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**DECLARATION OF  
THE CHATHAM HORIZONTAL PROPERTY REGIME**

**THIS DECLARATION OF THE CHATHAM PROPERTY REGIME** ("Declaration"), made this 20th day of DECEMBER, 2001, by Chatham Associates, an Indiana general partnership ("Declarant"),

Inst # 2002-000815

**WITNESSETH:** That

**WHEREAS**, Declarant is the owner in fee simple of that certain parcel of land located in Marion County, Indiana, and more particularly described in Exhibit "A", attached hereto and made a part hereof (the "Real Estate"); which Exhibit A realty is the benefited realty of a non-exclusive perpetual easement to provide access to garages located on the Exhibit A realty said easement being fully detailed in a recorded "Grant of Easement Agreement and Grant of Easement" recorded as Instrument # 1997-0059103 and a Warranty Deed recorded as Instrument # 1997-0059017 both recorded in the Marion County Recorders office (hereinafter referred to as the "Appurtenant Easement").

**WHEREAS**, Declarant, by execution hereof, creates a Horizontal Property Regime (the "Regime") upon the Real Estate and the "Appurtenant Easement", subject to the provisions of the Act (as hereinafter defined), and the terms and conditions hereof, and

**NOW THEREFORE**, Declarant hereby makes this Declaration and declares that the Real Estate shall be a "Horizontal Regime" benefited by the "Appurtenant Easement", as provided in the Act, subject to and in accordance with the following terms and conditions:

Section 1. Name and Address. The Condominium shall be known as "The Chatham Condominium". Its address shall be 919 Broadway Avenue, Indianapolis, IN 46202.

Section 2. Definitions. The following terms whenever used shall have the following assigned meanings:

- (a) "Act" means the Horizontal Property Act of the State of Indiana, I.C. 32-1-6-1, et seq., as amended.
- (b) "Association" means The Chatham Regime Association, Inc., an Indiana nonprofit corporation.
- (c) "Board" means the Association's governing body elected by the Owners in accordance with the By-Laws, and shall be synonymous with the term "Board" as used in the Act.
- (d) "Building" refers to either or both of the two buildings located within the Exhibit A realty with the westerly most building containing 6 residential units labeled Units A, B, C, D, E and F and the easterly most building containing 2 residential units labeled Units IA and IB.

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SUBJECT TO RECORDS TRANSFER

- (e) "By-Laws" means the Association's Code of By-Laws providing for administration and management of the Association, a true copy of which is attached hereto and made a part hereof as Exhibit "B".
- (f) "Common Areas" means General Common Areas and Limited Areas and the "Appurtenant Easement".
- (g) "Common Expenses" means expenses of administration of the Association, expenses for upkeep, maintenance, repair and replacement of Common Areas, and all other costs and expenses incurred by the Association for the benefit of the Common Areas or for the common benefit of all Owners including the "Appurtenant Easement".
- (h) "Control Transfer Date" is defined in Section 9.
- (i) "Declarant" means Chatham Associates, an Indiana general partnership, and any successor to be assignee of its interest in all or any part of the Tract, or herein, under an instrument which expressly states that the successor or assignee thereunder shall become the Declarant for purposes hereof
- (j) "Dwelling Unit" or "Apartment" means any individual residential unit within the Regime, each Dwelling Unit being more particularly described and identified on the Plans and in the definition of "Building", and in Sections 3 and 4.
- (k) "Formula" means the method set forth in paragraph 7 for computing the Percentage Interest applicable to each Dwelling Unit.
- (l) "General Common Areas" means those Common Areas, use and enjoyment of which is not limited to certain Dwelling Units, as further described and defined in Section 5.
- (m) "Limited Areas" means those Common Areas, use and enjoyment of which is limited to a certain Dwelling Unit or Units, as further described and defined in Section 6.
- (n) "Managing Agent" means any person to which Association's management responsibilities are delegated under Section 13.
- (o) "Mortgagee" means the holder, insurer or guarantor of any mortgage on any Dwelling Unit.
- (p) "Owner" means a person that owns fee simple title to a Dwelling Unit. Persons owning a Dwelling Unit as tenants in common, joint tenants, tenants by the entireties, or any other form of joint or divided ownership, shall be deemed one Owner for purposes hereof.

- (q) "Percentage Interest" in the "Common Area" means the percentage of undivided interest in the fee simple title to Common Areas appertaining to each Dwelling Unit, as determined in accordance with Section 7.
- (r) "Vote per Owner" means one (1) vote per Dwelling Unit exercisable by the Owner thereof, as described in Section 8 and in the By-Laws.
- (s) "Plans" means the floor and building plans of the Buildings and the Dwelling Units, and the site plan, survey and elevation plans of the Real Estate and the Buildings, duly certified by a registered architect or licensed professional engineer, prepared, verified and filed with any Amendments. The Exhibit A realty, Appurtenant Easement, Dwelling Units, and carports are depicted in Exhibit B1 attached.
- (t) "Property" means the Real Estate Easements and the Appurtenant Easement, the Dwelling Units, the Buildings, and all other improvements of every kind and nature whatsoever, now or hereafter located upon the Real Estate and used in connection with operation, use and enjoyment of the Regime.

Section 3. Description of Dwelling Units. The property is comprised of two buildings – 919 Broadway is a three (3) level, six (6) unit comprised of a very individualistic mix of architectural styles. The basic form of the building, its band windows across the front, and the stuccoed facade are all based on contemporary currents of the early 1920's. In addition there are several eclectic touches, including a stepped parapet and the doorway frontispiece, with its engaged ionic columns and pediment modeled upon classical sources. (For more information, please see The Chatham Arch Neighborhood Descriptive Brochure-published by the City of Indianapolis).

The building was built around 1920, and is constructed of masonry and framed wood materials. The building was sensitively rehabilitated in 1990 and was awarded recognition from Historic Landmarks Foundation of Indiana. The interior renovation included the replacement of all plumbing and mechanical systems. New drywall was installed on ceilings and interior walls. Interior trim and hardwood floors were repaired and refinished and all interior doors were replaced. The four (4) units on the upper floors consist of five (5) rooms, including two (2) bedrooms, one (1) bath, kitchen, living/dining room. New floor coverings were installed in kitchen, bath, bedrooms and hallways. There are two (2) units per floor, with those on the upper floors nearly identical in configuration. The two lower garden level units consist of four (4) rooms (kitchen, living/dining, single bedroom, and bath. These units are smaller than the upper level units. Each unit within the building has its own electric furnace, central air conditioner, range, refrigerator, disposal, ceiling fan, water heater, and is separately metered for electricity. Each upper floor unit has a private back porch deck. The building is supplied with electricity, city water and sewer, and cable TV. Water and sewer will be a common expense to the extent of normal usage. The four units on the upper floors each have a single car garage space within the carriage house building known as 919 ½ Broadway. There is a single front door entry, intercom

entry system, and each unit has an individual storage compartment in the storage room in the lower level.

A washer and dryer located in the lower level are accessible to all units (including the carriage house units) and there are also lockable storage compartments (one per unit) in a separate room in the lower level.

The carriage house building (919.5 Broadway) consists of two (2) one bedroom, one bath units on the upper level. At ground level, there exists four (4) single bay garages, each consisting of approximately 220 square feet.

Exhibit C attached identifies the units depicted in Exhibit B1 and the approximate square foot of living space per unit identified.

**Section 4. Boundaries.** Each unit shall include that part of the building containing the unit which lies within the boundaries of the apartment. The boundaries shall be determined in the following manner:

- (a) The upper boundary shall be the plane of the lower surfaces of the dry-walled ceiling.
- (b) The lower boundary shall be the plane of the lower surfaces of the floor joists for all labeled units except Units A and B for which the lowest boundary shall be the top of the floor slab.
- (c) The vertical boundaries of the unit shall be (1) the exterior of the outside walls of the unit building bounding another unit except where there is attached to the building a balcony, loggia, terrace, canopy, stairway, or other portion of the building serving only the unit being bounded, in which event the boundaries shall be such as will include all of such structures and fixtures thereon, and (2) the center line of the interior walls bounding a unit.

**Section 5. General Common Areas.** General Common Areas are labeled "Common Area" on the Plans and include the following, except to the extent otherwise specifically designated in Section 3, 4 or 6 as being within a Dwelling Unit or as Limited Areas:

- (a) Yards, gardens, open space, fences (if any) and landscaping;
- (b) Sidewalks and stairways;
- (c) Exterior lighting fixtures and electrical service, except where separately metered to a particular Dwelling Unit;
- (d) Electrical, water, sanitary sewer, telephone and cable television lines, mains, pipes, ducts, conduits, wiring and insulation;

- (e) Interiors of all structural walls and floors, including all exterior walls and attic space, walls between horizontally adjacent Dwelling Units and floors between vertically adjacent Dwelling Units;
- (f) Foundations, roof and exterior wall surfaces of the Building, and all other structural elements and components of the Building;
- (g) Access to the laundry facilities in the room in the West building for use by all units in the Regime;
- (h) All other structures, areas and facilities not expressly defined as Limited Areas in Section 6, or expressly included within Dwelling units by Section 3 or 4.

Section 6. Limited Areas. Limited Areas are labeled "L.C.A" on the "Plans" and consist of the following:

- (a) Entranceways through which access to Dwelling Units is obtained are limited to use of the respective Dwelling Unit(s) served by such entranceways.
- (b) Balconies [a/k/a deck(s)] wherever applicable are limited to use of the respective Dwelling Unit(s) to which they are appurtenant.
- (c) One assigned parking space for Units A, B, 1A and 2A.
- (d) One assigned storage space in basement of the West building approximately 3 feet wide x 3 feet deep by 8 feet tall.

Section 7. Ownership of Common Area and Percentage Interest in the Common Area. In connection with and as an inseparable part of ownership of each Dwelling Unit, each Owner shall have a one-eighth (1/8<sup>th</sup>) undivided interest in the Common Areas as a tenant in common with all other Owners.

