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DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR
THE COTTAGES OF STONE HARBOUR
PHASE I, PHASE II AND PHASE III

9909904782
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 01-22-1999 At 03:36 pm.
RECORDING FEE FOR \$5.00

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR

THE COTTAGES OF STONE HARBOUR PHASE I, PHASE II AND PHASE III
("Declaration") made this 29th day of December, 1998, by
Rottlund Homes of Indiana Limited Partnership, a Minnesota Limited
Partnership (hereinafter referred to as "Declarant").

WITNESSETH THAT:

WHEREAS, Declarant is the agent and subsidiary of The Rottlund
Company, Incorporated, a Minnesota Corporation, who is the owner of
certain Real Estate and improvements thereon, located in Hamilton
County, Indiana, more particularly described in Exhibit "A" ("Real
Estate"); and

WHEREAS, Declarant intends to develop the Real Estate, by
constructing residential facilities, which shall be known as "The
Cottages of Stone Harbour" (hereinafter sometimes referred to as
"The Cottages"); and

WHEREAS, Declarant intends to sell and convey [®] the residential
facilities and Lots within The Cottages and desires to subject the
Real Estate to certain covenants, conditions, and restrictions
("Covenants") in order to ensure that the development and use of
the various Lots on the Real Estate are harmonious and do not
adversely affect the value of surrounding Lots on the Real Estate;
and

WHEREAS, Declarant desires to provide for maintenance of
certain Common Areas, Utility and Easements, Streets and other

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improvements located on the Real Estate which are of common benefit to the Owners of the various Lots within said subdivision, and to that end desires to establish certain obligations on said Owners and a system of assessments and charges upon said Owners for certain maintenance and other costs in connection with the operation of The Cottages;

NOW, THEREFORE, Declarant hereby declares that all of the Real Estate as it is now held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved, is subject to the following Covenants. All of the Covenants shall run with the Real Estate and shall be binding upon the Declarant and upon the parties having or acquiring any right, title, or interest, legal or equitable, in and to the Real Estate or any part or parts thereof and shall inure to the benefit of the Declarant and every one of the Declarant's successors in title to the Real Estate or any part or parts thereof.

ARTICLE I

General Purpose of This Declaration

The Real Estate is hereby subject to the Covenants herein declared to preserve the value of the Real Estate, to ensure proper use and appropriate improvement of the Real Estate, to encourage the construction of attractive structures and other attractive improvements at appropriate locations on the Real Estate, to prevent haphazard development thereof which may not be harmonious with other improvements on the Real Estate, to preserve and

maintain proper setbacks from streets and adequate free space between structures, to provide for adequate and proper maintenance of the Real Estate so as to ensure a high quality appearance and condition of the Real Estate and so as to meet the requirements of certain governmental agencies, all for the purpose of preserving the values of all Lots within The Cottages and to ensure desired high standards of maintenance of the Real Estate, to the benefit of all Owners within The Cottages.

ARTICLE II

Definitions for All Purposes of This Declaration

The following terms, whenever used in this Declaration, shall have the meanings assigned to them by this Article II:

Section 1. Architectural Control Committee. The Architectural Control Committee, or "ACC", means the Architectural Control Committee for The Cottages to be appointed in accordance with this Declaration.

Section 2. Assessment. "Assessment" means the share of the Common Expenses imposed upon each Lot as determined and levied pursuant to the provisions of this Declaration and the Declaration of Covenants, Conditions, Easements and Restrictions Stone Harbour Master Association, Inc..

Section 3. Association. "Association" means The Cottages Homeowners' Association, Inc., an Indiana Corporation, formed or to be formed for the purpose of determining and collecting the Assessments and overseeing and enforcing the terms of this

Declaration.

Section 4. By-Laws. "By-Laws" means the code of By-Laws of The Cottages of Stone Harbour Homeowners' Association, Inc., providing for the administration and management of the Association. A true copy of the By-Laws is attached to this Declaration and incorporated herein by reference.

Section 5. Common Areas. "Common Areas" means certain areas not amenable to development which may be designated as Sidewalks, Streets, Parks, Pathways, Utility Easements or other Common Area on the Plat and which is intended for the common benefit of all Lots.

Section 6. Common Expense. "Common Expense" means the actual or estimated cost to the Association for maintenance, management, operation, repair, improvement, and replacement of Common Areas, Easements, Drainage System, and other cost or expense incurred by the Association for the benefit of the same. Common Expenses may not include expenses which can be shared by The Gardens of Stone Harbour Co-Owners Association. Pursuant to Article III Section 6(a) and Article IV Section I of the Declaration of Covenants, Conditions, Easements and Restrictions Stone Harbour Master Association, Inc., at the discretion of the Stone Harbour Master Association Board of Directors, these common items of expense may be budgeted and assessed by the Master Association hence becoming the responsibility of said Master Association. Such expenses may include but are not limited to certain landscape maintenance, snow removal, drainage system

maintenance, real estate taxes, insurance or other type costs expended for the benefit of both The Cottages and The Gardens of Stone Harbour.

Section 7. Declarant. "Declarant" means Rottlund Homes of Indiana, L.P., an Indiana Limited Partnership, or any other person, firm, corporation or partnership which succeeds to the interest of Rottlund Homes of Indiana, L.P., as developer and/or owner of The Cottages.

Section 8. Drainage System. "Drainage System" means the storm sewers, subsurface drainage tiles, pipes and structures, and other structures, fixtures, properties, equipment and facilities located in, upon, or under the Common Areas, Easements, or Streets and designed for the purpose of expediting the drainage of surface and subsurface waters from, over, and across The Cottages.

Section 9. Easements. "Easements" refer to those areas reserved as easements, on the Plat of The Cottages.

Section 10. The Cottages. "The Cottages" means the Real Estate as it is platted and recorded by Declarant in accordance with the provisions of this Declaration.

Section 11. Lot. "Lot" means any of the separately identified parcel or parcels of land shown upon any recorded subdivision map or plat of the Properties which is intended to be sold to the ultimate buyer as a separate Property.

Section 12. Mortgagee. "Mortgagee" means any holder, insurer, or guarantor of any first mortgage on any Lot.

Section 13. Owner. "Owner" means any person or persons who acquire, after the date of this Declaration, legal and/or equitable title to any Lot which is part of the Properties; provided, however, that "Owner" shall not include any holder of any mortgage of all or any part of any Lot, so long as such holder does not hold both legal and equitable title thereto. Where any such Lot is being sold by the fee Owner to a contract vendee who is entitled to possession of the Lot, the contract vendee shall be considered to be the Owner of the Lot if (1) the rights of the contract vendor hereunder are delegated to the vendee under such contract for deed; and (2) the vendee shall furnish proof of such delegation to the Association.

Section 14. Plat. "Plat" means the final plat recorded for The Cottages.

Section 15. Properties. "Properties" means that certain property herein before described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 16. Sewage System. "Sewage System" means any sanitary sewer lines, lift stations, equipment, or facilities located in, upon, or under the Common Area, Easements, or Streets and designed to provide for the discharge of sanitary sewage from any or all Lots, as the same are or may be constructed at any time, and any replacement thereof or substitute therefor.

Section 17. Streets. "Streets" means all of the public and private roadways to the respective right-of-way lines thereof, as

shown on the Plat of The Cottages, which have been or hereafter are constructed for the purpose of providing common access for Owners, occupants and their guests and invitees, to any or all Lots.

ARTICLE III

General Restrictions

Section 1. Maintenance of Premises. In order to maintain the standards of The Cottages, no weeds, underbrush or other unsightly growths shall be permitted to grow or remain upon any Lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. All Owners shall maintain their Lots and improvements situated thereon in a manner so as to prevent the Lot or improvements from becoming unsightly, and specifically, Owner shall:

(a) Maintain the Lot at such times as may be reasonably required in order to prevent the unsightly growth of vegetation and noxious weeds. Non-decorative vegetation allowed to grow to a height in excess of six inches (6") shall be deemed unsightly.

(b) Keep the exterior of all improvements in such state of repair or maintenance so as to avoid their becoming unsightly.

(c) Prevent the existence of any other condition that reasonably tends to detract from or diminish the appearance of the Lot and/or The Cottages.

Failure to comply shall warrant the Declarant, authorized

agents of Hamilton County or the Association to cut the growth or weeds, or clear the refuse from the Lot at the expense of the Owner. The Association shall place and record a lien against said Lot in an amount equal to the expenses therefor and costs which costs may include reasonable attorneys' fees for the placement of said lien should such be deemed necessary by the Association. Said liens shall be subject and subordinate only to taxes, municipal liens, and the lien of any bona fide mortgage upon any Lot. At the option of the Association, said liens may be foreclosed upon in any court of competent jurisdiction by the Association as plaintiff for the amount of lien with interest, attorneys' fees and costs. Any judgment obtained shall be without relief from valuation or appraisement laws.

Section 2. Residential Purpose. No Lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted on any Lot other than a dwelling not to exceed one (1) story in height.

Section 3. Setbacks. All buildings shall be located as indicated on the Plat of The Cottages. ®

Section 4. Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded Plat.

Section 5. Inoperable Vehicles. At no time shall any unlicensed and/or inoperable vehicle be permitted on any Lot, Common Area, street or easement unless kept entirely within a

garage.

Section 6. Trucks and Recreational Vehicles. No semi-truck, bus, boat, trailer, mobile home, or recreational vehicle, or any similar equipment shall be permitted to be kept on any Lot for more than forty-eight (48) consecutive hours unless kept entirely within a garage.

Section 7. Nuisances. No noxious, obnoxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood. This provision may be construed to prohibit extremely audible music or activities.

Section 8. Outdoor Storage. No large machinery or equipment shall be permitted to be kept or stored on any Lot except within the dwelling.

Section 9. Drainage Ditches. Drainage swales (ditches) along dedicated roadways and within the right-of-way, or on dedicated easements, are not to be altered, dug out, filled in, tiled or otherwise changed without the written permission of authorized agents of Hamilton County. ®

Section 10. Signs. No sign of any kind shall be displayed to the public view on any Lot except one (1) professionally manufactured sign of not more than five (5) square feet advertising the property for sale or rent, except that Declarant shall be permitted to erect and maintain upon the Property such signs as it deems appropriate to advertise the Property until Declarant conveys

the last Lot.

Section 11. Mining Operations. No oil drilling, oil development operation, oil refining quarrying, or mining operations of any kind shall be permitted upon or in any Lot nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 12. Animals. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats, or other household pets may be kept provided that they are not bred, kept or maintained for any commercial use and are housed within the dwelling.

Section 13. Rubbish, Trash And Garbage. Rubbish, trash, garbage or any other waste shall not be allowed to be compiled, accumulated or dumped on any Lot. Garbage and trash shall be kept in appropriate containers which are not visible from the street, except on collection day.

Section 14. Minimum Living Space. The minimum square footage of living space of dwellings within The Cottages, exclusive of porches, garages or basements shall be no less than 1,200 square feet of liveable space.

Section 15. Outbuildings. No outbuildings of any kind, detached garages, sheds, barns, storage buildings, shacks or tents shall be maintained on any Lot unless prior approval of the

Architectural Control Committee is obtained.

Section 16. Communication Devices. Satellite disks of no more than eighteen inches (18") in diameter will be the only antennae permitted. This restriction may be reviewed and is subject to alteration pursuant to the By-Laws as technology advances.

Section 17. Mailboxes. All mailboxes in The Cottages shall be uniform in appearance. The style, type and location shall be determined by the Architectural Control Committee (ACC). Owners shall be prohibited from removing, altering, or substituting the mailboxes approved by the ACC. Owners shall be responsible to keep the mailboxes in a good state of repair and to replace them with a substantially identical one if necessary.

Section 18. Yard Lights. All Lots shall upon their initial development and thereafter have uniform coach style lights installed on each home and uniform decorative yard lighting placed on each Lot. The location of said lighting shall be determined by the Architectural Control Committee. Owners shall be prohibited from removing, altering, or substituting the lights approved by the ACC. Owners of the individual home and Lot upon which such lighting is found shall be responsible to maintain the lights in the form in which they were originally installed, kept functional at all times and in a state of good repair.

Section 19. Wells And Septic Tanks. No water wells shall be drilled on any Lot. Septic tanks shall be prohibited.

Section 20. Swimming Pools. Above-ground swimming pools are prohibited.

Section 21. Construction, Earth-Moving, Excavation. No construction, significant earth-moving, or excavating work of any nature may be conducted on any Lot without first having any development plans approved by the Architectural Control Committee.

Section 22. Fences, Walls, Barriers. All fences, walls, barriers or like structures must be approved in writing by the Architectural Control Committee prior to construction. No such structures shall exceed six feet (6') in height. No such structure shall be placed closer to the front Lot line than the front building setback line.

