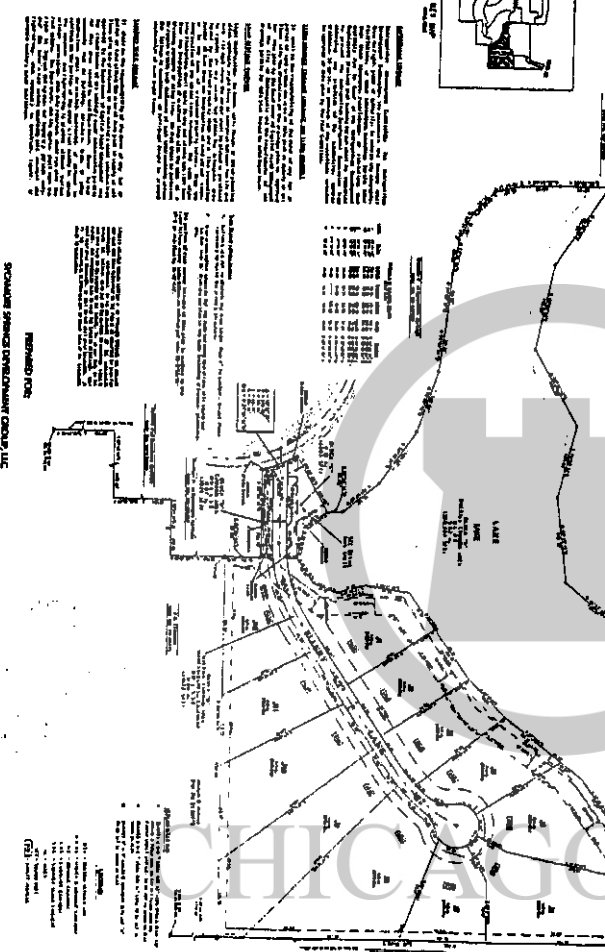
Part of the Southeast Quarter of Section 20, Township 17 North, Range 4 East of the Second Principal Meridian in Washington Township, Marion County, Indiana, and all of Lot F23 in Section F of Sycamore Springs, the plat of which is recorded as Instrument No. 96-172981 in the office of the Recorder of Marion County, Indiana, more particularly described as follows:

COMMENCING at the southwest corner of said southeast quarter section thence on an assumed bearing along the west line thereof, North 00°00'00" East 448.00 feet to the southwest corner of Section I of Sycamore Springs, the plat of which is recorded as Instrument No. 96-172980 in the office of the Recorder of Marion County, Indiana; thence along the south and east lines thereof for the next two courses: (1) South 89°50'46" East 1409.00 feet; (2) North 00°02'30" West 498.00 feet to the southeast corner of Section H of Sycamore Springs, the plat of which is recorded as Instrument No. 96-164217 in the office of the Recorder of said county; thence along the south and east lines thereof for the next two courses: (1) South 89°50'46" East 647.05 feet; (2) North 00°02'30" West 376.00 feet to the POINT OF BEGINNING; thence North 00°00'00" East 62.00 feet to the southeast corner of Lot F23 in said Section F of Sycamore Springs; thence along the southern, western, and northern boundaries of said Lot F23 for the next three courses: (1) North 89°50'46" West 150.14 feet to a non-tangent curve concave westerly, having a central angle of 15°32'37" and a radius of 245.00 feet; (2) Northerly along said curve an arc distance of 66.47 feet (66.46 feet per said plat) (said arc being subtended by a long chord which bears North 21°51'42" West 66.26 feet) to a non-tangent line; (3) North 60°22'00" East 108.65 feet to the northwest corner of said Lot F23; thence along the east line of said Section F for the next eleven courses: (1) North 02°54'12" West 27.66 feet; (2) North 40°15'04" West 78.28 feet; (3) North 34°44'21" West 108.60 feet; (4) North 70°50'46" West 108.61 feet; (5) North 81°57'58" West 89.16 feet; (6) North 84°05'35" West 80.02 feet; (7) North 79°56'19" West 60.69 feet; (8) North 64°11'17" West 51.41 feet; (9) North 45°03'33" West 51.94 feet; (10) North 13°57'27" West 49.85 feet; (11) North 01°19'32" West 63.24 feet to the southeast corner of Section G of Sycamore Springs, the plat of which is recorded as Instrument No. 96-137483 in the office of the Recorder of said county; thence along the east line thereof North 00°00'00" East 82.23 feet to the southwest corner of The Courtyard Homes at Sycamore Springs, the plat of which is recorded as Instrument No. 99-148241 in the office of the Recorder of said county; thence along the south line thereof for the next eight courses: (1) South 56°55'50" East 161.64 feet; (2) South 78°05'34" East 149.84 feet; (3) North 60°32'43" East 147.39 feet; (4) South 75°37'52" East 126.46 feet; (5) North 83°17'13" East 145.33 feet; (6) North 40°57'10" East 134.27 feet; (7) North 87°47'42" East 179.13 feet; (8) North 00°05'30" West 31.80 feet; thence South 83°58'17" East 352.99 feet to the east line of said southeast quarter section; thence along said east line, South 00°02'30" East 728.91 feet to a point distant North 00°02'30" West 1316.00 feet from the southeast corner of said southeast quarter section; thence North 89°50'46" West 650.00 feet to the POINT OF BEGINNING; containing 14.415 acres, more or less subject to rights-of-way, easements, and restrictions.