Section 8. Membership in Association Vote per Dwelling Unit. In connection with and as an inseparable part of ownership of each Dwelling Unit, the Owner thereof shall be a member of the Association and shall have a Vote, which such Owner shall be entitled to cast at each Association meeting on each matter on which Owner(s) may vote under the terms of this Declaration, the Association's Articles of Incorporation or the By-Laws. The Vote allocable to each Dwelling Unit for all matters upon which Owners are entitled to vote shall be equal to the one (1) vote per Dwelling Unit. Unless otherwise stated in the Act, the By-Laws or this Declaration, matters to be undertaken or performed by the Association shall be so undertaken or performed only upon the approval thereof by a majority of the Dwelling Unit Votes present or represented at the Association meeting at which such matter is considered (provided a quorum is present). To determine whether a majority or any specific percentage of the vote required hereby has approved any matter, the number of Owners whose votes have been cast in favor of such matter shall be tallied. For purposes hereof and of the Act, a majority of the Dwelling Unit Votes or of the Owners shall not exist unless such sum, when divided by the total number of Dwelling

Units then in the Regime, exceeds fifty percent (50%). A two-thirds (2/3) majority of the Dwelling Unit Votes or of the Owners shall not exist unless such sum, when divided by the total number of Dwelling Units then in the Regime, exceeds the decimal equivalent to two-thirds (2/3).

Section 9. Association of Owners. In order to provide for maintenance, repair, replacement, administration and operation of the Property in compliance with the provisions of the Act, the Association has been created by Declarant. Each Owner shall be a member of the Association, but membership shall terminate when such person ceases to be an Owner, and such membership shall automatically transfer to the new Owner along with transfer of the Dwelling Unit, whether or not such transfer is stated in the instrument of conveyance. Declarant shall appoint the members of the Initial Board, which shall control during the period of its incumbency all matters which would be within the authority of either the Association or the Board under this Declaration, the By-Laws or the Act, except that certain powers, including the power of assessment, shall be limited as provided herein or in the By-Laws. Each Owner shall confer and shall be deemed to have conferred upon Declarant an irrevocable proxy to vote in such Owner's name, place and stead on any and all matters on which the Owners or any of them are entitled to vote under this Declaration, the By-Laws or the Association's Articles of Incorporation. Such Initial Board shall serve until Declarant turns over control of the Regime to the Owners, which shall take place no later than the earliest to occur of the following events (the "Control Transfer Date"):

- A. One hundred twenty (120) days after a total of five (5) Dwelling Units have been sold by Declarant; or
- B. Thirty (30) days after the written resignation of the entire Initial Board is delivered to the other Owners;
- C. Four (4) years after the date hereof.

The irrevocable proxy conferred upon Declarant shall terminate as of the Control Transfer Date. Upon such transfer of control, Declarant shall make available to the Association all books, records, plans and other information in its possession regarding activities of such initial Board and operation of the Regime prior to such turnover. Thereafter, the Association shall elect the Board annually in accordance with and as prescribed by the By-Laws, and may take any other actions with respect to control of the Regime provided for by this Declaration, the By-Laws or the Act. The Board shall be the Association's governing body, representing all of the Owners in providing for management, maintenance, repair, replacement and upkeep of the Property.

Section 10. Encroachments and Easements for Common Areas. If, by reason of location, construction, settling or shifting of a Dwelling Unit, a Common Area encroaches upon a Dwelling Unit, then in such event an easement shall be deemed to exist and run to the Owners and the Association for maintenance, use and enjoyment of such Common Area. Each Owner shall have an easement in common with each other Owner to use all General Common Areas, wherever located.

**Section 11. Easement for Utilities and Public and Quasi-Public Vehicles.** All public and quasi-public vehicles, including, but not limited to, police, fire, ambulance and other emergency vehicles, trash and garbage collection vehicles, post office vehicles, and privately owned delivery and service vehicles, shall have the right to enter upon the General Common Areas in performance of their duties. A transferable easement is also reserved by Declarant heretofore granted or to be granted to the appropriate utilities and their agents, for ingress, egress, installation, replacement, repair and maintenance of utility lines, mains, and other necessary facilities and equipment, within the Regime, including, but not limited to, water, sewers, gas, telephone and electricity; provide, however, that nothing herein shall permit installation of sewers, electric lines, water lines or other utilities, except as initially designed and approved by Declarant, or as thereafter approved by the Board, or permit substantial impairment of any Owner's use and enjoyment of its Dwelling Unit, and the grantee of any such easement rights shall be responsible for repair or restoration of damage to any Property caused by its activity pursuant to such easement rights. Declarant and the Association shall have the right to grant such other easements, licenses and rights-of-way as may be necessary for proper operation and maintenance of the Regime.

**Section 12. Restrictions on Use.** The following restrictions apply to use and enjoyment of the Property:

- A. All Dwelling Units shall be used exclusively for residential purposes and occupancy. No Dwelling Unit shall be used for a group home. No lease shall demise any Dwelling Unit for a term of less than one (1) year. Nothing contained herein shall restrict use of any Dwelling Unit or any other Property by Declarant during the sale periods for declarant conversion from rental to Dwelling Unit Condominiums.
- B. No additional buildings or other improvements shall be erected other than the Building designated herein and shown on the Plans.
- C. Nothing shall be done or kept in any Dwelling Unit or the Common Areas that will cause an increase in the insurance rate on the Building or the contents thereof. No Owner shall permit anything to be done or kept in any Dwelling Unit or the Common Areas that will result in cancellation of insurance on the Building or the contents thereof, or that would be in violation of any law or ordinance.
- D. No waste shall be committed in any Dwelling Unit or the Common Areas.
- E. No Owner shall cause or permit anything to be hung or displayed on the outside of the windows or placed on the outside walls of the Building, or on or upon any balcony or patio, and no sign, awning, canopy, shutter, radio or television antenna, or other attachment shall be affixed to or placed upon the exterior walls, roof or any other part of the Building, without the Board's prior written consent.

- F. No animals of any kind shall be raised, bred or kept in any Dwelling Unit or in the Common Areas, except that pet dogs and cats, and other customary household pets, may be kept in a Dwelling Unit, the number and type of which shall be specified by the Board, provided that such pets are not kept, bred or maintained for any commercial purpose, and do not create a nuisance. Pets shall be permitted outdoors on a leash, and accompanied by an Owner or other person, and each Owner shall be fully liable for any injury or damage to any person or to the Common Areas caused by its pets, and shall be responsible for removing from such areas its pets' waste materials. The Board may adopt such other rules and regulations regarding pets as it may deem appropriate, and if, in the Board's sole judgment, any pet is causing or creating a nuisance, or unreasonable disturbance or noise, such pet shall permanently be removed from the Property upon written notice of such determination by the Board.
- G. Nothing shall be done or permitted in any Dwelling Unit that will impair the structural integrity of or structurally change any Building, except as otherwise provided herein or in the By-Laws; nor shall any Dwelling Unit be used in any unlawful manner, or in any manner to cause injury to the Regime's reputation, or to be a nuisance, annoyance, inconvenience or damage to other Owners or tenants of the Building, including, without limiting the generality of the foregoing, noise by use of any musical instruments, radio, television, loud speakers, electrical equipment, amplifiers, or other equipment or machines.
- H. No clothes, sheets, blankets, rugs, laundry, or other similar objects or materials, shall be hung out or exposed on any part of the Common Areas. The Common Areas shall be kept free and clear of rubbish, debris and other unsightly material by the Owners, except as to specific areas designed for temporary storage thereof, as determined from time to time by the Board.
- I. No industry, trade, or other commercial or religious activity, educational or otherwise, whether designed for profit, altruism or otherwise, shall be conducted, practiced or permitted on the Property, except allowed home occupations under the Dwelling Zoning Ordinance of Marion County, Indiana.
- J. No "For Sale", "For Rent" or "For Lease" signs, or window advertising display of any kind, shall be maintained or permitted on any part of the Property, without the Board's prior consent; provided, however, that the right is reserved by the Declarant and the Board to place or allow to be placed "For Sale" or "For Lease" signs on any unsold or unoccupied Dwelling Units.
- K. All Owners and members of their families, their guests or invitees, all lawful occupants of any Dwelling Unit and all other persons entitled to use the same, and to use and enjoy the Common Areas or any part thereof, shall observe and be governed by such rules and regulations as may from time to time be issued in



writing by the Board governing operation, use and enjoyment of the Common Areas.

- L. No boats, campers, trailers, buses, mobile homes, trucks, motorcycles, mini-bikes or other unconventional vehicles of any description shall be permitted, parked or stored anywhere within the Property, except as permitted by the Board. No Owner shall park any vehicle in any location other than in its designated parking area except as specifically permitted.
- M. No Owner (other than Declarant) shall be allowed to plant trees, landscape or to do any gardening in any of the Common Areas, except with the Board's written consent.
- N. No trash or refuse shall be stored in appropriate containers inside Dwelling Units or designated trash areas, and shall be made accessible for the regular trash collection system established by the Board.
- O. No Owner shall install or maintain any interior or exterior window decor visible from outside any Dwelling Unit, other than interior draperies having a white or pastel back lining or blinds, without the Board's prior consent.
- P. The Board shall have a right to promulgate rules and regulations as to what the Owners can store and display on the Owners rear decks.

Section 13. Maintenance, Decoration, Repairs and Replacements.

- A. Common Areas. The Association will be responsible for maintenance, repair, decoration, restoration and replacement of the Common Areas, and the cost thereof shall be part of the Common Expenses. The Association may elect to delegate such duties to a Managing Agent, and may enter into a management contract for such purpose, provided that such agent and the terms of such contract are approved by a majority of the Percentage Vote present or represented at any Association meeting. Declarant or a person affiliated therewith shall serve as Managing Agent so long as Declarant retains control of the Association, and shall perform all property management functions on the Associations behalf. Any management contract made or deemed to wise between the Association and Declarant (or any affiliate) shall be terminable by either party without cause or penalty upon thirty (30) days written notice at any time after the Control Transfer Date. The Board has the right to adopt such rules and regulations concerning maintenance, repair, use and enjoyment of the Common Areas as it deems appropriate, including appointment of committees to oversee the same. The Board shall have the exclusive right to determine the outside decor of each Dwelling Unit, including without limitation the color and type of paint and all decor appurtenant to the exterior of each Dwelling Unit.