Section 23. Decorative Structures. No decorative structure, statue, or other structure may be placed on a Lot.

Section 24. Child Care Services. No pre-school, babysitting business or such child care services shall be allowed to operate upon any Lot.

Section 25. Rules and Regulations. The Association may adopt, amend or revoke rules and regulations not inconsistent with Articles of Incorporation, By-Laws or Declarations of the Association or the Articles of Incorporation, By-Laws, Declarations rules and regulations of the Stone Harbour Master Association, as follows:

- (a) regulating the use of the Common Areas;
- (b) regulating the use of residential units and the

conduct of residential unit occupants, which may jeopardize the health, safety and welfare of other occupants, which involve noise or other disturbing activity, or which may damage the Common Areas or other residential units;

(c) regulating or prohibiting animals;

(d) regulating changes in the appearance of the Common Areas and conduct which may damage the common interest of the community;

(e) regulating the exterior appearance of all structures for the common interest of the community, including, by way of illustration and not limitation, balconies and patios, window treatments, and signs and other displays regardless of whether inside a residential unit;

(f) implementing the Articles of Incorporation, By-Laws, or Declarations of the Association; and

(g) other rules facilitating the operation of the common interest of the community. After notice and an opportunity to be heard, the Association may impose reasonable sanctions, including the levying of reasonable fines, for violations of the Declarations, By-Laws, and rules and regulations of the Association.

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ARTICLE IV

Declarant's/Association's Right to Guarantee Compliance

Section 1. In the event the Owner of any Lot in The Cottages shall fail to maintain that Lot or any of its improvements

situated therein in accordance with the provisions of these Covenants, the Association, or prior to the Association's incorporation, the Declarant, shall have the right, but not the obligation, by and through its agents and employees or contractors to enter upon said Lot, perform such acts as may be reasonably necessary to make such Lot and improvements thereon, if any, conform to the requirements of these Covenants. The cost thereof to the Association or Declarant shall be collected in any reasonable manner from Owner. Neither Association/Declarant nor any of its agents, employees, or contractors shall be liable for any damage which may result from any maintenance work performed hereunder at the time dwellings are constructed upon.

ARTICLE V

The Cottages Architectural Control Committee

Section 1. Appointment of Architectural Control Committee.

The Board of Directors of the Association, or Declarant if the Association is not yet incorporated, shall appoint the members of the Architectural Control Committee (hereinafter sometimes referred to as "ACC"). However, initially the Architectural Control Committee shall consist of Pat Duggan, Jacquelyn Rowland and Diane Norman. The term the initial Architectural Control Committee shall serve as the ACC shall be that period of time consisting of the sale and construction of residential structures on all Lots within The Cottages. Thereafter, the ACC shall consist of three (3) members who shall be appointed by the Association. The term of any

Association appointed member of the ACC shall be one (1) year in length.

Section 2. Construction Approvals. No alteration of any kind may be made to a residence or to a Lot including addition, alterations, fences, screens and walls shall begin within The Cottages until the plans and specifications, locations and plot plan thereof, in detail and to scale have been submitted to and approved by the Architectural Control Committee. The plans and specifications of and location of all alterations shall be in compliance with all applicable regulatory codes, including those relating to building, plumbing, and electrical requirements, and shall also comply with all zoning covenants and restrictions which are applicable to the Real Estate. Refusal of approval of plans and specifications, location and plot plan by Declarant may be based on any ground, including purely aesthetic grounds, in the sole and absolute discretion of the Architectural Control Committee.

The plans and specifications submitted to Declarant shall contain a plot plan to scale with adequate provision for landscaping, including the planting of trees and shrubs. The determination of whether adequate provision has been made for landscaping shall be at the sole discretion of the Architectural Control Committee. The required landscaping and driveways shall be complete at the time of completion of the building, or as soon as weather and season permit. Declarant shall not be responsible for

any defects in such plans or specifications, or in any building or structure erected according to such plans and specifications.

Section 3. Duties of ACC. The ACC shall approve or disapprove proposed alterations within thirty (30) days after all required information shall have been submitted to it. One copy of submitted material shall be retained by the ACC for its permanent files. All notifications to applicants shall be in writing, and, in the event that such notification is one of disapproval, it shall specify the reason or reasons therefor.

Section 4. Liability of ACC. Neither the ACC nor any agent thereof, nor Declarant, shall be responsible in any way for any defects in any plans, specifications or other materials submitted to it, nor for any defects in any work done according hereto.

Section 5. Inspection. The ACC or its agents may inspect work being performed to assure compliance with the approved plans and this Declaration.

ARTICLE VI

Covenants for Maintenance Assessments®

Section 1. Purpose of the Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of preserving the value of the Lots within The Cottages and promoting the health, safety, and welfare of the Owners, users, and occupants of the same and to the extent not maintained by the Stone Harbour Master Association, for the improvements, fencing erected

by the Association, operations, and maintenance of the Common Areas, Utility, Easements, Sidewalks, Pathways and Drainage System, including, but not limited to, the payment of taxes and insurance thereon and for the costs of labor, equipment, material, and management furnished with respect to the Common Areas and Utility Easements; provided that the Association shall not be responsible for the replacement, repair or maintenance of any Common Area which is or hereafter may be dedicated to the public. Each Owner hereby covenants and agrees to pay the Association:

(a) A pro-rata share (as hereinafter defined) of the Annual Assessments fixed, established, and determined from time to time as hereinafter provided; and

(b) A pro-rata share (as hereinafter defined) of any Special Assessments fixed, established, and determined from time to time, as hereinafter provided.

Section 2. Liability for Assessments. All Assessments shall be a prior lien on the Lots with respect to which said Assessments are in favor of the Association, subject and subordinate only to taxes, municipal liens, and to the lien of any bona fide mortgage upon any Lot, and at the option of the Association Assessments may be foreclosed upon in any court of competent jurisdiction by the Association as plaintiff for the amount of the Assessment with interest, attorneys' fees and costs. Any unpaid Assessment deemed delinquent shall bear interest from the due date at a rate of eight percent (8%) per annum which

interest amounts shall be recoverable by the Association upon an action brought in law or in equity. Any judgment obtained shall be without relief from valuation or appraisal laws. Each Owner of any of said Lots from the time of obtaining title thereto shall be held to have covenanted personally to pay to the Association all charges and Assessments provided herein which were due and unpaid at the time he/she obtained title and all such charges and Assessments thereafter made or falling due during his/her ownership thereof.

Each Owner, by accepting title to any Lot or Lots and by accepting membership in the Association shall be held to have vested the Association with the right and power in its own name to fix charges and levy Assessments and to prosecute all suits, legal or equitable or otherwise which may, in the opinion of the Association, be necessary or advisable for the collection of such charges and Assessments.

Section 3. Pro-Rata Share. The pro-rata share of each Owner for purposes of this Article VI shall be the percentage obtained by dividing one by the total number of Lots within The Cottages that have been conveyed by the Declarant to an Owner ("Pro-Rata Share").

Section 4. Basis of Annual Assessment. The annual budget and Annual Assessments and Special Assessments shall be established by the Initial Board without meeting with or the concurrence of the Owners. Thereafter, once the Initial Board has been replaced by

Owner Members pursuant to Article VII, Section 4 herein, the Board of Directors of the Association shall establish an annual budget prior to the beginning of each fiscal year, setting forth all Common Expenses as defined herein for the coming fiscal year, together with a reasonable allowance for contingencies and reserves of the Association. A copy of this budget shall be delivered to each Owner within thirty (30) days of the beginning of each fiscal year of the Association.

Section 5. Basis of Special Assessment. Should the Board of Directors of the Association at any time during the fiscal year determine that the Assessments levied with respect to such year are insufficient to pay the Common Expenses for such year, the Board of Directors of the Association may, at any time, and from time to time, levy Special Assessments as it may deem necessary for meeting the Common Expenses. In addition, the Board of Directors of the Association shall have the right to levy at any time, and from time to time, one or more Special Assessments for the purpose of defraying, in whole, or in part, any unanticipated Common Expenses not provided for by the Annual Assessment.

Section 6. Notice of Meetings. Written notice of any meeting called for the purpose of taking action to authorize Assessments shall be sent to all Members not less than twenty-one (21) days nor more than thirty (30) days in advance of the meeting.

Section 7. Fiscal Year; Date of Commencement of Assessments; Due Dates. The fiscal year of the Association shall

be established by the Association and may be changed from time to time by action of the Association. The Annual Assessment provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area to the Association. Declarant shall be responsible for all Common Expenses prior to its conveying the Common Area to the Association. The first Annual Assessment for each Lot shall be pro-rated for the balance of the fiscal year of the Association in which such Assessment is made. The Annual Assessment for each year after the first assessment year shall be due and payable on the first day of each fiscal year of the Association. Annual Assessments shall be due and payable in full as of the above date, except that the Association may from time to time by resolution authorize the payment of such Assessments in installments.

Section 8. Duties of the Association.

(a) The Board of Directors of the Association shall, to the extent not the responsibility of the Stone Harbour Master Association, establish, repair, replace and maintain all landscaping and irrigation located within a Common Area, including maintenance of all turf, trees and other vegetation located within the Common Area.

(b) The Board of Directors of the Association shall, to the extent not the responsibility of the Stone Harbour Master Association, establish, repair, replace and maintain all trees and irrigation located within the Public Rights-of-Way.

(c) The Board of Directors of the Association shall enforce the covenants, conditions and restrictions set forth herein and any amendments hereto and any rules and regulations adopted by the Association.

(d) The Board of Directors of the Association shall cause proper books and records of the levy and collection of each Annual and Special Assessment to be kept and maintained, including a roster setting forth the identification of each and every Lot and each Assessment applicable thereto, which books and records shall be kept in the office of the Association and shall be available for the inspection and copying by each Owner (or duly authorized representative of any Owner) at all reasonable times during regular business hours of the Association. The Board of Directors of the Association shall cause written notice of all Assessments levied by the Association upon the Lots and upon the Owners to be mailed to the Owners or their designated representatives 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. In the event 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.

(e) The Association shall promptly furnish to any Owner or Mortgagee upon request a certificate in writing signed by an officer of the Association, setting forth the extent to which Assessment has been levied and paid with respect to such requesting Owner's or Mortgagee's Lot. As to any persons relying thereon, such certificate shall be conclusive evidence of payment of any Assessments therein stated to have been paid.

(f) The Association shall notify any Mortgagee from which it has received a written request for notice of any default in the performance by any Owner of any obligation under the By-Laws of this Declaration which is not cured within sixty (60) days.

(g) The Association shall, upon notification of conveyance of a Lot or interest therein, provide a copy of this Declaration to the persons or entities receiving said interest.

(h) The Association shall undertake at its discretion, such further duties as determined by the Board of Directors.

Section 9. Master Association. The Association shall be a Member of Stone Harbour Master Association, Inc, pursuant to the Declaration of Covenants, Conditions, Easements And Restrictions of Stone Harbour Master Association. In the event of the dissolution of the Association, Stone Harbour Master Association, Inc., shall assume and perform all the duties of the Association, including

architectural controls, and shall assess the Members of the Association for the expenses related to the performance of such duties.

Section 10. Adjustments. In the event that the amounts actually expended by the Association for Common Expenses in any fiscal year exceed the amounts budgeted and assessed for Common Expenses for that fiscal year, the amount of such deficit shall be carried over and become an additional basis for Assessments for the following fiscal year. Such deficit may be recouped either by including in the budget for Annual Assessments or by the making of one or more Special Assessments for such purpose, at the option of the Association. In the event that the amounts budgeted and assessed for Common Expenses in any fiscal year exceed the amount actually expended by the Association for Common Expenses for that fiscal year, a Pro-Rata Share of such excess shall be a credit against the Assessment(s) due from each Owner for the next fiscal year(s).

ARTICLE VII

Organization and Duties of Association

Section 1. Organization of Association. The Association shall be organized as a not-for-profit corporation under the laws of the State of Indiana, to be operated in accordance with The Cottages Homeowners Association, Inc.'s Articles of Incorporation, Code of By-Laws and Declaration of Covenants, Conditions and Restrictions which have been filed or will be filed by Declarant.

Section 2. Membership. The Members of the Association shall consist of the Declarant and the Owners of Lots in The Cottages provided that, in the event that any one Lot shall be owned by more than one person, partnership, trust, corporation or other entity, they shall be treated collectively as one member for voting purposes.

The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they amongst themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Members shall be the Declarant, who shall be entitled to three (3) votes for each Lot owned, and the first Board of Directors during their respective terms, who shall have no voting rights. The Class B membership shall cease and be converted to Class A membership not later than 120 days after the date the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership.

Section 3. Board of Directors. The Members shall elect a Board of Directors of the Association as prescribed by the By-Laws. The Board of Directors shall manage the affairs of the Association.