This subdivision consists of 12 lots, numbered J1 through J12, and common area blocks A, B and C and block C and private streets as shown hereon. The size of the lots and widths of the private streets are shown on this plat by figures denoting feet and decimal parts thereof.

This plat is subject to the provisions of the Illinois Subdivision Map Act, Chapter 126.5, Illinois Compiled Statutes (625 ILCS 126.5), and the provisions of the Illinois Land Surveying Act, Chapter 126.5, Illinois Compiled Statutes (625 ILCS 126.5).

FINAL PLAT FOR
SECTION J OF SYCAMORE SPRINGS
 A REPLAT OF LOT 28 IN SECTION P OF SYCAMORE SPRINGS AND PART OF
 SECTION 24, TOWNSHIP 17 NORTH, RANGE 4 EAST
 WASHINGTON TOWNSHIP, HARRISON COUNTY, INDIANA
 2001-24-17-06



SYCAMORE SPRINGS DEVELOPMENT COMPANY, LLC
 10000 N. STATE ST. SUITE 100
 CHICAGO, ILLINOIS 60645

LOT 28, SECTION 24, TOWNSHIP 17 NORTH, RANGE 4 EAST, WASHINGTON TOWNSHIP, HARRISON COUNTY, INDIANA

- 1. All areas shown on this plat are subject to the provisions of the Illinois Subdivision Map Act, Chapter 126.5, Illinois Compiled Statutes (625 ILCS 126.5).
- 2. All areas shown on this plat are subject to the provisions of the Illinois Land Surveying Act, Chapter 126.5, Illinois Compiled Statutes (625 ILCS 126.5).
- 3. All areas shown on this plat are subject to the provisions of the Illinois Condominium Property Act, Chapter 180, Illinois Compiled Statutes (625 ILCS 180).
- 4. All areas shown on this plat are subject to the provisions of the Illinois Trust Land Act, Chapter 126.5, Illinois Compiled Statutes (625 ILCS 126.5).
- 5. All areas shown on this plat are subject to the provisions of the Illinois Public Access Act, Chapter 126.5, Illinois Compiled Statutes (625 ILCS 126.5).
- 6. All areas shown on this plat are subject to the provisions of the Illinois Open Space Act, Chapter 126.5, Illinois Compiled Statutes (625 ILCS 126.5).
- 7. All areas shown on this plat are subject to the provisions of the Illinois Wetlands Act, Chapter 126.5, Illinois Compiled Statutes (625 ILCS 126.5).
- 8. All areas shown on this plat are subject to the provisions of the Illinois Wetlands Protection Act, Chapter 126.5, Illinois Compiled Statutes (625 ILCS 126.5).
- 9. All areas shown on this plat are subject to the provisions of the Illinois Wetlands Conservation Act, Chapter 126.5, Illinois Compiled Statutes (625 ILCS 126.5).
- 10. All areas shown on this plat are subject to the provisions of the Illinois Wetlands Mitigation Act, Chapter 126.5, Illinois Compiled Statutes (625 ILCS 126.5).