- B. Dwelling Units. Each Owner shall control and have the right to determine the interior decor of its Dwelling Unit, but this shall not include the right to make structural changes to such Dwelling Unit or to use interior decor that in the Board's discretion adversely affects the external appearance of such Dwelling unit, as more particularly set forth in Section 11. No act or omission that constitutes waste shall be committed or suffered in or upon any Dwelling Unit or Common Areas. Each Owner shall maintain and repair at its sole cost and expense all fixtures, appliances, equipment and other improvements constituting a part of its Dwelling Unit under Sections 3 and 4, and each Owner shall promptly repair any condition or defect existing or occurring in its Dwelling Unit that, if not repaired, might adversely affect any Dwelling Unit or Common Areas. The Board and the Managing Agent shall have the right at reasonable times and upon reasonable prior notice (except in cases of emergency in which case no notice shall be required) to enter into the Dwelling Units and Common Areas appurtenant to each Dwelling Unit to replace, repair and maintain such Common Areas. If any Owner fails or is unable to maintain or repair any condition or defect for which it is responsible, and such condition or defect causes or threatens to cause immediate and substantial harm to any person or property outside its Dwelling Unit, the Board and the Managing Agent shall each have the right to enter such Dwelling Unit to remedy or repair such condition or defect, and any costs or expenses incurred in connection therewith shall be payable by such Owner upon demand by the Board or the Managing Agent. Nothing contained herein shall be construed to represent a contractual liability to the Owners on the part of Declarant, the Association or the Board for maintenance, repair or replacement of any Common Areas, and the liability of the Association, the Board and the Managing Agent in this regard shall be limited to damages resulting from gross negligence, recklessness or intentional misconduct, unless otherwise provided in the management contract in the case of the Managing Agent.

Section 14. Landscaping, Alterations, Additions and Improvements. No Owner (other than Declarant) shall undertake any landscaping or changes thereto, or make any alterations, additions or improvements to the Common Areas, without the Board's prior written approval, nor shall any Owner make any alterations to its Dwelling Unit that would impair the safety thereof, or substantially alter or adversely affect any structural portion of any Dwelling Unit, or impair any easement or hereditament, without the Owners' unanimous consent. Any alterations, additions or improvements made by any Owner wholly or partly outside its Dwelling Unit with the Board's consent shall remain such Owner's property, shall be owned, maintained and insured by such Owner as part of its Dwelling Unit, and shall be deemed part thereof for purposes hereof. Upon the sale of such Dwelling Unit, such alterations, additions or improvements shall be transferred along with such Dwelling Unit, and the purchaser shall be deemed to assume the prior Owner's maintenance and insurance obligations. If, in the Board's reasonable discretion, such alteration, addition or improvement is not properly being maintained, the Board may cause the same to be removed if such condition is not correct by such Owner within ten (10) days after

notice of such determination by the Board, and such Owner shall be liable for all costs incurred in connection with such removal, including attorney fees.

Section 15. Assessments.

- A. Purpose of Assessments. Assessments levied by the Association shall be used exclusively for the purpose of preserving the value of Dwelling Units, and promoting health, safety and welfare of the Owners, users and occupants of the same, and, in particular, for improvement, repair, replacement, operation and maintenance of the Common Areas required to be maintained by the Association, including, but not limited to, payment of taxes and insurance thereon, if any, for cost of labor, equipment, material and management furnished with respect to the Common Areas, and for any and all other Common Expenses. Each Owner, excluding DECLARANT, (as hereafter detailed in Subsection L.) shall pay the Association:
- (a) Such Owner's Assessment Percentage Interest of the annual Assessments fixed, established and determined from time to time as hereinafter provided; and
  - (b) Such Owner's Assessment Percentage Interest of any special Assessments fixed, established and determined from time to time as hereinafter provided.
- B. Percentage Interest. THE ASSESSMENT PERCENTAGE INTEREST OF EACH OWNER FOR PURPOSES OF THIS SECTION 15 SHALL BE AS SET FORTH IN EXHIBIT C ATTACHED HERETO BASED ON A PRORATION OF A GIVEN UNIT SQUARE FOOT OF LIVING AREA TO THE AGGREGATE OF ALL UNITS SQUARE FOOT OF LIVING AREA. IN THE EVENT OF ANY EXPANSION OF THE LIVING AREA OF A UNIT(S), APPROVED IN CONFORMANCE WITH SECTION 14 HEREOF. EXHIBIT C WILL BE AMENDED TO ADJUST THE ASSESSMENT PERCENTAGE INTEREST ACCORDINGLY.
- C. Liability for Assessments. Each Assessment, together with any interest thereon and costs of collection thereof, including attorneys' fees, shall be the personal liability of each Owner, shall be a charge on each Dwelling Unit, and shall constitute a lien upon each Dwelling Unit from and after the due date thereof in the Association's favor. Each Assessment, together with any interest thereon and costs of collection thereof, including attorneys' fees, shall also be the personal obligation of the Owner of each Dwelling Unit at the time when the Assessment is due. The lien for any Assessment shall for all purposes be subordinate to the lien of any Mortgagee under any mortgage recorded prior to the date such Assessment first became due and payable. No sale or transfer shall relieve any Dwelling Unit from liability for any Assessments thereafter becoming due or from the lien

thereof, nor shall any sale or transfer relieve any Owner of the personal liability imposed hereby. The personal obligation for delinquent Assessments shall not pass to any successor in title unless such obligation is expressly assumed by such successor.

- D. Basis of Annual Assessments. The Board shall propose and the Owners shall approve an annual budget prior to the beginning of each fiscal year, setting forth all anticipated Common Expenses for such fiscal year, together with a reasonable allowance for contingencies and reserves as the Board deems appropriate. A copy of such budget shall be delivered to each Owner at least thirty (30) days prior to the beginning of such fiscal year.
- E. Basis of Special Assessments. Should the Board at any time during a fiscal year determine that the Assessments levied for such year may be insufficient to pay the Common Expenses for such year, the Board shall call a special meeting of the Association to consider imposing such special Assessments as may be necessary to meet the Common Expenses for such year. A special Assessment shall be imposed only with the approval of two-thirds (2/3) of the Owners present or represented at such meeting, and shall be due and payable on the date(s) determined by such Owners or, if not so determined, by the Board.
- F. Fiscal Year, Date of Commencement of Assessments, Due Dates. The Association's fiscal year shall be from July 1<sup>st</sup> to the following July 30th and may be changed from time to time by the Board. The first monthly Assessment of the Annual Assessment shall be made for the balance of the Association's month based on its fiscal year in which Declarant first conveys ownership of a Dwelling Unit to another Owner. Annual Assessments shall be due and payable monthly in the amount of 80.00 per month on the first day of each calendar month, except that the Board may from time to time by resolution authorize and require payment of annual Assessments in quarterly, semi-annual or annual installments.
- G. Duties of Association.
- (a) The Board shall cause proper books and records of levy and collection of each annual and special Assessment to be kept and maintained, including a roster setting forth each Dwelling Unit and each Assessment applicable thereto, which books and records shall be kept in the Association's office or that of the Managing Agent if delegated and shall be available for inspection and copying by each Owner (or a duly authorized representative of any Owner) during the Association's regular business hours. Except as otherwise provided in the ByLaws, the Association shall cause financial statements to be prepared at least annually for each fiscal year of the Association, and shall furnish copies of the same to any Owner or Mortgagee upon request. The Board shall cause written notice of all Assessments levied by the Association to be mailed to the Owners or their

designated representatives. Notices of the amounts of the annual Assessments and the amounts of the installments thereof shall be sent annually within thirty (30) days following determination thereof. Notices of the amounts of special Assessments shall be sent as promptly as practicable and in any event not less than thirty (30) days prior to the due date of such Assessment or any installment thereof. If such notice is mailed less than thirty (30) days prior to the due date of the Assessment to which such notice pertains, payment of such Assessment shall not be deemed past due for any purpose if paid by the Owner within thirty (30) days after the date of actual mailing of such notice.

- (b) The Association shall promptly furnish upon request to any Owner, prospective purchaser, title insurance company or Mortgagee a certificate in writing signed by an officer or agent of the Association, setting forth the extent to which Assessments have been levied and paid with respect to any Dwelling Unit in which the requesting party has a legitimate interest. As to any person relying thereon, such certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid.
- (c) The Association shall notify any Mortgagee from which it has received a written request for notice: (i) of any default in performance of any obligation hereunder by any Owner that is not cured within sixty (60) days; (ii) of any condemnation or casualty loss that affects either a material portion of the Regime or the Dwelling Unit securing its loan; and (iii) of any proposed action that requires consent of the Mortgagees or a specified percentage thereof as set forth herein.

H. Nonpayment of Assessments, Remedies of Association.

- (a) If any Assessment is not paid on the date when due, then such Assessment shall be deemed delinquent and shall, together with any interest thereon and cost of collection thereof, including attorneys' fees, become a continuing lien on the Dwelling Unit against which such Assessment was made, in like manner to a Mechanic Lien under I.C. 32-8-3-1 etc., and such lien shall be binding upon and enforceable as a personal liability of the Owner of such Dwelling Unit as of the date of levy of such Assessment, and shall be enforceable against the real estate interest of such Owner, and all successors and assigns of such Owner, in such Dwelling Unit; by foreclosure proceeding of a deficiency judgment provided, however, that such lien shall be subordinate to any first mortgage on such Dwelling Unit recorded prior to the date such Assessment becomes due.
- (b) If any Assessment upon any Dwelling Unit is not paid within thirty (30) days after the due date, such Assessment and all costs of collection

thereof, including attorneys' fees, shall bear interest from the date of delinquency until paid at a rate of eighteen percent (18%) per annum, and the Association may bring an action in any court having jurisdiction against the delinquent Owner to enforce payment of the same and/or to foreclose the lien against such Owner's Dwelling Unit, and there shall be added to the amount of such Assessment all costs of such action, including the Association's attorneys' fees, and, if a judgment is obtained, such judgment shall include such interest, costs and attorneys' fees.