Section 4. Board Members. Initially, the Board of Directors shall consist of three (3) members, those persons being Patrick K. Duggan, President; Diane Norman, Vice President; and Kim Kirch, Secretary/Treasurer (hereinafter referred to as Initial Board). The Initial Board shall serve as said Board members until seventy-five percent (75%) of the Lots in The Cottages have been sold and developed. Thereafter, the Board shall consist of six (6) members who shall be Owner Members and to be elected by the Association membership. Each Board member shall serve a 3-year term. However, the first Board members elected by the Association shall serve terms as follows:

- (a) 2 newly elected Board members shall serve 1-year terms;
- (b) 2 newly elected Board members shall serve 2-year terms;
- (c) 2 newly elected Board members shall serve 3-year terms.

All subsequent Board members shall serve 3-year terms.

Section 5. General Duties of the Association. The Association is hereby authorized to act and shall act on behalf of, and in the name of, place and stead of, the individual Owners in all matters pertaining to the maintenance, repair and replacement of the Common Areas, the determination of Common Expenses, the collection of Annual and Special Assessments, and the granting of any approvals whenever and to the extent called for by this

Declaration, for the common benefit of all such Owners. The Association shall also have the right, but not the obligation, to act on behalf of any Owner or Owners in seeking enforcement of the terms, covenants, conditions and restrictions contained in this Declaration.

Section 6. Liability of Association. Neither the Association nor its directors, officers or authorized agents shall have any liability whatsoever to any owner for any action taken under color or authority of this Declaration, or for any failure to take any action called for by this Declaration, unless such act or failure to act is in the nature of willful or reckless disregard of the rights of the Owners or in the nature of willful, intentional, fraudulent, or reckless misconduct.

Section 7. Amendment of Declaration. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

Section 8. Insurance. The Association shall maintain in force adequate public liability insurance protecting the Association against liability for property damage and personal

injury including death, with the amount of such coverage in no event to be less than Two Million Dollars (\$2,000,000.00) for any single occurrence, occurring on or in connection with any and all Common Areas. The Association shall also maintain in force adequate insurance, insuring all Common Property against windstorm, vandalism, and such other hazards as may be insurable under standard "extended coverage" provisions in an amount sufficient to cover any foreseeable maintenance, removal or replacement costs in the event of damage attributable to such hazards. The Association shall notify all Mortgagees which have requested notice of any lapse, cancellation, or material modification of any insurance policy. All policies of insurance shall contain an endorsement or clause whereby the insurer waives any right to be subrogated to any claim against the Association, its officers, Board members, the Declarant, any property manager, their respective employees and agents, the Lot Owners and occupants, and also waives any defenses based on co-insurance or on invalidity arising from acts of the insured, and shall cover claims of one or more insured parties against other insured parties. ®

The Association shall maintain a fidelity bond indemnifying the Association, the Board of Directors and the Owners for loss of funds resulting from fraudulent or dishonest acts of any director, officer, employee or anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The fidelity bond

should cover the maximum amount of funds which will be in the custody of the Association or its management agent at any time, but in no event shall such fidelity bond coverage be less than the sum of three (3) months' Assessments on all Lots in The Cottages, plus the Association's reserve funds.

The Association shall cause all insurance policies and fidelity bonds to provide at least ten (10) days written notice to the Association, and all Mortgagees who have requested such notice, before the insurance policies or fidelity bonds can be cancelled or substantially modified for any reason. The Association shall cause the provisions of all insurance policies and fidelity bonds to comply with the Federal National Mortgage Association lending guide Chapter 3, Part 5, as established on January 3, 1983, as amended on June 30, 1983, or as such guidelines may be amended thereafter.

Section 9. Condemnation; Destruction. In the event that any of the Common Areas shall be condemned or taken by any competent public authority, or in the event the same shall be damaged or destroyed by any cause whatsoever, the Association shall represent the interests of the Owners in any proceedings, negotiations, insurance adjustments, settlements, or agreements in connection with such condemnation, damage or destruction. Any sums recovered by the Association shall be applied, first, to the restoration and repair of any Common Area condemned, damaged, or destroyed, to the extent such restoration or repair is practicable, and the balance of such sums shall either be held as a reserve for

future maintenance of the Common Area or turned over to the Owners in proportion to their Pro-Rata Shares, whichever may be determined by a majority vote of the Members of the Association. Each Owner shall be responsible for pursuing his own action for damages to his Lot, either by reason of direct damage thereto or by reason of an impairment of value due to damage to the Common Areas. The Association shall notify all Mortgagees of which it has notice of any condemnation, damage, or destruction of any Common Area.

Section 10. Mortgagees' Rights. The Mortgagees shall have the right, at their option, jointly and severally, to pay taxes or other charges which are in default or which may or have become a charge against the Common Area to pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage upon the lapse of a policy for the Common Area, and Mortgagees making such payment shall be owed immediate reimbursement therefor from the Association.

ARTICLE VIII

Easements

Section 1. General. In addition to the easements, covenants, restrictions and conditions herein, all Lots shall be subject to easements and covenants hereinafter specifically described for the benefit of the Properties as more fully set forth hereinafter in this Article. Within such easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance

of any utilities or other certain easements or which may change the flow or drainage channels within the easements or which may obstruct, retard or change the flow of water through drainage easements. The easement area of each Lot and all improvements therein shall be maintained continuously by the Owner of the Lot, except for improvements which are the responsibility of a public authority or utility company or within the general duties of the Association.

Section 2. Utility Easements. The Declarant has, or will, provide easements for utility purposes to and from all Lots comprising the Real Estate. In addition, each Lot over which a utility is in fact installed or constructed as part of the original utility system shall be subject to easements for utility purposes over the portion of the Lot upon which such utility system is constructed. The Association or its proper representatives shall have the right of free access to any Lot or living unit for the purpose of maintaining any utility service to any Lot on the Properties.

Section 3. Easements for Encroachment. In the event that any buildings, structures, including but not limited to monuments, landscaping and fences, and utilities originally constructed by the Declarant or constructed or erected thereafter on any Lot in accordance with this document and encroaches upon any other Lot, or, if any such encroachment shall hereafter arise because of settling or shifting of the building or other cause, an exclusive

easement appurtenant to said encroaching Lot for such encroachment and the maintenance thereof shall exist.

Section 4. Easement for Maintenance. Declarant hereby grants an easement in favor of the Association over and across each Lot for the purposes of the Association performing its duties under Article VI and Article VII hereof or the performance of any duty of Stone Harbour Master Association, Inc., which becomes a duty of the Association upon the dissolution of Stone Harbour Master Association, Inc.

Section 5. Owners' Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

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

(b) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of each Class of Members has been recorded.

ARTICLE IX

General Provisions

Section 1. Covenants Run with the Land. The covenants created by this Declaration shall attach to and run with the Real Estate and shall be binding upon every person who may hereafter come into ownership, occupancy or possession of any portion of the Real Estate.

Section 2. Scope of Covenants. Declarant and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be expressed in such deed, are deemed to have agreed to each and every one of the various terms, covenants and conditions contained in this Declaration, and the same shall be of mutual and reciprocal benefit to Declarant and each Owner of each Lot. Declarant and each Owner shall be entitled to enforce this Declaration against any Owner to the full extent permitted herein and under applicable law, and shall have all rights and remedies for such enforcement at law or in equity. Each Owner shall be liable for such enforcement at law or in equity. Each Owner shall be liable for any failure to fully comply with all of the terms, covenants, and conditions contained in this Declaration only so long as each such Owner shall have any interest in any Lot; provided, however, that the relinquishing of all such interest shall not operate to release any Owner from liability for a failure to comply with this Declaration which occurred while said Owner had such interest.

Section 3. Attorneys' Fees. As to any legal or equitable proceedings for the enforcement of, or to restrain the violation of, this Declaration or any provision thereof, if the party bringing such action is successful in obtaining any remedy against any defaulting owner, such defaulting owner shall pay the reasonable attorneys' fees of such successful party, in such amount as may be fixed by the Court in such proceedings.

Section 4. Failure to Enforce Not a Waiver of Rights. The failure of Declarant, the Association, or any Owner to enforce any term, covenant or condition herein contained shall in no event be deemed to be a waiver of the right to do so thereafter, nor of the right to enforce any other such term, covenant or condition.

Section 5. Rights of Mortgagees. Except to the extent otherwise provided in Article VI, no breach of this Declaration shall defeat or render invalid the lien of any mortgage now or hereafter executed upon any portion of the Real Estate; provided, however, that if all or any portion of said Real Estate is sold under a foreclosure of any mortgage, any purchaser at such sale and his successors and assigns shall hold any and all land so purchased subject to this Declaration, and any liens for past due Assessments on the Real Estate shall be cancelled and no longer provide a secured interest in said Real Estate. Similarly, if the Real Estate is transferred by way of deed-in-lieu of foreclosure, any lien on the Real Estate for past due Assessments shall be cancelled and cease to provide a secured interest in the property to the

lienor. The provisions of Article VII hereinabove notwithstanding, neither the Owners nor the Association shall have any right to make any amendment to this Declaration which materially impairs the rights of any Mortgagee holding, insuring, or guaranteeing any mortgage on all or any portion of the Real Estate at the time of such amendment.

Section 6. Effect of Invalidation. If any provision of this Declaration is held to be invalid by any Court, the invalidity of such provision shall not affect the validity of the remaining provisions thereof.

Section 7. Section Headings. Section headings used herein are used for convenience only and are not intended to be a part of this Declaration or in any way to define, limit, or describe the scope and intent of the particular sections to which they refer.

Section 8. Notices. All notices in connection with this Declaration shall be made in writing and shall be deemed delivered (a) upon personal delivery to the individual person, if any, designated in writing by the Owner, as listed in the roster of Owners' names and addresses referred to in Article VI; or (b) seventy-two (72) hours after the deposit thereof in any United States main or branch post office, first class postage prepaid, properly addressed to the addressee thereof at the address listed in the said roster.

Section 9. Limitations and Declarant's Rights. Any notice to or approval by Declarant under any provision of this Declaration

shall not be necessary after such time as Declarant owns fewer than five (5) Lots within The Cottages.

Section 10. Deed Clause to Implement Declaration. Each Owner covenants and agrees that he/she will not execute or deliver any deed or conveyance of a fee title interest in any Lot, or any portion thereof, unless such deed or conveyance contains a clause substantially as follows:

"By acceptance and recording of this conveyance, the Grantee herein covenants and agrees to be bound by the Declaration of Covenants, Conditions and Restrictions for The Cottages of Stone Harbour pertaining to the Real Estate hereby granted, which is recorded in the Office of the Recorder of Hamilton County, Indiana", and properly identifying the recording instrument number therein. However, the failure to include such clause shall not have any effect on this Declaration or the enforceability thereof against Owner of any interest in any portion of the Real Estate.

Section 11. Provisions Against Merger. Declarant hereby intends that the Real Estate shall be subject to this Declaration, that the covenants contained herein shall not be merged into the title of the Declarant regardless of whether Declarant is the fee title owner of all or any part of the Real Estate at the time this Declaration is executed or recorded.

Section 12. Reservations of Declarant. The provisions of Article VI hereof notwithstanding, Declarant hereby reserves the

right to make such amendments to this Declaration as may be deemed necessary or appropriate by Declarant, so long as Declarant owns at least five (5) Lots within The Cottages, without the approval or consent of the Owners or Mortgagees of the Lots; provided that Declarant shall not be entitled to make any amendment which has materially adverse effect on the rights of any Mortgagee, nor which substantially impairs the benefits of this Declaration to any Owner, or substantially increases the obligations imposed by this Declaration on any Owner.

Section 13. Rights to Common Areas. Title to all Common Areas shall be held in the Association, and each Owner shall have, as non-exclusive, reciprocal easements appurtenant to his Lot, a right of access to his Lot over the Streets, the right to reasonable use of the Common Areas in accordance with the rules and regulations of the Association and the right of access thereto over the Streets, and the right of proper utilization and benefit of the Drainage System, the Sewage System, and all utility lines and mains abutting or adjacent to his Lot; provided, however, that no Owner shall materially interfere with any other Owner[®] in exercising his rights hereunder. In the event that any Owner's use of any Common Area causes such an interference, the Association or any Owner shall have all rights and remedies provided at law or in equity, for such interference.

Section 14. Transfer of Control of Owners' Association and Delivery of Warranty Deed to Common Areas. Declarant shall

transfer control of the Owners' Association to the Lot Owners and give a Warranty Deed conveying the Common Areas to the Association free and clear of encumbrances no later than the earlier of (a) four (4) months after three-fourths (3/4) of the Lots have been conveyed to Lot purchasers or (b) seven (7) years after the first Lot is conveyed.