EXHIBIT "B-1"
 Section J Plat

EXHIBIT "B-2"
Legal Description for Section J Plat

LAND DESCRIPTION
Section J 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, and all of Lot F23 in Section F of Sycamore Springs, the plat of which is recorded as Instrument No. 96-17298 in the office of the Recorder of Marion County, Indiana, more particularly described as follows:

COMMENCING at the southwest corner of said southeast quarter section; thence on an assumed bearing along the west line thereof, North 00°00'00" East 448.00 feet to the southwest corner of Section I of Sycamore Springs, the plat of which is recorded as Instrument No. 96-17298 in the office of the Recorder of Marion County, Indiana; thence along the south and east lines thereof for the next two courses: (1) South 89°50'46" East 1405.00 feet; (2) North 00°02'30" West 498.00 feet to the southeast corner of Section H of Sycamore Springs, the plat of which is recorded as Instrument No. 96-164217 in the office of the Recorder of said county; thence along the south and east lines thereof for the next two courses: (1) South 89°50'46" East 647.02 feet; (2) North 00°02'30" West 370.00 feet to the POINT OF BEGINNING; thence North 00°00'00" East 52.00 feet to the southeast corner of Lot F23 in said Section F of Sycamore Springs; thence along the southern, western, and northern boundaries of said Lot F23 for the next three courses: (1) North 89°50'46" West 150.14 feet to a non-tangent curve concave westerly, having a central angle of 13°32'37" and a radius of 245.00 feet; (2) Northerly along said curve an arc distance of 66.47 feet; (3) 66.46 feet per said plat; (said arc being subtended by a long chord which bears North 21°51'42" West 66.28 feet) to a non-tangent line; (3) North 60°32'00" East 108.65 feet to the northeast corner of said Lot F23; thence along the east line of said Section F for the next eleven courses: (1) North 02°54'12" West 21.66 feet; (2) North 40°15'04" West 78.28 feet; (3) North 54°04'21" West 106.40 feet; (4) North 70°50'46" West 108.81 feet; (5) North 81°37'58" West 89.16 feet; (6) North 84°05'35" West 80.02 feet; (7) North 79°56'19" West 60.69 feet; (8) North 64°11'17" West 51.41 feet; (9) North 45°09'33" West 31.94 feet; (10) North 13°27'27" West 45.93 feet; (11) North 01°15'32" West 43.24 feet to the southeast corner of Section G of Sycamore Springs, the plat of which is recorded as Instrument No. 96-137483 in the office of the Recorder of said county; thence along the east line thereof North 00°00'00" East 82.23 feet to the southeast corner of the Courtyard Homes at Sycamore Springs, the plat of which is recorded as Instrument No. 99-148241 in the office of the Recorder of said county; thence along the south line thereof for the next eight courses: (1) South 56°55'30" East 161.64 feet; (2) South 78°05'34" East 149.81 feet; (3) North 60°32'45" East 147.39 feet; (4) South 75°57'52" East 126.46 feet; (5) North 83°17'13" East 145.33 feet; (6) North 40°57'10" East 134.27 feet; (7) North 87°47'42" East 179.13 feet; (8) North 00°05'30" West 31.80 feet; thence South 83°58'17" East 352.99 feet to the east line of said southeast quarter section; thence along said east line, South 00°02'30" East 728.91 feet to a point distant North 00°02'30" West 1316.00 feet from the southeast corner of said southeast quarter section; thence North 89°50'46" West 650.00 feet to the POINT OF BEGINNING containing 11.415 acres, more or less subject to rights-of-way, easements and restrictions.

This subdivision consists of 12 lots, numbered A through J12, and common area blocks A, B and D and block C and private streets as shown hereon. The size of the lots and widths of the private streets are shown on this plat by figures denoting feet and decimal parts thereof.

CHICAGO TITLE