- I. Adjustments. If the amounts actually expended by the Association for Common Expenses in any fiscal year exceed the amounts budgeted and assessed for Common Expenses for such fiscal year, the amount of such deficit may be recouped either by inclusion in the budget for annual Assessments for the following fiscal year or by making one or more special Assessments for such purpose, at the Association's option. If the amounts budgeted and assessed for Common Expenses in any fiscal year exceed the amount expended by the Association for Common Expenses for such fiscal year, each Owner's Percentage Interest of such excess shall be a credit against the Assessment(s) due from such Owner for the next fiscal year(s), at the discretion of the Board.
- J. Notice and Quorum. for Imposition of Special Assessments. Written notice of any meeting called for the purpose of imposing special Assessments shall be sent to all Owners not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Owners entitled to cast sixty six and two-thirds percent (66 2/3%) of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one half of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.
- K. Subordination of Lien to Mortgage. The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Dwelling Unit shall not affect the Assessment lien. No sale or transfer shall relieve the Owner of such Dwelling Unit from liability for any Assessments becoming due prior to such sale or transfer; provided, however, that sale or transfer of any Dwelling Unit pursuant to foreclosure of any first mortgage on such Dwelling Unit (without the necessity of joining the Association in such foreclosure action), or any proceedings or deed in lieu thereof, shall extinguish the lien of all Assessments first becoming due after the date of recordation of such mortgage but prior to the date of such sale or transfer.
- L. Declarant's Non Liability for Assessments. The Declarant is excused from any Regular Assessments for units owned by Declarant offered for the first time for sale to others for a period of two (2) years commencing on the date of recordation

of this Declaration and terminating on the first day of the 24th calendar month following the month in which the closing of the sale of the first condominium unit subject to this Declaration. If the common expenses incurred in this stated interval exceed the amount assessed against the other co-owners of units, then Declarant agrees in this interval to pay such excess.

Declarant shall only be responsible for Special Assessments prior to the "Control Transfer Date" to which Declarant agrees.

Section 16. Insurance.

A. The Association shall obtain fire and extended coverage insurance insuring all Dwelling Units, including all fixtures, appliances and other improvements installed and sold by Declarant as part thereof, and all Common Area, in an amount equal to the full replacement cost thereof from time to time, as determined by a qualified appraiser. Such insurance shall be in the form of a master casualty policy for the entire Regime, shall contain a "Replacement Cost Endorsement", and shall provide that, notwithstanding any provision thereof giving the insurer an election to restore damage in lieu of cash settlement, such option shall not be exercisable if the owners do not elect to restore pursuant to Section 18. Such insurance coverage shall be for the benefit of each Owner, the Association and, if applicable, each Owner's Mortgagee. The amount of coverage shall be increased from time to time to cover all additions to the Regime. The proceeds shall be payable to the Association, which shall hold and apply such proceeds as trustee for the Owners and the Mortgagees, as their respective interests shall appear. The proceeds shall be used or disbursed only in accordance with the provisions of this Section 16 and Section 18, as applicable, and any surety bond or bonds obtained by the Board covering the Association's officers as provided in paragraph D of this Section 16 shall specifically include protection for any insurance proceeds so received.

B. The Association also shall obtain comprehensive public liability insurance, and may also secure Worker's Compensation Insurance, employers liability insurance and other liability insurance, if the Board so determines with such coverages and limits as the Board deems appropriate; provided, however, that public liability insurance shall have liability limits of not less than Two Million Dollars (\$2,000,000.00) for personal injury and One Million Dollars (\$1,000,000.00) for property damage; and provided further, that all such policies shall meet the requirements of paragraph E of this Section 16. Such insurance shall inure to the benefit of each Owner, the Association, the Board and any Managing Agent. The Owners, as well as any lessees of any Owners, shall have the right to recover losses insured for their benefit.

C. Each Owner shall have the right to purchase any additional insurance it may deem necessary, and each Owner shall be solely responsible for loss of or damage to the contents of its Dwelling Unit, however caused, including all floor and wall coverings, appliances, fixtures and betterments installed by such Owner, and for loss of or damage to any of its personal property, whether or not stored or kept in such Dwelling Unit. Each

Owner shall be solely responsible for obtaining its own insurance to cover any such loss and risk.

D. The Association may obtain a fidelity bond indemnifying the Association, the Board and the Owners for loss of funds resulting from fraudulent or dishonest acts of any Association agent, employee or officer, or any other person handling funds of the Association or the Owners, including other acts of dishonesty by employees which bond shall be written in an amount equal to at least 200% of the annual Common Expenses, including reserves.

E. All policies of insurance of the character described in Paragraphs A and B of this Section 15 shall contain an endorsement or clause whereby the insurer waives any right to be subrogated to any claim against the Association, the Board, the Declarant, any Managing Agent, and their respective members, directors, officers, employees and agents, or the Owners; shall further contain a clause whereby the insurer waives any defenses based on co-insurance or invalidity arising from acts of any insured party; and shall cover claims of one or more insured parties against other insured parties. All policies of insurance maintained by the Association pursuant to this Section 16 shall provide such coverages and be in such amounts as may be required from time to time by the Federal National Mortgage Association ("FNMA"), the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal Housing Administration ("FHA"), or the Veterans' Administration ("VA"). Upon obtaining or changing any policy of insurance authorized or required by this Section 16, notice of the same shall be sent by the Association's Secretary to each Owner and Mortgagee that may be affected thereby.

Section 17. Condemnation. If all or any part of the Regime is taken or condemned by any competent authority, or any condemnation proceeding is instituted with respect to all or any part of the Regime, the Association shall have the right to appear in and defend such proceeding on behalf of the Owners affected thereby, and to prosecute on such Owners' behalf any action or proceeding, at law or in equity, it may (seem appropriate for adequate protection and compensation of all Owners affected by any confiscatory act of any public body. The proceeds obtained by the Association as a result of any such action or proceeding shall be applied as follows: (a) the portion of such award that is allocated by the court making such award or, if not so allocated, that is determined by a two-thirds (2/3) majority of the Percentage Vote at a special meeting called for the purposes of making such allocation, to the Buildings and Dwelling taken (the "Building Award"), shall be distributed among the Owners whose Dwelling Units were taken proportionately according to the relative square footage of each Dwelling Unit so taken; and (b) the balance of such award after payment of the Building Award shall be paid, first, to reimburse the Association for its costs and expenses in obtaining such award, and the balance, if any, shall be paid to each Owner in proportion to its Percentage Interest. No amounts or damages shall be paid by the Association or any Owner for any partial taking, partial loss of use or impedance of access of or to any Dwelling Unit, except to the extent that the amount of any such award is specifically determined by the court making such award or by a two-thirds (2/3) majority of the Percentage Vote. Nothing in this Section 17 shall be construed to prevent any



Owner affected by any condemnation or, confiscatory action of any public body from participating in any condemnation proceeding or from prosecuting any action for recovery for any confiscation of its property, but such Owner shall not be entitled to distribution out of the proceeds received by the Association to the extent such Owner recovers sums or compensation for the same or similar damages as are the basis of the award of the Association. Nothing contained herein shall be construed to require payment of proceeds to an Owner in derogation of any rights such Owner's Mortgagee may have to such proceeds.

Section 18. Casualty and Restoration. In the event of any damage to or destruction of the Property by fire or other casualty, the following provisions shall be applicable:

- A. In the event of less than complete destruction (as defined in paragraph B of this Section 18) the Dwelling Units in all Buildings, all Dwelling Units and other Property damaged shall be repaired, and restored promptly. Any insurance proceeds shall be applied to the cost of such repair and restoration. If the insurance proceeds are not adequate to cover the cost of such repair and restoration, or if there are no proceeds, the amounts needed to complete such repair and restoration beyond available insurance proceeds shall be paid by all Owners as a Common Expense. The application and use of such proceeds shall be determined by the Board acting as trustee under paragraph A of Section 16, and, when so determined in good faith, shall be binding upon all Owners and Mortgagees.
- B. If two-thirds (2/3) or more of the Dwelling Units are damaged or destroyed by fire or other casualty, a special meeting of the Association shall be called. If, at that meeting, a determination is made by a two-thirds (2/3) majority of the Percentage Vote that a complete destruction has occurred so that the Buildings and other Property in the Regime shall not be repaired or restored, then the proceeds of insurance and the Property shall be dealt with and disposed of in accordance with Sections 20 and 22 of the Act, as either may be amended from time to time, or in accordance with any substitute provisions governing such matters as may be enacted subsequent to the date hereof, with distributions of proceeds to be made to the Owners in proportion to the relative fair market values of their respective Dwelling Units as of the date of such damage or destruction, if and to the extent such values can be determined and such distributions are permitted by applicable law.
- C. Restoration, for purposes of paragraphs A and B of this Section 18, shall mean construction or rebuilding of the Dwelling Units and other Property to substantially the same condition as they existed immediately prior to the damage or destruction, with similar quality of materials and workmanship, and similar type of design and architecture, but excluding all improvements and property added to, or kept in or about, such Dwelling Units by any Owner.

- D. If restoration of Dwelling Units is necessary, the insurance funds shall be disbursed by the Association. Such disbursement of funds shall be in the manner and in accordance with the procedure normally used when disbursing funds for initial construction. Each insurer shall be notified of this provision by the Association and each policy of insurance shall comply herewith. Nothing contained in Section 16 or 18 shall be construed to require payment of any proceeds to an Owner in derogation of any rights such Owner's Mortgagee may have to such proceeds.

Section 19. Negligence. Each Owner shall be liable for the expenses of any maintenance, repair or replacement of any of the Property that becomes necessary by reason of its negligence, or that of any member or its family, or its or their guests, employees, agents or lessees, to the extent such expense is not covered by proceeds of insurance carried by the Association. An Owner shall pay the amount of any increase in insurance premiums occasioned by its use, misuse, occupancy or abandonment of its Dwelling Unit or the Common Areas.

Section 20. Real Estate Taxes. Real estate taxes shall be taxed separately to each Dwelling Unit and the Percentage Interest connected therewith, as provided in the Act. If for any year real estate taxes are not separately assessed and taxed to each Dwelling Unit, but are assessed and taxed on the Real Estate as a whole, then each Owner shall pay its proportionate share of the real estate taxes. Each Owner's proportionate share will be equal to the Percentage Interest then appurtenant to such Owner's Dwelling Unit.

Section 21. Utilities. Each Owner shall pay for those utilities provided to its Dwelling Unit that are separately billed or metered for such Dwelling Unit. Utilities that are not separately billed or metered shall be treated and paid as part of the Common Expenses. Only the water and sanitary sewage usage is singly metered and shall be proportioned equally to the Owners unless the Board determines a disproportionate usage in which later instance the Board, in its sole discretion, can adjust the proportions of the bill accordingly.