Section 15. FHA/VA. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Department of Veterans Affairs: Annexation of additional properties, dedication of Common Areas and amendment to this Declaration.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed on the date first above written.

"DECLARANT"

ROSSLUND HOMES OF INDIANA, L.P.

By: 
Patrick K. Duggan, President

STATE OF INDIANA)
) SS:
COUNTY OF Hamilton)

Before me, a Notary Public in and for said County and State, personally appeared Patrick K. Duggan, the President of Rosslund Homes of Indiana, L.P., who acknowledged the execution of the foregoing, and who having been duly sworn upon his oath, stated that the representations therein contained are true.



NOTARY PUBLIC

Printed Diane Norman

Resident of Shelby County
Commission Expires: 1/2/10



Instrument prepared by Cameron F. Clark, Attorney at Law,
Quinn, Moses & Clark, One Indiana Square, Suite 2200,
Indianapolis, Indiana 46204-2011, (317) 637-1321.

harbour.decl



CHICAGO TITLE

EXHIBIT A

Lots numbered 1 through 74 inclusive in Stone Harbour, a subdivision in Hamilton County, Indiana, as per plat thereof recorded in Plat Cabinet 2, Slide 141 as Instrument No. 9841527 in the Office of the Recorder of Hamilton County, Indiana.



CHICAGO TITLE

Instrument
9909904783

DECLARATION OF COVENANTS, CONDITIONS,
EASEMENTS AND RESTRICTIONS

STONE HARBOUR MASTER ASSOCIATION, INC.

9909904783
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 01-22-1999 At 03:36 pm.
DEC COV RES 38.00

3700
15
700
THIS DECLARATION, made on the date hereinafter set forth by Rottlund Homes of Indiana Limited Partnership, a Minnesota Limited Partnership, hereinafter referred to as "Declarant,"

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the City of Noblesville, County of Hamilton, State of Indiana, which is more particularly described as:

See Exhibit "A" attached hereto

(the "Property"), which Declarant intends to develop as a residential planned unit development; and

WHEREAS, Declarant desires that all of the Property shall be subject to certain uniform covenants, conditions, easements and restrictions.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Stone Harbour Master Association, Inc., a not-for-profit corporation formed pursuant to Indiana Corporation Law, its successors and assigns, which Association is a planned community and which shall be a master association under the provision of any applicable law of the State of Indiana.

Section 2. "Common Area", "Limited Common Area" and "Limited Area" shall mean and refer to those areas within Stone Harbour and more particularly described in Section 5 of the Declaration of Horizontal Property Ownership for The Gardens of Stone Harbour and in Article II, Section 5, of the Declaration of Covenants, Conditions and Restrictions for The Cottages of Stone

Harbour Phase I, Phase II, and Phase III. "Common Area" shall also include any other lots, or Common Area(s) conveyed to the Association after the date hereof.

Section 3. "Declarant" shall mean and refer to Rottlund Homes of Indiana, L.P., a Minnesota Limited Partnership, its successors and assigns.

Section 4. "Lot" shall mean and refer to any plat of land shown upon any recorded subdivision map or plat of the Properties which is intended to be sold as a separate unit or any unit shown upon any recorded condominium plat.

Section 5. "Members" or "Member" shall refer to any Member Association or to any Owners who are not participants in any Member Association.

Section 6. "Member Association" shall mean and refer to any association of Owners of Lots located in a specific and separately identified subdivision or plat of a part of the Properties.

Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. Where any such Lot is being sold by the fee owner to a contract vendee who is entitled to possession of the Lot, the contract vendee shall be considered to be the owner of the Lot if: (1) the rights of the contract vendor hereunder are delegated to the vendee under such contract for deed; and (2) the vendee shall furnish proof of such delegation to the Association.

Section 8. "Owner Members" shall mean and refer to any owner who is not a part of any Member Association.

Section 9. "Properties" shall mean and refer to that certain real property hereinabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 10. "Public Rights-of-Way" shall mean and refer to the rights-of-way as recorded in the Hamilton County Recorders Office as Instrument No. 9841529, on July 29, 1998.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Member Association and every Owner Member shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. The Association shall have three classes of voting membership:

Class A. Class A Members shall be all Owner Members with the exception of the Declarant and shall be entitled to one (1) vote for each Lot. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall the vote of any Owners be split with respect to any Lot. In the event that the Owners fail to determine how to cast any vote, no vote shall be cast.

Class B. Class B Members shall be all Member Associations. Each Member Association shall have a number of votes equal to the number of the Lots which are part of the Member Association. The vote of each Member Association shall be exercised by the duly authorized representative of the Member Association. The votes of an Member Association shall be cast as a single vote without division based upon the number of votes of the Member Association.

Class C. The Class C Members shall be the Declarant and shall be entitled to three (3) votes for each Lot which is not part of a Member Association. The Class C membership shall cease and be converted to Class A membership sixty (60) days after Declarant has conveyed the last lot subject to Class C membership.

ARTICLE III

COVENANT FOR MAINTENANCE AND INSURANCE PREMIUM ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed or contract for deed therefor, whether or not it shall be so expressed in such deed or contract, is deemed to

covenant and agree to pay to the Association:

- (1) general annual assessments or charges,
- (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

The general annual, master insurance premiums and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the purposes of the Association as set forth in Article IV hereof.

Section 3. Assessments for Member Associations. Any assessments for Lots which may be a part of a Member Association shall be assessed to the appropriate Member Association and shall be a lien against the Lot of each Owner who is a member of the Member Association. If such assessment is not paid by the Member Association, the assessment shall be a personal obligation of the Owner of each Lot which is part of a Member Association on a per lot basis.

Section 4. Special Assessment for Capital Improvements. In addition to the general annual assessments, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any Action Authorized under Sections 4 and 8. Written notice of any meeting called for the purpose of taking any action authorized under Sections 4 and 8 herein shall be sent to all Owner Members and Member Association not less than twenty-one (21) days nor more than thirty (30) days in advance of an annual meeting or not less than seven (7) days nor more than thirty (30) days in advance of a special meeting. At the

first such meeting called, the presence of Members or of proxies entitled to cast more than fifty percent (50%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment; Alternative Assessment Program. Both general annual and special assessments on all Lots must be fixed at a uniform rate, except:

- (a) certain expenses which are expended for the benefit of both The Cottages and The Gardens of Stone Harbour which can be apportioned as to the amount of the particular expense benefitting the individual Member Association Real Estate. The apportionment therefore shall be determined in a manner that is equitable and reasonable for the separate Member Associations and the individual Owners within each Association. Such expense may include but shall not be limited to landscape maintenance (i.e., lawn mowing), snow removal and insurance. In such case, the assessment may not be uniform as to all Owners within Stone Harbour but may be uniform among the Lots within an individual Member Association.
- (b) no assessments shall be made against any Lot which is a parcel of real estate which is not intended for separate ownership or occupancy.
- (c) any Lot owned by Declarant is exempt from assessment until such time as said Lot has been improved, developed, and/or built upon such that same has become suitable for occupancy.
- (d) this alternative assessment program shall have no effect on the level of services for items set forth in the Association's budget.

Annual and/or special assessments may be collected on a monthly or less frequent basis.

Section 7. Date of Commencement of Assessments; Due Dates. The general annual assessment provided for herein shall commence as to all Lots on the first day of the month following the conveyance by the Declarant of a Lot, including any Lot which is a part of a Member Association. Notwithstanding the foregoing to the contrary, a Lot owned by Declarant shall be assessed amounts equal to the amounts assessed against Lots owned by other than Declarant, which

assessment shall commence as to each Lot as of the first day of the month after the time that said Lot has been improved, developed, and/or built upon such that same has become suitable for occupancy.

The annual budget and general annual assessments and special assessments shall be established by the Initial Board without meetings with or the concurrence of the Member Associations or Owner Members. Thereafter, once the Initial Board has been replaced pursuant to Article V, Section 1, of the By-Laws of Stone Harbour Master Association, Inc. the annual budget, general annual assessments and special assessments shall be established by the Board of Directors pursuant to Article III, Section 5 herein. The first general annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors of the Association shall fix the amount of such assessments against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of such assessments shall be sent to every Member Association and Owner Member subject thereto. The due dates shall be established by the Board of Directors of the Association. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an authorized representative of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment to a Member Association or Owner Member not paid within thirty (30) days after the due date shall bear interest from the due date at a rate of eight percent (8%) per annum. The Association may bring an action at law against the Member Association or the Owner personally obligated to pay the same or foreclose the Lien against the property. Such Lien may be foreclosed in the same manner as a mortgage, and the Association shall be entitled to recover interest at the rate of eight percent (8%) per annum and its costs, expenses and disbursements, including reasonable attorney's fees, incurred in such foreclosure. No Owner Member or Member Association may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of the Owner's Lot.

Section 9. Subordination of the 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 Lot shall not affect the assessment lien. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. In the event that the holder of a first mortgage forecloses the first mortgage or receives a transfer of the Lot in lieu of the foreclosure, the lien for unpaid assessments

shall be extinguished as of the date of foreclosure or transfer in lieu of foreclosure. Any assessments so extinguished shall become a common expense of the Association.

ARTICLE IV

ASSOCIATION DUTIES

Section 1. Association Duties.

- (a) With respect to any Common Area listed in Article I, Section 9, which in its discretion the Master Association takes responsibility for and thus relieving a Member Association of such responsibility, the Master Association shall:
- (1) Maintain all landscaping and irrigation located within a Common Area including maintenance of all turf, trees and other vegetation located within a Common Area.
 - (2) Establish, repair, replace and maintain any monumentation of any entries to any portions of the Property which may be located in a Common Area so long as said monumentation serves both The Cottages and The Gardens of Stone Harbour.
- (b) With respect to any Public Rights-of-Way listed in Article I, Section 10, which in its discretion the Master Association takes responsibility for and thus relieving a Member Association of such responsibility, the Master Association shall:
- (1) Maintain all landscaping and irrigation located within the landscaped portions of the Public Rights-of-Way as may be required by any authorized public agency, including the maintenance of all turf, trees and other vegetation located within the landscaped portions of the Public Rights-of-Way.
- (c) With respect to any Utility Easements or Accesses which are or hereafter may be conveyed to the City of Noblesville, which in its discretion the Master Association takes responsibility for and thus relieving a Member Association of such responsibility, the Master Association shall:
- (1) Maintain all landscaping and irrigation located within the landscaped portions of the said Easements or Accesses as may be required by the

City of Noblesville, including the maintenance of all turf, trees and other vegetation located within the landscaped portions of the said Easements or Accesses.

- (d) With respect to any other item of obligation such as but not necessarily limited to other maintenance landscape or otherwise, management, operation, repair, improvement, replacement and/or drainage the cost for which may be expended for the benefit of both Member Associations, the Master Association has the authority to exercise its discretion in taking responsibility for such obligation(s) and thus relieving a Member Association of such responsibility. The apportionment of the expenses associated with carrying out these obligations shall be made pursuant to Article III Section 6(a) herein.
- (e) The Association shall enforce the covenants, conditions and restrictions set forth herein and any amendments hereto and any rules and regulations adopted by the Association or any Member Association for which it has assumed the responsibilities, obligations and duties.
- (f) The Association shall undertake, at its discretion, such further duties as determined by the Board of Directors.

The obligations and duties of the Association shall include irrigation of the Common Areas and Public Rights-of-Way, and the architectural control of the Properties as herein provided.

In the event that the need for maintenance or repair of any entry way, monumentation or landscaping is caused through the willful or negligent acts of the family, guests, employees, agents or invitees of any Owner, the cost of such maintenance or repair shall be added to and become a part of the assessment against such Owner and any Lot owned by such Owner.

Section 2. Assumption of Duties. In the event of the dissolution or termination of any Member Association, the Association shall assume and perform all of the duties of such Member Association and any charges, costs or fees relating to the duties of such Member Association shall be assessed to the Members of such Member Association.

ARTICLE V

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Controls. In the event of the dissolution or termination of any Member Association, the Board of Directors shall

assume the duties of the Architectural Control Committee for the properties which were subject to the dissolved or terminated Member Association. Alternatively, the Board of Directors may appoint an Architectural Control Committee composed of three (3) or more representatives.

Section 2. Approval. In the event said Board of Directors, or its designated Architectural Control Committee, or the Declarant, fails to approve or disapprove such design and location, or planting, of any item within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VI

USES

Section 1. Residential Uses. All Lots within the Properties described in Exhibit "A" attached hereto shall be restricted to residential use as more particularly described in Section 18 of The Declaration of Horizontal Property Ownership The Gardens of Stone Harbour Horizontal Property Regime, Article VI of The Code of By-Laws of The Gardens of Stone Harbour Horizontal Property Regime And Of The Gardens of Stone Harbour Co-Owners Association, Inc., and Article III of the Declaration of Covenants, Conditions, And Restrictions For The Cottages of Stone Harbour Phase I, Phase II And Phase III.