Section 22. Use and Sale of Dwelling Units. For the purpose of maintaining the residential character of the Regime and for protection of the Owners, Declarant specifically reserves the mode and method of original sale of each Dwelling Unit until the last Dwelling Unit is sold. Declarant may designate any Dwelling Unit as a unit "model" for sales. Any Dwelling unit designated by Declarant for use as a model for sales until all of Declarant's Units are sold as Condominiums may, at Declarant's option, either be owned by Declarant, or sold and leased back by Declarant for such purpose. Declarant's right to so designate and use Dwelling Units shall continue so long as Declarant owns any Dwelling Units, and no action of the Association or any Owner shall impair such right. Other than as provided in this Section 21, all Dwelling Units shall be used for residential purposes only (but with home occupations permitted under the Dwelling Districts Zoning Ordinance of Marion County allowed), and no lease (other than a leaseback by Declarant) shall demise any Dwelling Unit for a term of less than one (1) year.

Section 23. Amendment of Declaration. Except as otherwise provided herein, this Declaration may be amended in the following manner:

- A. Notice. Notice of the subject matter of the proposed amendment shall be included in this notice of any meeting at which the proposed amendment is considered, including any annual meeting.
- B. Resolution. A resolution to adopt a proposed amendment may be proposed by the Board or by Owners having at least a majority of the Percentage Vote.
- C. Meeting. The resolution concerning a proposed amendment must be adopted by the appropriate majority vote at a meeting duly called and held in accordance with the provisions of the By-Laws.
- D. Adoption. Any proposed amendment hereto must be approved by a majority of the Percentage Vote. If any Dwelling Unit is subject to a 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 in accordance with the provisions of the By-Laws.
- E. Amendments. No amendment hereto shall be adopted that changes:
- (a) The Percentage Interest with respect to any Dwelling Unit or the share of an Owner's liability for Common Expenses, without approval of a two-thirds (2/3) majority of the Percentage Vote and approval of Mortgagees having mortgages on at least two-thirds (2/3) of the mortgaged Dwelling Units, except as otherwise provided in regard to annexation;
  - (b) The provisions of Section 18 with respect to reconstruction or repair in the event of fire or casualty, without approval of a two-thirds (2/3) majority of the Percentage Vote and unanimous approval of all Mortgagees whose mortgage interests have been made known to the Board in accordance with the provisions of the By-Laws;
  - (c) The provisions of Section 12, 15, 22, 23, 24 and 25 without Declarant's consent so long as the Regime is still subject to expansion; or
  - (d) Any provision hereof that would be deemed to be of a material nature by FNMA under any current or subsequent relevant guidelines that FNMA may issue, without approval of a two-thirds (2/3) majority of the Percentage Vote and approval of Mortgagees having mortgages on at least two-thirds (2/3) of the mortgaged Dwelling Units.

Any Mortgagee that duly has been notified of the nature of any proposed amendment shall be deemed -to have approved the same if such Mortgagee or a representative thereof fails to appear at the meeting at which such amendment is to be considered. If a proposed amendment is one permitted by this Section 23

and is deemed by the Board to be one that is not of a material nature, the Board shall notify a Mortgagees whose interests have been made known to the Board of the nature of such proposed amendment, and such amendment conclusively shall be deemed not material if no Mortgagee so notified objects to such proposed amendment within thirty (30) days of the date such notice is mailed, and if such notice advises the Mortgagees of the time limitations contained in this sentence.

- F. Recordation. Each amendment hereto shall be executed only by Declarant in any case where Declarant has the right to amend this Declaration without any further consent or approval, and otherwise by the President or a Vice President, and the Secretary or an Assistant Secretary of the Association, provided that any amendment requiring Declarant's consent shall contain such consent. All amendments shall be recorded in the Office of the Recorder of Marion County, Indiana, and no amendment shall become effective until so recorded. In addition, the provisions of this Section 23 are subject to the rights given to Declarant by virtue of the irrevocable proxies held by Declarant on behalf of the Owners, as provided in Section 9.

Section 24. Amendments for Mortgage Purchaser. If FNMA, FHLMC, FHA, VA, or any other guarantor or purchaser of a mortgage of any property in the Regime, should impose any requirements pertaining to attributes of the Regime, or provisions hereof or of the By-Laws, for purposes of qualifying for or agreeing to purchase or guaranty of any such mortgage, the Declarant or the Board may fully satisfy such requirements, and shall have the right to amend this Declaration in accordance therewith, without approval or consent of any Owner or Mortgagee.

Section 25. Reservation of Right. Declarant reserves the right to amend this Declaration without consent of the Owners, the Mortgagees or the Association until the Control Transfer Date, provided that no such amendment shall materially impair the rights of any Mortgagee, or substantially deprive the Owners, or any of them, of the right conferred upon them hereof or by the By-Laws.

Section 26. Enforcement of Covenants and Restrictions. The various covenants and restrictions applicable to use and enjoyment of the Dwelling Units, as set forth herein, are for the mutual benefit and protection of the present and future Owners, shall run with the land, and shall be binding upon, inure to the benefit of and be enforceable by the Declarant, any Owner, or the Board on the Association's behalf, and their respective heirs, successors and assigns. Available relief in any action brought to enforce this Declaration shall include damages, injunctive relief against any violation or attempted violation of these provisions, and recovery of any costs and attorneys' fees incurred by any party successfully enforcing this Declaration against any other party, but there shall be no right of reversion or forfeiture of title resulting from any violation. In addition, the Board is hereby authorized, during the period of any default or delinquency, to take actions to enforce compliance with such provisions, rules, regulations or decisions, including, without limitation: (i) revocation of a defaulting Owner's right to use General Common Areas

designed for recreational purposes, and (ii) suspension of a defaulting Owner's voting privileges; provided, that no such enforcement action shall affect any Mortgagee's rights hereunder.

Section 27. Costs and Attorneys' Fees. In a proceeding arising because of an alleged failure of an Owner to make any required payment, or to comply with any provision of this Declaration, the Act, the By-Laws, or the rules and regulations adopted pursuant thereto, as each may be amended from time to time, the Declarant or the Association shall be entitled to recover its attorneys' fees incurred in connection with such proceeding, if it is found or agreed in such proceeding that a failure to make payment as required hereby, or a violation of this Declaration, the Act, the By-Laws, or the rules and regulations adopted pursuant thereto, as each may be amended from time to time, did occur.

Section 28. Acceptance and Ratification. All present and future Owners, Mortgagees, tenants and occupants of the Dwelling Units shall be subject to and comply with the provisions of this Declaration, the Act, the By-Laws, and the rules and regulations adopted pursuant thereto, as each may be amended from time to time. Acceptance of a deed of conveyance to or occupancy of any Dwelling Unit shall constitute an agreement that the provisions of this Declaration, any Amendments, the Act, the By-Laws, and any rules and regulations adopted pursuant thereto, as each may be amended 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 bind any person having at any time any interest or estate in a Dwelling Unit or the Property as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. Each Owner shall execute and deliver such other documents, if any, as may be necessary or desirable to comply with the Act as it may be amended from time to time. All persons that may occupy, use, enjoy or control a Dwelling Unit or any part of the Property in any manner shall be subject to this Declaration, the Act, the By-Laws, and the rules and regulations adopted pursuant thereto, as each may be amended from time to time.

Section 29. Waiver. No Owner may exempt itself from liability for its contribution toward Common Expenses by waiver of use or enjoyment of any of the Common Areas, or abandonment of its Dwelling Unit. The Association does not waive the right to hold a lien on any Dwelling Unit and foreclose same by any failure to take action when any payment of any Assessment is not timely made when due by any Owner.

Section 30. Construction and Severability. This Declaration and the By-Laws are intended to comply with the provisions of the Act, and shall be construed whenever possible to be consistent therewith. Invalidity of any covenant, restriction, condition, limitation or other provision hereof or of the By-Laws shall not impair or affect in any manner validity, enforceability or effect of the rest hereof or of the By-Laws.

Section 31. Floor Plans. The Plans pertaining to the Real Estate, as described in Section 2(v), are incorporated herein by reference, and have been recorded contemporaneously with recordation hereof in the Office of the Recorder of Marion County, Indiana, as Instrument No.

Section 32. Notices. Any notice required or permitted to be sent hereunder or under the By-Laws shall be sufficient if sent by U.S. certified or registered mail, postage prepaid, return receipt requested, to the address shown on the Association's records.

IN WITNESS WHEREOF, Declarant has executed this Declaration this 20 day of DECEMBER, 2001.

Chatham Associates

By: Brian P. Murphy  
Brian P. Murphy, General Partner

STATE OF INDIANA )  
 ) SS:  
COUNTY OF MARION )

SUBSCRIBED AND SWORN to before me, a Notary Public, in and for said County and State, personally appeared Brian P. Murphy, General Partner of Chatham Associates, Declarant, and acknowledged the execution of the foregoing Declaration of The Chatham Horizontal Property Regime.

WITNESS my hand and Notarial Seal this 20th day of December, 2001.

My Commission Expires:

May 7, 2009

Frances E. Barge  
Notary Public

Printed: FRANCES E. BARG

Resident of MARION County

CHICAGO TITLE

Prepared by:  
Raymond Good, #7201-49  
LOCKE REYNOLDS LLP  
201 North Illinois Street, Suite 1000  
P.O. Box 44961  
Indianapolis, IN 46244-0961  
(317) 237-3800

**EXHIBIT A**

Lot 89 and 10.00 feet by Parallel Lines off of the entire south side of Lot 88 in William Young's subdivision of out lot 181 of the Donations Land of the City of Indianapolis, as per plat thereof recorded in Plat Book 1, pages 7 and 8 and corrected as per plat thereof recorded in Plat Book 1, pages 41 and 42 in the Recorder of Marion County, Indiana.



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CHICAGO TITLE

**EXHIBIT "B"**

**CODE OF BY-LAWS OF**

**THE CHATHAM REGIME ASSOCIATION, INC.**

**ARTICLE I**

**Definitions**

All capitalized terms and other terms used but not defined herein shall have the meanings ascribed to them in the Declaration of **The Chatham Horizontal Property Regime**, dated DECEMBER 20, 2001, 2001, and recorded \_\_\_\_\_, 2001 as Instrument No. 2001-\_\_\_\_\_ in the Office of the Recorder of Marion County, Indiana (the "Declaration").

**ARTICLE II**

**Identification and Applicability**

**Section 2.01. Identification and Adoption.** These By-Laws are adopted to govern The Chatham Regime Association, Inc. (the "Association"), in the conduct of its activities and duties pursuant to its Articles of Incorporation (the "Articles") and the Declaration. The Declaration is incorporated herein by reference, and all of the covenants, conditions, rights, restrictions and liabilities contained therein shall apply hereto and govern interpretation hereof. The provisions hereof shall apply to the Dwelling Units, and to administration and conduct of the Association's affairs.

**Section 2.02. Individual Application.** All Owners, their guests, invitees and tenants and any other person that might now or hereafter use or occupy a Dwelling Unit or any part of the Property, shall be subject to the rules, restrictions, terms and conditions set forth herein and in the Declaration, as amended from time to time.

**Section 2.03. Membership.** The Association's members shall be the Owners, and the terms "member" and "Owner" as used herein, in the Declaration or in the Articles, shall be interchangeable. A member shall be deemed to be in good standing so long as it remains in compliance with the covenants and obligations of an Owner hereunder and under the Declaration. If the Association's Board elects to have a certificate of membership each member shall be entitled to a certificate signed by the President or a Vice President, and attested by the Secretary or an Assistant Secretary, certifying the membership held by it and such other information as may be required by law. The form of such certificate shall be prescribed by the Board (as hereinafter defined). Such certificate shall not be transferable.



**ARTICLE III**  
**Owner's Meetings**

**Section 3.01. Purpose of Meeting.** At least annually, and at such other times as may be necessary or appropriate, an Owners' meeting shall be held for the purpose of electing the Board approving the annual budget and providing for collection of Common Expenses, and for such other purposes as may be required hereby, by the Declaration or by the Articles.

**Section 3.02. Annual Meeting.** The first annual Owners' meeting shall be held in October, 2002. All subsequent annual Owners' meetings shall be held on any date selected by the Board that is within thirty (30) days of the anniversary of the first annual meeting. At each annual meeting, the Owners shall elect the Board in accordance with the provisions hereof and transact such other business as may properly come before the meeting.

**Section 3.03. Special Meetings.** A special Owners' meeting may be called by resolution of a majority of the Board ' or upon written petition of the President or the Owners of not less than two of the Dwelling Units. The resolution or petition shall be presented to the President or the Secretary, 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 resolution or petition.

**Section 3.04. Notice and Place of Meeting.** All Owners' meetings shall be held at such location within the State of Indiana as may be designated by the Board. Written notice stating the date, time and place of any Owners' meeting, and, in the case of a special meeting or when otherwise required by law, the purpose(s) for which the meeting is called, shall be mailed by the Secretary to each Owner and, if applicable, to each Mortgagee not less than thirty (30) days prior to the date of such meeting. If, at any meeting, an amendment to the Declaration or the Articles is to be considered, the notice of such meeting shall describe the nature of such proposed amendment. The notice shall be mailed by first class U.S. Mail postage prepaid, to the Owners at their respective addresses as the same appear upon the Association's records, and, if applicable, by first class U.S. Mail, postage prepaid to the Mortgagees at their respective addresses as the same appear on the Association's records. Attendance at any meeting in person or by proxy shall constitute a waiver of notice of such meeting. Furthermore, notice of any meeting may be waived by any Owner in writing filed with the Secretary.

**Section 3.05. Voting.**

- (a) **Number of Votes.** To avoid fractional votes and to facilitate orderly conduct of the meeting, each Dwelling Unit shall be entitled to one (1) vote on each matter coming before the meeting.
- (b) **Multiple Owners.** When the Owner of a Dwelling Unit constitutes more than one (1) person or is an entity, there shall only be one (1) voting representative entitled to cast the vote allocable to such Dwelling Unit. At the time of acquisition of title to a Dwelling Unit by more than one (1) person or entity, all persons constituting such Owner, or the chief executive officer, general partner or manager of such entity, shall file with the Secretary an irrevocable proxy appointing one (1) of

such persons or a designated individual on behalf of such entity as to the voting representatives for such Dwelling unit, which shall remain in effect until such voting representative is replaced in like manner, relinquishes such appointment in writing, becomes incompetent or dies, or such appointment is otherwise rescinded by order of a court of competent jurisdiction. Such voting representative may grant a proxy to another to vote in his place at a particular meeting or meetings pursuant to Subsection (c) of this Section 3.05, which shall constitute relinquishment of his right to act as voting representative for such Dwelling Unit at such meeting(s).

- (c) Proxy. An Owner may vote either in person or by duly authorized and designated attorney-in-fact. When voting is by proxy, the Owner shall duly designate its attorney-in-fact in writing and shall deliver such written designation to the Secretary prior to commencement of the meeting.
- (d) Quorum. Except where otherwise expressly provided herein, in the Declaration or in the Articles, the presence of Owners owning in excess of sixty percent (60%) of the total number of Dwelling Units shall constitute a quorum at all meetings. The term "majority of Owners" or "majority of the vote" as used herein, shall mean, unless otherwise expressly indicated, more than fifty percent (50%) of the total number of Owners as determined by the applicable provisions set forth in the Declaration, and the term "majority vote" shall mean more than fifty percent (50%) of the total votes present or represented at such meeting. Except where otherwise expressly provided herein, in the Declaration or in the Articles, any action required or permitted to be taken at any Owners' meeting with respect to any question or matter shall be taken pursuant to majority vote.
- (e) Conduct of Meeting. The President shall chair each Owner's meeting. He shall call the meeting to order at the duly designated time, and business shall be conducted in the following order:
  - (1) Reading of Minutes. The Secretary or an Assistant Secretary shall read the minutes of the last annual or special meeting.
  - (2) Treasurer's Report. The Treasurer or an Assistant Treasurer shall report on the Association's financial condition, and answer relevant questions concerning the Common Expenses and financial report for the current fiscal year and the proposed budget for the following fiscal year.
  - (3) Budget. The proposed budget for the following fiscal year shall be presented to the Owners for approval or amendment.
  - (4) Election of Board. Nominations for the Board may be made by an Owner from those persons eligible to serve. Such nominations must be in writing and presented to the Secretary at least forty-five (45) days prior to the annual meeting. Voting for Directors (as hereinafter defined) will be by

paper ballot. The ballot shall contain the name of each person nominated to serve as Director. Each Owner may cast its vote for as many nominees as are to be elected; however, it shall not be entitled to accumulate its votes. Those persons receiving the highest numbers of votes shall be elected.

- (5) Other Business. Other business may be brought before the meeting only upon a written request submitted to the Secretary at least ten (10) 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 vote.
  - (6) Committee Report. Reports of committees designated to supervise and advise on respective segments of development, construction, landscaping, maintenance and operations assigned by the Board shall be presented.
  - (7) Adjournment. Upon completion of all business before the meeting, the President, upon any Owners' motion, may adjourn the meeting; provided, however, that no annual meeting shall be adjourned until a budget is approved by the owners for the following year.
- (f) Action by Consent. Any action required or permitted to be taken at any Owners' meeting may be taken without a meeting if, prior to such action, a written consent to such action is signed by all Owners and filed with the minutes of the Association's proceedings.

Section 3.06. Control During Development. Notwithstanding any other provisions hereof, of the Declaration or of the Articles, from and after the date of the Declaration until the Control Transfer Date, the Association shall be governed by an Initial Board appointed by Declarant.

The Initial Board shall hold all rights and powers of the Board hereunder, under the Declaration or under the Articles, except as specifically limited in this Section 3.06. The Initial Board may appoint from time to time from among the Owners committees to advise and assist it in the performance of its functions. The rights and powers of the Initial Board shall be limited as follows:

- (a) The Initial Board shall have no power to reallocate voting power among the Owners in any manner contrary to the Declaration.
- (b) The Initial Board shall not take any action requiring any Mortgagee's vote or consent unless such vote or consent is obtained.

On the Control Transfer Date, the Initial Board's rights and powers shall terminate, and the Association shall thereafter be governed in accordance with the provisions hereof, of the Declaration and of the Articles, other than this Section 3.06.

**ARTICLE IV**  
**Board of Directors**

Section 4.01 Constituency. The Association's affairs shall be governed and managed by the Board of Directors (collectively, the "Board"; individually, "Directors"). The Initial Board shall comprise three (3) persons appointed by Declarant. After expiration of the term of the Initial Board as provided in Section 3.06, the constituency of the Board may be increased to, but shall not exceed six (6) and may be decreased to, but shall not be below, three (3). The number of Directors shall be increased or decreased in accordance with this Section 4.01 only if the increase or decrease is properly brought before the Owners at an annual meeting or a special meeting called for such purpose and approved by majority vote. No person shall be eligible to serve as a Director unless he is (i) an Owner or the voting representative of an Owner that is not an individual, or (ii) an agent, employee, attorney or representative of Declarant. Except temporarily due to resignation, removal, death or incapacity of a Director, there shall be an odd number of Directors at all times.

Section 4.02 Additional Qualifications. When an Owner constitutes more than one (1) person or is an entity, then the voting representative of such Owner shall be eligible to serve as Director.

Section 4.03 Term of Office and Vacancy. The Board shall be elected at each annual Owner's meeting subject to the limitations set forth in Section 3.06. Any vacancy occurring in the Board shall be filled by vote of a majority of the remaining Directors or by majority vote of the Owners if a Director is removed in accordance with Section 4.04.

Section 4.04 Removal of Directors. After expiration of the term of the Initial Board, a Director may be removed with or without cause by majority vote at a special Owners' meeting duly called and constituted. In such case, his successor shall be elected at the same meeting from eligible persons nominated at the meeting. A Director selected shall serve until the next annual Owners' meeting, or until his successor is duly elected and qualified.