ARTICLE VII

ADDITIONAL RESTRICTIONS, RULES AND REGULATIONS

Section 1. Additional Restrictions.

- (a) No Lot shall be used except for residential purposes, except that Declarant shall be entitled to maintain model homes and other sales facilities upon the Lots.
- (b) No sign of any kind shall be displayed to the public view of any Lot except one professional sign of no more than one (1) square foot, one sign of not more than five (5) square feet advertising the property for sale, except that Declarant shall be permitted to erect and maintain upon the Property such signs as it deems appropriate to advertise the Property until the Declarant conveys the last Lot.
- (c) No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot except that dogs, cats or

other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes. No more than two (2) adult cats or two (2) adult dogs or one (1) adult cat and one (1) adult dog shall be kept on any Lot at any one time. Fenced dog runs shall be permitted only if prior approval of an Architectural Control Committee has been obtained.

- (d) No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste. Garbage, rubbish and trash shall not be kept on said premises except in sanitary containers. All incinerators or other equipment used or kept for the storage or disposal of such material shall be kept in a clean and sanitary condition.
- (e) No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other building shall be used on any Lot at any time as a residence, either temporarily or permanently.

Section 2. Rules and Regulations. The Association may adopt, amend and revoke rules and regulations not inconsistent with the Articles of Incorporation, By-Laws or Declarations of the Association, as follows:

- (a) regulating the use of the Common Areas;
- (b) regulating the use of residential units which may jeopardize the health, safety or welfare or other occupants, which involve noise or other disturbing activity, or which may damage the Common Areas or other units;
- (c) regulating or prohibiting animals on residential lots;
- (d) regulating changes in the appearance of the Common Areas;
- (e) regulating changes in the appearance of the Lots, including, by way of illustration and not limitation, balconies and patios, window treatments, and signs and other displays, regardless of whether inside a unit;
- (f) implementing the Articles of Incorporation, By-Laws, or Declarations of the Association; and
- (g) other rules facilitating the operation of the common interest of the community.

After notice and an opportunity to be heard, the Association

may impose reasonable sanctions, including the levying of reasonable fines, for violations of the Declaration, By-Laws and rules and regulations of the Association.

ARTICLE VIII

EASEMENTS

Section 1. In addition to the easements, covenants, restrictions and conditions herein, all Lots shall be subject to easements and covenants hereinafter specifically described for the benefit of the Properties or for the limited benefit of specified adjoining Lots, all as more fully set forth hereinafter in this Article. Within such easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of any utilities or access or which may change the flow or drainage channels within the easements or which may obstruct, retard or change the flow of water through drainage easements. The easement area of each Lot of all improvements therein shall be maintained continuously by the Owner of the Lot, except for improvements which are the responsibility of a public authority or utility company.

Section 2. Utility Easements. The Declarant has, or will, provide easements for utility purposes to and from all Lots in the Properties. In addition each Lot over which a utility is in fact installed or constructed as part of the original utility system shall be subject to an easement for utility purposes over the portion of the Lot upon which such utility system is constructed. The Association or its proper representatives shall have the right of free access to any Lot or living unit for the purpose of maintaining any utility service to any Lot on the Properties.

Section 3. Easements for Encroachments. In the event that any buildings, structures, including but not limited to monuments, landscaping and fences, and utilities originally constructed by the Declarant or constructed or erected thereafter on any Lot in accordance with this document encroaches upon any other Lot, or, if any such encroachment shall hereafter arise because of settling or shifting of the building or other cause, an exclusive easement appurtenant to said encroaching Lot for such encroachment and the maintenance thereof shall exist.

Section 4. Easement for Maintenance. Declarant hereby grants an easement in favor of the Association over and across each Lot for the purposes of the Association performing its duties under Article IV hereof.

ARTICLE IX

INSURANCE AND RECONSTRUCTION

Section 1. Liability Insurance; Fidelity Bonds. The Board of Directors of the Association, or its duly authorized agent, shall obtain a broad form of public liability insurance insuring the Association, with such limits of liabilities as the Association shall determine to be necessary, against all acts, omissions to act and negligence of the Association, its employees or agents. To the extent available, the Association's Board of Directors shall also provide fidelity bonds providing protection to the Association against loss by reason of acts of fraud or dishonesty on the part of the Association's Directors, managers, officers, employees or volunteers who are responsible for the handling of funds of the Association in an amount sufficient to provide no less protection than 110% times the estimated annual operating expenses and reserves of the Association

ARTICLE X

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner Member or Member Association shall have the right to enforce, by any proceeding by law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land and to the extent permitted by the laws of the State of Indiana shall be perpetual. If a perpetual term is not permitted by the laws of the State of Indiana, these covenants and restrictions shall be for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by an instrument signed by the Owners representing Lots to which not less than sixty-seven percent (67%) of votes have been allocated. Any amendment must be recorded. No amendment which would reduce the duties of the Association under Article IV or which would reduce the term of the covenants and restrictions shall be effective without the written approval of the City of Noblesville, Indiana.

So long as Declarant is the owner of any Lot subject to this Declaration, no amendment to Article III shall be effective unless approved by the Declarant.

Section 4. Annexation. Additional residential or Common Area may be annexed to the Property with the consent of the Declarant or two-thirds (2/3) of each class of Members.

Section 5. FHA/VA. As long as there is a Class C membership, the following actions will require the prior approval of the Federal Housing Administration or the Department of Veterans Affairs: annexation of additional properties, dedication of Common Areas and amendment of this Declaration.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed on this the 29th day of December, 1998.

ROTLUND HOMES OF INDIANA, L.P.

By: [Signature]

Patrick K. Duggan, President

STATE OF INDIANA)
) SS:
COUNTY OF Harrison)

The foregoing instrument was acknowledged before me this 29th day of December, 1998, by Patrick K. Duggan, President of Rotlund Homes of Indiana, L.P., a Minnesota Limited Partnership, on behalf of said Corporation.



Diane Norman
Notary Public, Piano Norman
Resident Shelby County, IN
Commission Expires: 4/21/01

CHICAGO TITLE

This instrument was drafted by:

Cameron F. Clark
CLARK, QUINN, MOSES & CLARK
One Indiana Square, Suite 2200
Indianapolis, IN 46204-2011
(317) 637-1321

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Instrument
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DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP

THE GARDENS OF STONE HARBOUR

HORIZONTAL PROPERTY REGIME

9909904784
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 01-22-1999 At 03:36 pm.
MISC B9.00

THIS DECLARATION of The Gardens of Stone Harbour Horizontal Property Regime ("Declaration") made this 21st day of December, 1998 by Rottlund Homes of Indiana Limited Partnership, a Minnesota Limited Partnership, an agent and subsidiary of The Rottland Company Incorporated, a Minnesota Corporation, (the "Declarant").

WITNESSETH:

WHEREAS, Declarant is the sole owner of the fee simple title to certain real estate and improvements thereon, located in Hamilton County, Indiana, more particularly described in Exhibit "A" hereto (hereinafter called the "Real Estate"); and

WHEREAS, Declarant, by execution of this Declaration, hereby creates a Horizontal Property Regime (the "Regime") upon the Real Estate, subject to the provisions of the Horizontal Property Law of the State of Indiana, (the "Act") and the terms and conditions of this Declaration.

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

SECTION 1. Definitions. The following terms, as used in this Declaration, unless the context clearly requires otherwise, shall

mean the following:

- (a) "Act" means the Horizontal Property Law of the State of Indiana, Acts 1963, Chapter 349, Sections 1 through 31, as amended. The Act is incorporated herein by reference, and identified in the Indiana Code as 32-1-6 et seq.
- (b) "Association" means The Gardens of Stone Harbour Co-Owners Association, Inc., an Indiana not-for-profit Corporation, being the Association of the Co-Owners of The Gardens, more particularly described in Section 11 hereof.
- (c) "Board of Managers" means the governing body of the Association, being the initial Board of Managers referred to in the By-Laws or subsequent Board of Managers elected by the Co-Owners in accordance with the By-Laws. The term "Board of Managers", as used herein and in the By-laws, shall be synonymous with the term "Board of Directors" as used in the Act.
- (d) "Building" means any structure on the Real Estate in which Common Areas, Limited Areas or one or more Condominium Units are located. The buildings are more particularly described and identified on the Plans and in section 2 of this Declaration.
- (e) "By-Laws" means the code of By-laws of The Gardens of Stone Harbour Co-Owners Association, Inc., providing for the administration and management of the Association as required by and in conformity with the provisions of the Act. A true copy of the By-Laws is attached to this Declaration and incorporated herein by reference.
- (f) "Common Areas" and "Limited Areas" mean the common areas, limited common areas and facilities as defined in Sections 5 and 6 of this Declaration.
- (g) "Common Expenses" means expenses of administration of the Association, expenses for the upkeep, maintenance, repair and replacement of the Common Areas and Limited

Areas and all other costs and expenses incurred by the Association for the benefit of Common Areas and Limited Areas or for the common benefit of all Owners; provided, however, that Common Expenses shall not include any costs of initial construction or initial renovation of any Building or other Property or improvements or any portion of the Tract, nor any costs of repairs covered by any Warranty of Declarant as builder of the Condominium Units, nor to any costs or repairs arising out of construction, renovation or other activities on any portion of the Real Estate. Common Expenses may not include expenses which can be shared by The Cottages of Stone Harbour Homeowners Association. Pursuant to Article III Section 6(a) and Article IV Section 1 of the Declaration of Covenants, Conditions, Easements and Restrictions Stone Harbour Master Association, Inc, at the discretion of the Stone Harbour Master Association Board of Directors, the common item of expense may be budgeted and assessed by the Master Association hence becoming the responsibility of said Master Association. Such expenses may include but are not limited to certain landscape maintenance, snow removal, drainage system maintenance, real estate taxes, insurance or other type costs expended for the benefit of both The Gardens and The Cottages of Stone Harbour.

- (h) "Condominium Units" means any one of the living units constituting The Gardens, each individual living unit being more particularly described and identified on the Plans and in Sections 3 and 4 of this Declaration. "Condominium Unit" includes the undivided interest in the Common Areas and Limited Areas pertaining to such unit.
- (i) "Co-Owners" means all of the Owners of all of the Condominium Units in the Regime.
- (j) "Declarant" shall mean and refer to Rottlund Homes of Indiana Limited Partnership and any successors and assigns of Rottlund Homes of Indiana Limited Partnership, whom it designates in one or more recorded instruments

to have the rights of Declarant hereunder, including, but not limited to, any mortgagee acquiring title to any portion of the Property pursuant to the exercise of the rights under, or foreclosure of, a mortgage executed by Declarant.

- (k) "Drainage System" means the storm sewers, subsurface drainage tiles, pipes and structures, and other structures, fixtures, properties, equipment and facilities located in, upon, or under the Common Areas, Easements, or Streets and designed for the purpose of expediting the drainage of surface and subsurface waters from, over and across The Gardens.
- (l) "Mortgagee" means the holder, insurer or guarantor of a first mortgage loan on a Condominium Unit.
- (m) "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns the fee simple title to a Condominium Unit; provided, however, that persons or entities owning a single Condominium Unit as tenants-in-common, joint tenants, tenants by the entirety, or any form of joint or divided ownership, shall be deemed one Owner for purposes of this Declaration. Persons or entities owning more than one Condominium Unit shall have the status of an Owner for each Condominium Unit owned.
- (n) "Percentage Interest" means that percentage of the total undivided interest accruing to all the Condominium Units which is appurtenant to each Condominium Unit and accrues to the Owner thereof. The formula for determining "Percentage Interest" is set forth in Section 15 hereof.
- (o) "Plans" means the floor and building plans of the buildings and condominium units prepared and certified by Timothy Mark Whitten, a registered architect, dated October 15, 1998, and the site plans, surveys, and elevation plans of the Real Estate and Buildings prepared by Weihe Engineers, Inc., a

registered engineer under date of March 3, 1998, all of which are incorporated herein by reference. And made a part of the Regime by such references.

- (p) "Property" means the Real Estate and appurtenant easements, the Condominium Units, the Buildings, improvements, and Property of every kind and nature whatsoever, real, personal or mixed, located upon the Real Estate and used in connection with the operation, use and enjoyment of The Gardens, but does not include the personal property of the Owners.
- (q) "The Gardens" means the name by which the Horizontal Property Regime shall be known.
- (r) "Tract" means the Real Estate as herein defined.

SECTION 2. Description of Buildings. There are or will be built, Buildings containing Condominium Units on the Real Estate as shown on the Plans. As of the date of this Declaration, construction is not completed on the Condominium Units. A description of the Buildings and the Condominium Units contained or to be contained therein is set forth in Exhibit "B" attached hereto and hereby made a part hereof by this reference.