Section 4.05 Duties of Board. The Board shall perform or cause to be performed, when and to the extent deemed necessary or appropriate in the Board's business judgment, the following:

- (a) Repair and replacement of the Common Areas;
- (b) Landscaping maintenance of the Common Areas;
- (c) Assessment and collection from the Owners of each Owner's Percentage Interest of the Common Expenses;
- (d) Preparation of the proposed annual budget, a copy of which will be mailed to each Owner at the same time as notice of the annual meeting is mailed;

- (e) Preparation and delivery annually to the Owners of a full accounting of all receipts and expenses for each fiscal year, which accounting shall be delivered to each Owner within ninety (90) days after the end of such fiscal year;
- (f) Maintenance of a current, accurate and detailed record of receipts and expenditures affecting the Common Areas, specifying and itemizing the Common Expenses (which record shall be available for examination by any Owner at any time during normal business hours); and
- (g) Procuring and maintaining in force all insurance coverage required by the Declaration to be maintained for the Property.

Section 4.06. Powers of Board. The Board shall have such powers as are reasonably necessary or appropriate to accomplish performance of its 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;
- (b) To purchase the Owners' benefit such equipment, materials, labor and services as may be necessary in the Board's judgment;
- (c) To procure all insurance required or permitted under the Declaration, for the benefit of the Owners and the Association;
- (d) To employ legal counsel, architects, contractors, accountants and others as in the Board's judgment may be necessary or desirable in connection with the Association's business and affairs;
- (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 bank account or accounts in the Association's name;
- (g) Subject to the provisions of the Declaration, to adopt, revise, amend and alter from time to time reasonable rules and regulations with respect to use, occupancy, operation and enjoyment of the Common Areas; provided, however, that the Board shall give the Owners written notice of such rules and regulations, and any revision, amendment or alteration thereof, and
- (h) To appoint one or more committees to supervise and interpret the policies and regulations adopted by the Board.

Section 4.07 Limitations on Board Action. After expiration of the term of the Initial Board, the Board's authority to enter into contracts. shall be limited to contracts involving a total expenditure of less than five percent (5%) of the annual budget for the current year, unless prior approval of a majority of Owners present at any meeting is obtained, except in the following cases:

- (a) Supervision and management of replacement or restoration of any portion of the Common Areas damaged or destroyed by fire or other casualty, if the cost thereof is payable out of insurance proceeds actually received; and
- (b) Proposed contracts and expenditure expressly set forth in an annual budget approved by the Owners.

Section 4.08 Compensation. No Director shall receive any compensation for his services as such, except as expressly authorized by majority vote.

Section 4.09 Meeting. Regular Board meetings shall be held quarterly 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 Board meetings to each Director by first class U.S. Mail, postage prepaid, or hand delivered, at least ten (10) days prior to the date of such meetings. At any time after expiration of the term of the Initial Board, a special Board meeting may be called by the President or any one-third (1/3) of the Directors. The person(s) calling such meeting shall give written notice thereof to the Secretary, who shall by first class U.S. Mail, postage prepaid, or hand delivered, and at least ten (10) days prior to the date of such special meeting, but immediately upon receipt of such notice, give notice to the Directors. 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 as shall be designated in the notice.

Section 4.10 Waiver of Notice. Before any Board meeting, any Director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to giving of such notice. The presence of any director at a meeting shall, as to such Director, constitute a waiver of notice of the time, place and purpose thereof. If a majority of Directors is present at any Board meeting, no notice shall be required and any business may be transacted at such meeting.

Section 4.11 Quorum and Voting at Meetings. At any Board meeting, presence of a majority of the Directors shall constitute a quorum. Any action required or permitted to be taken at any Board meeting with respect to any question or matter shall be taken pursuant to the affirmative vote of a majority of the Directors present at the meeting, so long as a quorum exists.

Section 4.12 Action by Consent. Any action required or permitted to be taken at any Board meeting may be taken without a meeting if, prior to such action, a written consent to such action is signed by all Directors and filed with the minutes of Board proceedings.

Section 4.13 Committees. The President or the Board may from time to time create and appoint standing and special committees from among the Owners to undertake studies, make recommendations, carry on functions for the purpose of efficiently accomplishing the Association's purposes, and perform such other duties as the President or the Board may from time to time prescribe.

**ARTICLE V**  
**Officers**

**Section 5.01 Officers of the Association.** The principal Association officers shall be the President, one or more Vice Presidents, the Secretary and the Treasurer, all of whom shall be elected by the Board. The Directors may appoint one or more Assistant Secretaries and/or Assistant Treasurers, and such other officers as in their judgment may be necessary. Any two (2) offices may be held by the same person, except that the offices of President and Secretary shall not be held by the same person.

**Section 5.02 Election of Officers.** The Association's officers shall be elected annually by the Board at the first Board meeting following each election of Directors. Officers may serve unlimited consecutive terms. Any officer may be removed with or without cause, and his successor elected, at any regular Board meeting or any special Board meeting called for such purpose.

**Section 5.03 Vacancies.** Whenever any vacancy occurs in any Association office for any reason, such vacancy may be filled by the Board at any meeting thereof, and any officer so elected shall hold office until expiration of the term of the officer causing the vacancy, or until his successor is duly elected and qualified.

**Section 5.04 Compensation.** No officer shall receive any compensation for his services as such, except as fixed by duly recorded Board action.

**Section 5.05 The President.** The President shall be elected from among the Directors and shall be the Association's chief executive officer. The President shall preside at all Owners' and Board meetings, and shall have and discharge all general powers and duties usually vested in the office of president or chief executive officer of an association or a stock corporation organized under Indiana law.

**Section 5.06 The Vice Presidents.** The Vice Presidents shall be elected from among the persons qualified to serve as Director, and shall perform all duties incumbent upon the President during the President's absence or disability. The Vice Presidents shall also perform such other duties as these By-Laws may prescribe or as shall, from time to time, be imposed on them by the Board or the President.

**Section 5.07 The Secretary.** The Secretary shall be elected from among the persons qualified to serve as Director. The Secretary shall attend all Owners' and Board meetings, shall keep or cause to be kept true and complete records of proceedings of such meetings, and shall perform all other duties incident to the office of the Secretary, and such other duties as from time to time may be prescribed by the Board. If required, the Secretary shall attest execution by the Association of deeds, leases, agreements and other official documents. The Secretary shall specifically ensure that all notices of Owner's and Board meetings are duly given in accordance with the provisions hereof

Section 5.08 The Treasurer. The Board shall elect from among the persons qualified to serve as Director a Treasurer who shall maintain a correct and complete record of account showing accurately at all time the Association's financial condition, and perform all other duties incident to the office of Treasurer. The Treasurer shall be legal custodian of all monies, notes, securities and other valuables which may from time to time come into the Associations' possession. The Treasurer shall immediately deposit all Association funds coming into his hands in some reliable bank or other depository designated by the Board, and shall keep such bank account in the name and for the exclusive benefit of the Association.

Section 5.09 Assistant Officers. The Board may from time to time designate and elect from among the persons qualified to serve as Director one or more Assistant Secretaries and/or Assistant Treasurers, 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 may prescribe.

#### ARTICLE VI Additional Rights and Duties of Board

Subject to the provisions of the Declaration, the Board may promulgate such reasonable rules and regulations regarding operation of the Common Areas as the Board may deem desirable, including but not limited to use of the Common Areas. Such rules as are adopted may be repealed or amended by the Board. The Board shall cause copies of all such rules and regulations, including any amendments or repeals thereof, to be mailed promptly to all Owners at least fifteen (15) days prior to the effective date thereof Any rule or regulation promulgated by the Board shall be enforced by the Board in a consistent and nondiscriminatory manner.

#### ARTICLE VII Procedures for Assessments

Section 7.01 Obligations of Owners. Each Owner shall automatically and mandatorily become an Association member and be entitled to all privileges and subject to all obligations thereof All Owners, by their acceptance of their respective deeds to their Dwelling Units, shall be bound by the conditions, restrictions and obligations contained herein, and in the Declaration, the Articles, and the Association's rules and regulations.

Section 7.02 Annual Accounting. Annually, within ninety (90) days after the close of each fiscal year, the Board shall cause to be prepared and mailed to each Owner a financial statement showing all receipts and expenses received, incurred and paid by the Association during such fiscal year.

Section 7.03 Proposed Annual Budget. Annually, prior to the annual Owners' meeting, the Board shall cause to be prepared and mailed to each Owner a proposed annual budget for the following fiscal year estimating the total Common Expenses for such fiscal year. The proposed annual budget shall be submitted to the Owners at the annual meeting for approval and, if so approved, shall be the basis for annual Assessments for the following fiscal year. At the annual



Owners' meeting, the proposed annual budget may be approved in whole or in part, or amended in whole or in part, by majority vote (provided a quorum is present); provide, however, that in no event shall the annual Owners' meeting be adjourned until an annual budget is approved at such meeting.

Section 7.04 Annual Assessments. The annual budget as approved shall, based on the estimated cash requirements for Common Expenses in the following fiscal year set forth therein, contain a proposed annual Assessment against each Dwelling Unit based on the Percentage Interest of each Dwelling Unit times the total amount of the budget. The annual Assessment against each Dwelling Unit shall be paid in accordance with the Declaration. The annual budget shall contain provision for a reserve fund for replacement or major repair of Common Areas based upon good faith estimates of replacement costs and useful lives of the Common Areas. The total of all such annual Assessments shall be applied to payment of the Common Expenses provided for in the annual budget, including expenses for maintenance and repair of the Common Areas, necessary insurance costs, reserve funds for replacements and maintenance, costs of operation of Association community activities and facilities, and any other necessary or appropriate expenses for maintenance and operation of the Property.

Section 7.05 Special Assessments. In addition to annual Assessments, the Association may levy such special Assessments as may be necessary for the purpose of defraying, in whole or in part: (1) cost of any construction, reconstruction, repair or replacement of a capital improvement, including fixtures and personal property related thereto, and (2) expense of any other contingency or event not provided for in the Association's annual budget, reserves and working capital; provided, however, that no special Assessment shall be levied without the approval of two-thirds (2/3) of the Owners present or represented at a meeting duly called for such purpose. Each Owner shall pay the Association a special Assessment based on its Percentage Interest time the total sum approved. The Association may, in connection with levy of any special Assessment, specify that the same shall be payable in installments and specify the due dates thereof.