SECTION 3. Legal Description and Percentage Interest. Each Condominium Unit is identified on the Plans by a number. The Legal Description for each Condominium Unit shall consist of the identifying number for such Condominium Units as shown on the Plans, and shall be stated as "Condominium Unit" (with identifying number) in The Gardens of Stone Harbour Horizontal Property Regime. The Percentage Interest of each Owner in the Common Areas and Limited Areas as hereinafter defined shall be the same percentage

of interest as each Condominium Unit as set forth on Exhibit "B" attached hereto and hereby made a part hereof.

SECTION 4. Description Of Condominium Units.

(a) "Appurtenants". Each Condominium Unit shall consist of all space within the boundaries thereof, as hereinafter defined, and all portions of the Building situated within such boundaries, including, but not limited to, all fixtures, facilities, utilities, equipment, appliances, and structural components designed and intended solely and exclusively for the enjoyment, use, and benefit of the Condominium Units wherein the same are located, or to which they are attached, but excluding therefrom that designed or intended for the use, benefit, support, safety or enjoyment of any other Condominium Unit or which may be necessary for the safety, support, maintenance, use, and operation of any of the Buildings, or which are normally designed for common use; provided, however, that all fixtures, equipment and appliances designed or intended for the exclusive enjoyment, use and benefit of a Condominium Unit shall constitute a part of such a Condominium Unit, whether or not the same are located within or partly within the boundaries of such Condominium Unit. Also, the interior sides and surfaces of all doors and interior and exterior or size and frames of all windows in the perimeter walls of the Condominium Unit, whether or not located within or partly within the boundaries of the Condominium Unit, and all interior walls and all floors and ceilings within the boundaries of the Condominium Unit, are considered part of the Condominium Unit.

(b) "Boundaries". The boundaries of each Condominium Unit shall be as shown on the Plans and shall be measured between the interior unfinished surface of the floors, ceilings and perimeter walls of each Condominium Unit. In the event any horizontal or vertical or other boundary line as shown on the Plans does not coincide with the actual location of the respective wall, floor, or ceiling surface of the Condominium Unit

because of inexactness of construction, settling after construction or for any other reasons, the boundary lines of each Condominium Units shall be deemed to be and treated for purposes of ownership, occupancy, possession, maintenance, declaration, use and enjoyment, as in accordance with the actual existing construction. In such case, permanent appurtenance easements for exclusive use shall exist in favor of the Owner of each Condominium Unit in and to such space lying outside of the actual boundary lines of the Condominium Unit, but within the appropriate wall, floor or ceiling surfaces of the Condominium Unit.

SECTION 5. Common Areas And Facilities. "Common Areas" shall include the following, except to the extent otherwise specifically designated in this Declaration as being within a Condominium Unit or as a Limited Area:

- (a) The Real Estate, excluding the Condominium Units;
- (b) The foundations, columns, girders, beams, supports and exterior surfaces of roofs of the Buildings;
- (c) The yards, sidewalks, parks, pathways, interior and exterior driveways, parking areas, entrances and exits;
- (d) Central electricity, gas, water, air conditioning and sanitary sewer mains serving the Buildings unless separately metered to a particular Condominium Unit;
- (e) Exterior lighting fixtures and electrical service lighting to the exterior of the Buildings unless separately metered to a particular Condominium Unit; and
- (f) Pipes, ducts, electrical wiring and conduits and public floors, roofs and exterior permanent walls of the Buildings, except to the extent the same are otherwise classified and defined herein as Limited Areas or as part

of a Condominium Unit.

SECTION 6. Limited Areas and Facilities. Limited Areas and those Condominium Units to which use thereof is limited are as follows:

- (a) The front entrance ways, patios, porches, and all exterior sides and surfaces of doors and frames surrounding the same on each Condominium Unit shall be limited to the exclusive use of the Condominium Unit to which they appertain.
- (b) Any other areas designated and shown on the Plans as Limited Areas shall be limited to the Condominium Unit or Condominium Units to which they appertain as shown on the Plans.

SECTION 7. Ownership Of Common Areas and Percentage Interest.

Each Owner shall have an undivided interest in the Common Areas and Limited Areas, as tenants-in-common with all the other Owners, equal to his or her Condominium Units Percentage Interest. The Percentage Interest in the Common Areas applicable to each Condominium Unit shall be determined in accordance with the formula set forth in Section 15 hereof. The Percentage Interest in the Common Areas and Limited Areas presently pertaining to each Condominium Unit is specified in Exhibit "B" hereto. In any computation of Percentage Interests, the figure obtained shall be rounded to the nearest one-thousandth of a percent, and shall be so presented for all purposes of conveyance and for all purposes contemplated under this Declaration.

SECTION 8. Encroachments, Easements For Common Areas and Ingress and Egress Easements. If, by reason of the location, the

construction, settling or shifting of a Building, any Common Area or Limited Area now encroaches or shall hereafter encroach upon any Condominium Unit, then in such event an easement shall be deemed to exist and run to the Co-Owners and the Association for the maintenance, use and enjoyment of such Common Area or Limited Area. Each Owner shall have an easement in common with each other Owner to use all pipes, wires, ducts, cables, conduits, utility lines and other common facilities located in any of the other Condominium Units and serving his Condominium Unit. Each Owner shall have an easement over the Common Areas for the purpose of ingress and egress from his Condominium Unit, and to use all Common Areas wherever located, and such easement shall be perpetual and appurtenant to the Condominium Unit.

SECTION 9. Real Estate Taxes. Real Estate taxes are to be separately assessed and taxed to each Condominium Unit as provided in the Act. In the event that for any year Real Estate taxes are not separately assessed and taxed to each Condominium Unit, but are assessed and taxed on the property as a whole, then each Owner shall pay his or her proportionate share of such taxes to the extent attributable to the Property in accordance with his respective Percentage Interest.

SECTION 10. Utilities. Each Owner shall pay those utilities which are separately metered to his or her Condominium Unit. Utilities which are not separately metered shall be treated as and paid as a part of the Common Expenses unless otherwise agreed by

the majority of the Percentage Interest.

SECTION 11. Association of Owners. Subject to the rights of Declarant reserved in Section 24 hereof, maintenance, repair, upkeep, replacement, administration, management and operation of the Property shall be by The Gardens of Stone Harbour Co-Owners Association Inc., (the "Association"), a not-for-profit Corporation organized under the laws of the State of Indiana. Each Owner of a Condominium Unit shall, automatically upon becoming an Owner of a Condominium Unit, be and become a member of the Association and shall remain a member until such time as his or her ownership ceases, the membership shall terminate when such person ceases to be an Owner, and shall be transferred to the new Owner.

The Association shall elect a Board Of Managers annually (except for an initial Board of Managers defined in the By-Laws) in accordance with and as prescribed by the By-Laws. Each Owner shall be entitled to cast a vote commensurate with the number of Condominium Units owned by that Owner for the election of the Board of Managers, except for such initial Board of Managers who shall serve on the initial Board of Managers, whether as an original member thereof or as a member thereof appointed by Declarant to fill a vacancy, and who shall be deemed a member of the Association and an Owner solely for the purpose of qualifying to act as a member of the Board of Managers and for no other purpose. A person serving on the initial Board of Managers shall not be deemed or considered a member of the Association nor an Owner of a

Condominium Unit for any other purpose unless he is actually a Owner of a Condominium Unit and thereby is a member of the Association.

The Board of Managers shall be the governing body of the Association, representing all the Owners in providing for the management, administration, operation, maintenance, repair, replacement and upkeep of the Property exclusive of the Condominium Units.

The Association and any aggrieved Condominium Unit Owner shall have a right to action against any Condominium Unit Owner for failure to comply with the provisions of the Declaration, By-Laws or decisions of the Association which are made pursuant to authority granted the Association in such documents. Condominium Unit Owners shall have a similar right of action against the Association.

SECTION 12. Use of Common Areas. The Board of Managers shall adopt rules and regulations concerning maintenance, repairs, use and enjoyment of the Common Areas and Limited Areas as it deems appropriate, and may amend and modify the same from time to time as it deems advisable, necessary or appropriate. ®

The Board of Managers or therein designated agents 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 each individual Condominium Unit for the purpose of inspection of the Common Areas and Limited Areas

appurtenant thereto and replacement, repair and maintenance of such Common Areas and Limited Areas.

SECTION 13. Maintenance, Decoration, Repairs And Replacements.

- (a) Common Areas. The Association will be responsible for the maintenance, repair, decoration, restoration, and replacement of the Common Areas except for that which may become the responsibility of the Stone Harbour Master Association pursuant to Article III Section 6(a) and Article IV Section 1 of the Declaration of Covenants, Conditions, Easements and Restrictions Stone Harbour Master Association, Inc., and as provided in Section 1(g) herein. Maintenance, decoration, repairs, and replacements of the Common Areas shall be furnished by the Association and the costs 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 vote present or represented at any meeting of the Association. Declarant or an entity affiliated with Declarant may serve as the Managing Agent for the Association so long as Declarant retains control of the Association, and may perform all property management functions on behalf of the Association. Any management contract made or which is deemed to arise between the Association and Declarant (or any affiliate) shall be terminable by the Association without cause and without penalty upon thirty (30) days' written notice at any time after Declarant relinquishes control of the Association. The Board of Managers has the right to adopt such rules and regulations concerning the maintenance, repairs, use and enjoyment of the Common Areas as it deems appropriate, including the appointment of committees to oversee the same. The Board of Managers shall have the exclusive right to determine the outside decor of each Building, including without limitation the color and

type of paint and other decor pertinent to the exterior of each Building.

- (b) Condominium Units. Each Owner shall control and have the right to determine the interior decor of his or her Condominium Unit, but this shall not include the right to make structural changes to the Unit, nor the right to use interior decor which in the discretion of the Board of Managers adversely affects the external appearance of the Condominium Unit, as more particularly set forth in the By-Laws of the Association. No act or omission which constitutes waste shall be committed or suffered in or upon any Condominium Unit, the Common Areas, or Limited Areas. Each Owner shall maintain and repair at his or her sole cost and expense all fixtures, appliances, equipment, and other improvements constituting a part of his or her Condominium Unit under Section 4 hereof, and each Owner shall promptly repair any condition or defect existing or occurring in his or her Condominium Unit which, if not repaired, might adversely affect any Condominium Unit, Common Area or Limited Area. The Board of Managers 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 in the Condominium Units and Common Areas adjacent to each Condominium Unit to replace, repair, and maintain such Common Areas. In the event that any Owner fails or is unable to maintain or repair any condition or defect for which he or she is responsible and the Board of Managers or the Managing Agent have a reasonable basis for believing that such condition or defect has caused or threatens to cause immediate and/or substantial harm to any person or to any property outside such Owner's Condominium Unit, the Board of Managers and the Managing Agent shall each have the right to enter such Owner's Condominium Unit to remedy or repair such condition or defect, and any costs or expenses incurred in connection therewith (including attorney's fees) shall be payable by such Owner upon demand by the Board of Managers or the Managing Agent. Nothing herein contained shall be construed to

represent a contractual liability to any Owner on the part of the Declarant, the Association, or the Board of Managers for maintenance, repair, or replacement of any Condominium Unit, Common Areas, or Limited Areas, and the liability of the Association, the Board of Managers and 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. Alterations, Additions and Improvements. No Owner shall make any alterations or additions to or which would affect, the Common Areas or Limited Areas without the prior written approval of the Board of Managers, nor shall any Owner make any alteration in or to his respective Condominium Unit and within the boundaries thereof which would affect the safety of structural integrity of the Building in which Condominium Unit is located. Declarant reserves the right to change the interior design and arrangement of all Condominium Units and alter the boundaries between Condominium Units so long as Declarant owns the Condominium Units so altered. No such change shall increase the number of Condominium Units or change the Percentage Interest applicable to such Condominium Unit. If Declarant shall make any changes in the Condominium Units so authorized, such changes shall be reflected by a supplement to the Plans and such supplement to the Plans need not be approved by the Association or any other Owners.

Section 15. Percentage Interest. The Owner of each Condominium Unit shall have a Percentage Interest appurtenant to his Condominium Unit Ownership based upon the number of Condominium

Units owned by that Owner divided by the total number of all of the Condominium Units existing in the Regime at that time in accordance with Section 7(a) (3) of the Act (hereinafter called the "Formula"). In order to determine the Percentage Interests in accordance with the Formula, the total number of all of the Condominium Units in the Regime shall be taken from the Plans, which are filed herewith, as such Plans may be amended from time to time. This method of calculating Percentage Interest shall result in an equal Percentage Interest to each Condominium Unit. The total Percentage Interests shall at all times equal one hundred percent (100%), or as close to one hundred percent (100%) as is mathematically possible, after taking into account the rounding thereof as required by Section 7(a) of the Act.

Section 16. Insurance.

- (a) The Co-Owners, through the Association, shall purchase a master casualty insurance policy issued in the name of the Association for the use and benefit of the Owners affording fire and extended coverage insurance insuring the Property in an amount consonant with the full replacement value of the Property and improvements including the individual Condominium Units, the Common Areas and Limited Areas and facilities, and further including fixtures, building service equipment and common personal property and supplies belonging to the Association. For all Condominium Units which are subject to a first mortgage, the insurance must cover fixtures, equipment and other personal property inside individual Condominium Units if they are secured by a first mortgage. A Certificate of Insurance shall be issued to each Condominium Unit Owner and each Mortgagee upon request and no such policy shall be canceled or substantially modified without at least thirty (30) days prior written notice to the Association and to each Mortgagee listed as Mortgagee in the policies. The insurance policy must contain the standard mortgage clause and must name the Mortgagee or the servicer of the

Mortgagee. If a servicer is named as Mortgagee, its name shall be followed by the phrase "Its successors and assigns." The Board of Managers shall also obtain "all risk" coverage if available. The Board of Managers shall be responsible for reviewing at least annually the amount and type of such insurance and shall purchase such additional insurance as is necessary to provide the insurance required above. If deemed advisable by the Board of Managers, the Board may cause such full replacement value to be determined by a qualified appraiser. The cost of any such appraisal shall be a Common Expense. Such insurance coverage shall be for the benefit of each Owner, and if applicable, the Mortgagee of each Owner upon the following terms and conditions:

- (i) All proceeds payable as a result of casualty losses sustained which are covered by insurance purchased by the Association as hereinabove set forth shall be paid to it or to the Board of Managers, who shall act as the insurance trustees and hold such proceeds for the benefit of the insured parties. In the event that the Board of Managers has not posted surety bonds for the faithful performance of its duties as such Managers or if such bonds do not exceed the funds which will come into its hands, and there is a damage to a part or all of the Property resulting in a loss, the Board of Managers shall obtain and post a bond for the faithful performance of its duties as insurance trustee in an amount to be determined by the majority of the Owners but not to exceed one hundred twenty-five percent (125%) of the loss, before the Board of Managers shall be entitled to receive the proceeds of the insurance payable as a result of such loss. The sole duty of the insurance trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purpose elsewhere stated herein, and for the benefit of the Owners and their respective Mortgagees. The proceeds shall be

used or disbursed by the Association or Board of Managers, as appropriate, only in accordance with the provisions of this Declaration.

(ii) The interest of each damaged Owner in the trust fund of insurance proceeds shall be the ratio of the direct damage of each damaged Owner to the damages of all Owners directly damaged by any event insured under said master casualty insurance policy.

(b) Such master casualty insurance policy, and "all risk" coverage if obtained, shall (to the extent the same are obtainable) contain provisions that the insurer (i) waives its right to subrogation as to any claim against the Association, the Board of Managers, its agents and employees, Owners, their respective agents and guests, and (ii) waives any defense based on invalidity arising from the acts or omissions of the individual Condominium Unit Owners that are not under the control of the Association, and providing further, (iii) that the insurer shall not be entitled to contribution against casualty insurance which may be purchased by individual Owners as hereinafter permitted and (iv) that notwithstanding any provision thereof giving the insurer an election to restore damage in lieu of a cash settlement, such option shall not be exercisable in the event the Owners do not elect to restore pursuant to Section 17 of this Declaration.

(c) The Co-Owners, through the Association shall also purchase a master comprehensive public liability insurance policy in such amount or amounts as the Board of Managers shall deem appropriate from time to time; however, such coverage shall be for at least Two Million Dollars (\$2,000,000.00) for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Such compensation public liability insurance policy shall cover the Association, the Board of Managers, any committee or organ of the Association of Board of Managers, any Managing

Agent appointed or employed by the Association, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to The Gardens, all Owners of Condominium Units and all other portions of The Gardens. Coverage under this policy shall include, without limitation, legal liability of the insureds for the property damage, bodily injuries and deaths of the persons in connection with the operation, maintenance or the use of the Common Areas and Limited Areas, and if available, legal liability arising out of law suits related to employment contracts of the Association. No insurance coverage as described hereinabove shall be prejudiced by the act or neglect of an individual Condominium Unit Owner who was not in control of the Owners collectively. Such policies shall also provide that it may not be canceled or substantially modified by any party without at least thirty (30) days prior written notice to the Association and to each holder of a first mortgage on any Condominium Unit in the Property which is listed as a scheduled holder of a first mortgage in the insurance policy.

- (d) The Co-Owners, through the Association, shall also obtain any other insurance required by law to be maintained, including but not limited to, worker's compensation insurance, flood insurance, and such other insurance as the Board of Managers shall from time to time deem necessary, advisable or appropriate, including but not limited to, comprehensive liability insurance on vehicles owned by the Association, officers' and directors' liability policies, contractual and all-written contract insurance, and employer's liability insurance. Such insurance coverage shall also provide for and cover cross liability claims of one insured party against another insured party. Such insurance shall inure to the benefit of each Owner, the Association, the Board of Managers and any Managing Agent acting on behalf of the Association.
- (e) Each Owner shall be deemed to have appointed the Board of Managers to represent each Owner

in any proceedings, negotiations, settlements or agreements with the insurance companies to adjust all losses under policies purchased by the Board of Managers.

- (f) The premiums for all such insurance hereinabove described shall be paid by the Association as part of Common Expenses. When any such policy of insurance hereinabove described has been obtained by or on behalf of the Association, written notice of the attainment thereof and of any subsequent changes therein or termination thereof shall be promptly furnished to each Owner or Mortgagee whose interest may be affected thereby which notice shall be furnished by the officer of the Association who is required to send notices of meetings of the Association.
- (g) In no event shall any distribution of proceeds be made by the Board of Managers directly to an Owner where there is a mortgage endorsement on the Certificates of Insurance. In such event any remittance shall be to such Owner and Mortgagee jointly.
- (h) Each Owner shall be solely responsible for, and may obtain, such additional insurance as the Owner deems necessary or desirable at the Owner's own expense affording coverage upon his personal property, contents of the Owner's Condominium Unit (including, but not limited to, all floor, ceiling and wall coverings and fixtures, betterments and improvements installed by the Owner) and the Owner's personal property stored elsewhere on the Property, and for the Owner's personal liability, but all such insurance shall contain the same provisions for waiver of subrogation as referred to in the foregoing provisions of the master casualty insurance policy to be obtained by the Association. Each Owner may obtain casualty insurance at the Owner's own expense upon the Owner's Condominium Unit but such insurance shall provide that it shall be without contribution as against the casualty insurance purchased by the Association. If a casualty loss is sustained and there is a reduction in the amount of the proceeds which would otherwise

be payable in the insurance purchased by the Association pursuant to this paragraph, due to proration of insurance purchased by an Owner under this paragraph the Owner agrees to assign the proceeds of this latter insurance, to the extent of the amount of such reduction, to the Association to be distributed as herein provided. Notwithstanding any other foregoing provisions and requirements relating to property or liability insurance, there may be named as an insured on behalf of the Association, an authorized representative, including any trustee with whom the Association may enter into an insurance trust agreement or any successor to such trustee who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose. Each Condominium Unit Owner hereby appoints the Association as attorney-in-fact for the purpose of purchasing and maintaining such insurance, and the following additional purposes: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability related thereto; the execution of all documents necessary in connection therewith; and the performance of all other acts necessary to accomplish such purposes.

- (i) All of the aforescribed insurance shall be procured by generally acceptable insurance carriers.

SECTION 17. Casualty and Restoration; Condemnation; and Termination. (R)

- (a) Except as hereinafter provided, damage to or destruction of any Building due to fire or any other casualty or disaster shall be promptly repaired and reconstructed by the Association and the proceeds of insurance, if any, shall be applied for that purpose; provided, however, that repair and reconstruction shall not be compulsory in the event of "complete destruction of all the Buildings" (hereinafter defined) it shall only be done in accordance

with provisions hereinafter set forth. As used herein, the term "complete destruction of all the Buildings" means a determination, made by a vote of two-thirds of all Co-Owners at a special meeting of the Association called for the purpose of making such determination, that total destruction of all of the Building has occurred. A special meeting of the Association shall be called and held within ninety (90) days after any fire or any other casualty or disaster damaging or destroying any of the Buildings. If such a meeting is not called and held within such ninety (90) day period, or if the determination of whether or not there has been a complete destruction of all the Buildings has not been made within such ninety (90) day period, then it shall be conclusively presumed that the Co-Owners determined that there was not a complete destruction of all the Buildings, and the Association shall proceed with repair and reconstruction as herein provided.

- (b) If the insurance proceeds, if any, received by the Association as a result of any such fire or any other casualty disaster are not adequate to cover the costs of repair and reconstruction, or in the event there are no insurance proceeds, and if the Property is not to be removed from the Horizontal Property Regime, the costs for restoring the damage, repairing or reconstructing the Building or Buildings so damaged or destroyed (or the costs thereof in excess of the insurance proceeds received, if any) shall be paid by all of the Owners of Condominium Units in proportion to the ratio that the Percentage Interest of each Condominium Unit bears to the total Percentage Interest of all Condominium Units. Any such amounts payable by the Co-Owners shall be assessed as part of the Common Expenses and shall constitute a lien from the time of assessment as provided herein the Act.
- (c) For purposes of Subsections (a) and (b) above, repair, reconstruction and restoration shall mean construction or rebuilding of the Condominium Units as near as possible the same condition as they existed immediately prior to the damage or destruction and with the same

type of architecture.

- (d) If, under Subsection (a) above, it is determined by the Co-Owners at the special meeting of the Association referred to therein that there has been a complete destruction of all the Buildings, the Co-Owners shall, at such same special meeting, vote to determine whether or not such complete destruction of all the Buildings shall be repaired and reconstructed. The Buildings shall not be reconstructed or repaired if it is the determination of the Co-Owners at said special meeting that there has been a complete destruction of all of the Buildings, unless by a vote of two-thirds of all the Co-Owners a decision is made to rebuild, reconstruct and repair the Buildings. If two-thirds of all of the Co-Owners vote and decide that the Buildings are to be rebuilt, reconstructed and repaired, insurance proceeds, if any, received by the Association shall be applied and any excess of construction costs over insurance proceeds, if any received by the Association shall be contributed and paid as hereinabove provided in Subsections (a) and (b).
- (e) If, in the case of the complete destruction of all of the Buildings, less than two-thirds of all of the Co-Owners vote in favor of the rebuilding, reconstruction and repair of the Buildings, the Buildings shall not be rebuilt, reconstructed and repaired, and, in such event, the Property shall be deemed and considered as to be removed from the provisions of the Act under Section 28 of the Act and in accordance with Section 21 of the Act:
- (i) The property shall be deemed to be owned in common by the Condominium Unit Owners;
 - (ii) The undivided interest in the Property owned in common which shall appertain to each Condominium Unit Owner shall be the percentage of undivided interest previously owned by such Owner in the Common Areas and facilities;

- (iii) Any liens affecting the Condominium Units shall be deemed to be transferred in accordance with the existing priorities to the percentage of the undivided interest of the Condominium Unit Owner in the Property; and
- (iv) The Property shall be subject to an action for partition at the suit of any Condominium Unit Owner, in which event the net proceeds of sale, together with the net proceeds of insurance on the Property, if any, shall be considered as one fund and shall be divided among all Condominium Unit Owners in a percentage equal to the percentage of undivided interest owned by each Owner of the Property after first paying out of the respective shares of Condominium Unit Owners to the extent sufficient for the purpose, all liens on the undivided interest in the Property owned by each Condominium Unit Owner.
- (f) Immediately after a fire or other casualty or disaster causing damage to any Property for which the Board of Managers or Association has the responsibility of maintenance and repair, the Board of Managers shall obtain reliable and detailed estimates of the cost to place the damaged Property in condition as good as that before the casualty. Such costs may include professional fees and premiums for such bonds as the Board of Managers desires.
- (g) The proceeds of insurance collected on account of any such casualty, and the sums received by the Board of Managers from collections of assessments against Owners on account of such casualty, shall constitute a construction fund which shall be disbursed, if the Building to be reconstructed and repaired, in payment of the costs of reconstruction and repair in the following manner:
 - (i) If the amount of the estimated cost of reconstruction repair is less

than Five Thousand Dollars (\$5,000.00) then the construction fund shall be disbursed in payment of such costs upon order of the Board of Managers; provided, however, that upon request of the Mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereinafter provided in the following Subsection (ii).