Section 7.06 Adjustments. If the approved budget and annual Assessments, plus the Association's reserves and working capital, prove insufficient to meet the Association's actual expenses in any fiscal year, such deficiency may be corrected through one or more special Assessments.

Section 7.07 Temporary Budget and Assessments. If for any reason an annual budget and annual Assessments for any fiscal year have not been determined as of the beginning of such year, the budget and annual Assessments in effect during the preceding fiscal year shall continue in effect until such time as the annual budget and annual Assessments are determined in accordance with the Declaration and these By-Laws; provided, however, that such budget and Assessments may be increased by up to twelve percent (12%) as the Board may deem necessary in the temporary budget and Assessments.

Section 7.08 Reserve and Working Capital Funds. The Association shall establish a reserve fund for repair and replacement of those portions of the Common Areas that must be

replaced periodically, based upon good faith estimates of the useful lives and replacement costs of such items made or obtained by the Association. The reserve fund shall be funded by annual Assessments and not by special Assessments. Extraordinary expenditures not originally included in the annual budget that become necessary during a fiscal year shall be charged first against the reserve fund so established before any special Assessment is made or levied therefor. In addition to the reserve fund, a working capital fund shall be established and maintained by the Association. At the closing of the initial sale of each Dwelling Unit to an Owner other than Declarant, the Association shall be paid by the purchaser of such Dwelling Unit an amount equal to one month's installment of the annual Assessment for such Dwelling Unit, which amount shall be retained by the Association as working capital. In addition, each Owner shall maintain on deposit with the Association an amount at least equal to two months' installments of the annual Assessment for its Dwelling Unit for the current fiscal year as a security deposit. Amounts paid or deposited into the working capital fund shall not relieve an Owner from responsibility for annual Assessments due in accordance with this Article VII. All amounts held by the Association pursuant to this Section 7.08 shall be maintained in a federally insured, interest-bearing account in a bank, or savings and loan association, doing business in Indiana, and all interest thereon shall be added to and deemed a part of such fund. Notwithstanding anything contained herein to the contrary, Declarant shall not be required to fund reserves; maintain on deposit with the Association the contribution to the working capital fund described in this Section 7.08; or fund the security deposit.

Section 7.09 Status of Funds Collected by Association. All funds collected pursuant to this Article VII shall be held and expended by the Association solely for the purposes designated herein, and, except for such adjustments as may be required to reflect delinquent or prepaid assessments, shall be deemed to be held for the use, benefit and account of all Owners for payment of Common Expenses in accordance with the Owners' respective Percentage Interests.

## ARTICLE VIII Notices and Mortgagees

Section 8.01 Notice to Association. An Owner that places a first mortgage lien upon its Dwelling Unit or the Mortgagee thereof shall notify the Secretary, and provide the Mortgagee's name and address. A record of Mortgagees' names and addresses shall be maintained by the Secretary. Any notice required to be given to any Mortgagee pursuant to the terms hereof or of the Declaration shall be deemed effectively given if mailed, or hand delivered, to such Mortgagee at the address shown in such record in the time provided. Unless notification of any such mortgage, and the Mortgagee's name and address, are furnished to the Secretary, either by an Owner or the Mortgagee, no notice to such Mortgagee as may otherwise be required hereby or by the Declaration shall be required, and such Mortgagee shall not be entitled to vote on any matter on which it otherwise may be entitled to vote by virtue hereof or of the Declaration, or by proxy granted to such Mortgagee in connection with the mortgage.

Section 8.02 Notices to Mortgagees. The Association shall promptly provide to any Mortgagee, of which the Association has been provided notice under Section 8.01, notice of any of the following:

- (a) Any condemnation or casualty loss that affects a material portion of the Common Areas;
- (b) Any delinquency in payment of annual or special Assessments owed by the Owner of the Dwelling Unit that is the subject of its mortgage, if such delinquency continues for more than sixty (60) days;
- (c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and
- (d) Any proposed action that requires consent of a specified percentage of Mortgagees.

Section 8.03 Availability of Information. The Association shall keep and make available to prospective purchasers of Dwelling Units, upon request at reasonable business hours, copies hereof, and of the Declaration, the Association's current rules and regulations, if any, and the Association's most recent financial statements.

**ARTICLE IX**  
**Miscellaneous**

Section 9.01 Corporate Seal. The Association shall have no seal.

Section 9.02 Execution of Contracts and Other Documents. Unless otherwise ordered by the Board, all written contracts and other documents entered into by the Association shall be executed on the Association's behalf by the President or a Vice President, and, if required, attended by the Secretary or an Assistant Secretary.

Section 9.03 Fiscal Year. The Association's fiscal year shall begin on January 1 of each year and end on the immediately following December 31.

**ARTICLE X**  
**Amendment to By-Laws**

The Board shall have the right to amend these By-Laws at any time, and from time to time; provided, however, that any such amendment shall require Declarant's written approval so long as Declarant owns any Dwelling Unit. These By-Laws may be amended by Declarant in the same manner and to the same extent as the Declaration.

CERTIFICATION

The undersigned, being first duly sworn, hereby certifies that the within and foregoing Code of By-Laws of The Chatham Regime Association, Inc., is true and correct.

Brian P. Murphy  
Incorporator and Registered Agent

STATE OF INDIANA )  
) SS: ACKNOWLEDGEMENT  
COUNTY OF MARION )

Before me, a Notary Public, personally appeared Brian P. Murphy, Incorporator and Registered Agent of The Chatham Regime Association, Inc., and hereby acknowledges the above Code of By-Laws of The Chatham Regime Association, Inc., this 20th day of December, 2001.

My Commission Expires:

May 7, 2009

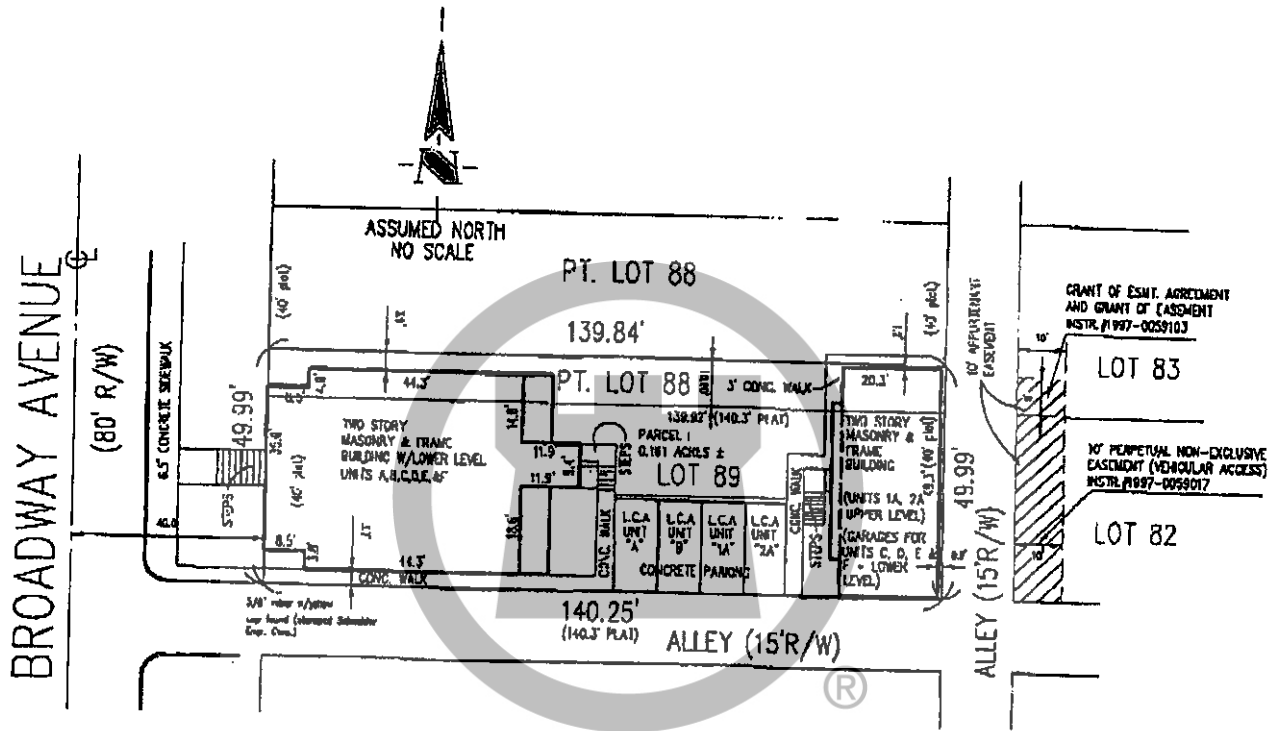
Frances E. Bare  
Notary Public  
Printed: FRANCES E. BARE  
Resident of MARION County

Prepared by:  
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P.O. Box 44961  
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496423\_1

CHICAGO TITLE



INSTRUMENT APPROVED BY CENTER TOWNSHIP ASSESSOR

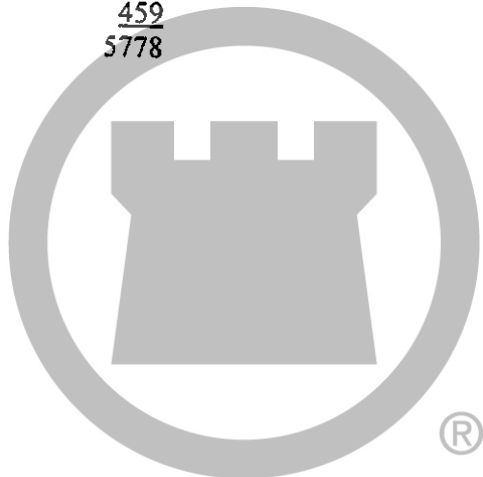


CHICAGO TITLE  
EXHIBIT B1

**EXHIBIT C**

**ASSESSMENT PERCENTAGE INTEREST SUMMARY**

<u>Unit Designation</u>	<u>Approx. Living Square Foot</u>	<u>Assessment Percentage Interest</u>
A	580	10.04%
B	736	12.74%
C	865	14.97%
D	865	14.97%
E	907	15.70%
F	907	15.70%
1A	459	7.94%
2A	459	7.94%
	<u>5778</u>	<u>100 %</u>



CHICAGO TITLE