- (ii) If the estimated costs of reconstruction and repair of the Building or other improvement is more than Five Thousand Dollars (\$5,000.00), then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in Indiana and employed by the Board of Managers to supervise such work, payment to be made from time to time as the work progresses. The architect shall be required to furnish a certificate giving a brief description of the services and materialmen furnished by various contractors, subcontractors, material, the architect, or other persons who have rendered services or furnished materials in connection with the work, (1) that the sums requested by them in payment are justly due and owing and that said sums do not exceed the value of the services or materials furnished; (2) that there is no other outstanding indebtedness known to the architect for services and materials described; and (3) that the costs estimated by the architect for the work remaining to be done subsequent to the date of such certificate, do not exceed the amount of the construction fund remaining after payment of the sum requested.

- (h) Encroachments upon or in favor of Condominium Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis of a proceeding or action by the Owner upon which property such encroachment exists, provided that such reconstruction was either substantially in accordance with the plans and specifications or as the Building was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the Building stands.
- (i) In the event that there is any surplus of monies in the construction fund or the reconstruction or repair of the damage has been fully completed and all costs paid, such sums may be retained by the Board of Managers as a reserve or may be used in the maintenance or operation of the Common Areas, or, in the discretion of the Board of Managers, it may be distributed to the Owners in the Buildings affected and their Mortgagees who are the beneficial Owners of the fund. The action of the Board of Managers in proceeding to repair or reconstruction damage shall not constitute a waiver of any rights against an Owner for committing willful or malicious damage.
- (j) In the event of the condemnation of all or any part of the Common Areas or all or any part of the Building(s), Condominium Unit(s) or lot(s), the Board of Managers is hereby authorized to negotiate with the condemning authority and/or to contest an award made for the appropriation of such Common Areas, Buildings or Condominium Units. For the purpose of such negotiation and/or contest of such award to the Board of Managers as to Buildings and Condominium Units and lots, the Board of Managers is hereby declared to be the agent and attorney-in-fact of any Owners affected by the condemnation. This appointment of the Board of Managers shall be deemed coupled with an interest and shall be irrevocable. Nothing contained herein, however, shall preclude any Owner from asserting any rights or claims to compensation which cannot be legally asserted by the Board of Managers.

Awards for the taking of all or part of a Building, Condominium Unit or lot shall be collected by the Board of Managers and distributed to the affected Owner(s). To the extent possible, negotiated awards or awards resulting from a contest shall specify the allocation of the award among the Owner(s) affected. In the event that an Owner does not agree with the distribution of an award, said Owner shall be entitled to have the dispute settled by arbitration. The protesting Owner shall appoint one arbitrator, the Board of Managers acting as agent for all other affected Owners shall appoint one arbitrator and the two appointed arbitrators shall appoint a third arbitrator. The majority decision of the arbitrators shall be binding on all Owners and shall be enforceable in a court of competent jurisdiction.

SECTION 18. Covenants and Restrictions. The covenants and restrictions applicable to the use and enjoyment of the Condominium Units and the Common Areas and Limited Areas are set forth in the By-Laws, including the limitation that each of the Condominium Units shall be limited to residential use. These covenants and restrictions are for the mutual benefit and protection of the present and future Owner or Owners. Present or future Owners or the Association shall be entitled to injunctive relief against any violation or attempted violation of these provisions and shall be entitled to damages for any injuries resulting from any violations thereof, but there shall be no right of reversion or forfeiture of title resulting from such violation.

Notwithstanding anything to the contrary contained herein or in the By-Laws, including but not limited to, any covenants and restrictions set forth in the By-Laws, Declarant shall have, until the applicable date as defined in Article III of the By-Laws, the right to use and maintain any Condominium Unit owned by Declarant, such other portions of the Property (other than individual Condominium Units owned by persons other than Declarant) and any portions of the additional Real Estate not then part of the Regime, all of such number and size and at such locations as Declarant in its sole discretion may determine and as Declarant may deem advisable or necessary in its sole discretion to aid in the construction, reconstruction or rehabilitation of Condominium Units and sale of Condominium Units or for the conducting of any business or activity attendant thereto, including, but not limited to, model sales offices, management offices and business offices. At no time shall any facility so used or maintained by Declarant be or become part of the Common Areas, unless so designated by Declarant, and Declarant shall have the right to remove the same from the property at any time.

SECTION 19. Sale, Lease or Other Transfer of Condominium Unit By Owner. For the purpose of maintaining the congenial and residential character of The Gardens, and for the protection of the Owners with regard to insuring having financially responsible residents, the lease of any Condominium Unit by an Owner shall be subject to the following conditions and restrictions:

- (a) Lease. No Owner shall lease his or her Condominium Unit or enter into any other rental or letting agreement for his or her Condominium Unit for a term of less than one hundred eighty (180) days. In any event, Owner shall use a lease form which has been approved by the Board of Managers, and a copy of such lease shall be provided by Owner to the Board of Managers promptly after execution thereof.
- (b) Sale. The Association shall have no right of first refusal to purchase any Condominium Unit which an Owner wishes to sell and an Owner may sell his or her Condominium Unit free of any such restriction.

SECTION 20. Amendment of Declaration. Except as otherwise provided in this Declaration, amendments to this Declaration shall be proposed and adopted in the following manner:

- (a) Notice. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting at which the proposed amendment is considered, including any annual meetings.
- (b) Resolution. A resolution to adopt a proposed amendment may be proposed by the Board of Managers or Owners having in the aggregate at least a majority of the Percentage Interest.
- (c) Meeting. The resolution concerning a proposed amendment must be adopted by the designated vote at a meeting duly called and held in accordance with the provisions of the By-Laws.
- (d) Adoption. Any proposed Material Amendment (as hereinafter defined) to this Declaration must be approved by a vote of not less than two-thirds of the Owners. In the event any Condominium Unit is subject to a first mortgage, the Mortgagee (hereinafter referred to as "Eligible Mortgagee") shall be notified of the meeting and the proposed Material Amendment in the same manner as an Owner if the Eligible Mortgagee has given prior notice of its mortgage interest to the Board of

Managers in accordance with the By-Laws, and any proposed Material Amendment must be approved by a vote of not less than a majority of the Eligible Mortgagees. An Eligible Mortgagee who receives a written request to approve amendments and does not deliver or post to the requesting party a negative response within thirty (30) days shall be deemed to have approved such request.

A change to any of the following shall be deemed to be a Material Amendment:

- (i) Voting rights;
- (ii) Assessments, assessment liens or subordination of assessment liens;
- (iii) Reserves for maintenance, repair and replacement of Common Areas;
- (iv) Responsibility for maintenance and repair;
- (v) Reallocation of interests in Common Areas or Limited Areas, or rights to their use;
- (vi) Boundaries of any Condominium Unit;
- (vii) Convertibility of Condominium Units into Common Areas or vice versa;
- (viii) Expansion or contraction of the Property, or the addition, annexation or withdrawal of property to or from the Property;
- (ix) Insurance or fidelity bonds;
- (x) Leasing of Condominium Units;
- (xi) Imposition of any restrictions on a Condominium Unit Owner's right to sell or transfer his or her Condominium Unit;
- (xii) A decision by the Association to establish self-management when a

professional management agent had been required previously by an Eligible Mortgagee;

- (xiii) Restoration or repair of the Property (after a hazard damage or partial condemnation) in a manner other than that specified in the Declaration;
 - (xiv) Any action to terminate the legal status of the Property after substantial destruction or condemnation occurs; or
 - (xv) Any provision that expressly benefits mortgage holders, insurers or guarantors.
- (e) Recording. Each amendment to the Declaration shall be executed by the President and Secretary of the Association, or the Declarant, if required, and shall be recorded in the Office of the Recorder of Hamilton County, Indiana, and such amendment shall not become effective until so recorded.
- (f) Amendments By Declarant Only. Notwithstanding the foregoing or anything elsewhere contained herein, the Declarant shall have the right acting alone and without the consent or approval of the Co-Owners, the Association, the Board of Managers, any Mortgagees or any other persons, to amend or supplement this Declaration, the By-Laws or other documents from time to time if (i) such amendment or supplement is necessary to conform this Declaration to the Act, as amended from time to time, (ii) such amendment or supplement is made to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Veterans Administration or any other governmental agency or any other public, quasi public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (iii) to induce any such agencies or entities

to make, purchase, sell, insure or guarantee first mortgages, or, (iv) if such amendment or supplement is made to correct clerical or typographical errors. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to vote in favor of, make, or consent to any amendments described in this Section 20 on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, or other instrument affecting a Condominium Unit and acceptance thereof shall be deemed to be grant and acknowledgment of, and a consent to the reservation of, the power of the Declarant to vote in favor of, make, execute and record any such amendments. The right of the Declarant to act pursuant to the rights reserved or granted under this Section 20 shall terminate at such time as Declarant no longer holds or controls title to any part or portion of the Real Estate.

(g) Additional Restrictions On Amendments.

(1) The consent of Owners of Condominium Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated and the approval of the eligible holders of first mortgages on Condominium Units to which at least sixty-seven percent (67%) of the votes of the Condominium Units subject to a mortgage appertain shall be required to terminate the Condominium Regime for reasons other than substantial destruction or condemnation of the Property.

(2) As used in this Section, the term "eligible holder" shall mean a holder, insurer or guarantor of a first mortgage on the Condominium Unit who has requested notice in accordance with the provisions of Section 8.03(a) of the By-Laws.

SECTION 21. Acceptance and Ratification. All present and future Owners, mortgagees, tenants and occupants of the Condominium

Units shall be subject to and shall comply with the provisions of this Declaration, the Act, the By-Laws appended hereto, and the rules and regulations as adopted by the Board of Managers as each may be amended or supplemented from time to time. The acceptance of a deed of conveyance or the act of occupancy of any Condominium Unit shall constitute an agreement that the provisions of this Declaration, the Act, the By-Laws and rules and regulations as each may be amended or supplemented from time to time are accepted and ratified by each 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 Condominium Unit or the Property as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. All persons, corporations, partnerships, trusts, associations, or other legal entities who may occupy, use, enjoy or control a Condominium Unit or Condominium Units or any part of the Property in any manner shall be subject to the Declaration, the Act, the By-Laws, and the rules and regulations applicable thereto as each may be amended or supplemented from time to time. ®

SECTION 22. Negligence. Each Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by the Owner's own negligence or by that of any member of the Owner's family, their guests, employees, agents or lessees, to the extent that such expense is not covered by the proceeds of

insurance carried by the Association. An Owner shall pay the amount of any increase in insurance premiums occasioned by such Owner's use, misuse, occupancy or abandonment of the Owner's Condominium Unit or its appurtenants or of the Common Areas or Limited Areas.

SECTION 23. Granting of Easements. The Board of Managers of the Association is granted the authority to grant easements to utility companies (excluding transportation companies) upon such terms and conditions and for such consideration as it deems appropriate.

SECTION 24. Reservation of Rights to Use the Common Areas. Declarant shall have, and hereby reserves, an easement over, across, upon, along, in, through and under the Common Areas and, to the extent necessary, the Limited Areas, for the purposes of installing, maintaining, repairing, replacing, relocating and otherwise servicing utility equipment, facilities and installations to serve the Real Estate, to provide access to and ingress and egress to and from the Real Estate, to make improvements to and within the Real Estate, and to provide for the rendering of public and quasi public services to the Real Estate. The foregoing easement shall be a transferable easement and Declarant may at any time and from time to time grant similar easements, rights or privileges to other persons and parties for the same purposes. By way of example, but not in limitation of the generality of the foregoing, Declarant, and others to whom Declarant may grant such

similar easement, easements or rights or privileges, may so use the Common Areas and, to the extent necessary, the Limited Areas, to supply utility services to the Real Estate and any portions of the Regime which are not part of the Real Estate and to permit public and quasi public vehicles, including, but not limited to, police, fire and other emergency vehicles, trash and garbage collection, post office vehicles and privately owned delivery vehicles, and their personnel to enter upon and use the streets, the Common Areas, and to the extent necessary, the Limited Areas of The Gardens in the performance of their duties.

SECTION 25. Initial Management. As set forth in the By-Laws, the initial Board of Managers shall consist of persons selected by Declarant. Prior to the Applicable Date, as defined in Article III of the By-Laws, all contracts or leases including any management agreement entered into by the Board of Managers shall provide a right of termination without cause or penalty, at any time after the Applicable Date upon no more than sixty (60) days notice to the other party. The Board of Managers has entered or will hereafter enter into a management agreement with Matthews, Click, Revel & Henry, Inc. (the "Managing Agent") for a term which will expire not later than June 30, 1999, unless earlier terminated or extended by agreement of the parties under which the Managing Agent will provide supervision, fiscal and general management and maintenance of the Common Areas, and to the extent the same is not otherwise the responsibility of Owners of individual Condominium Units, the

Limited Areas, and, in general, perform all the duties and obligations of the Association. Such Management Agreement is or will be subject to termination by Declarant at any time prior to the expiration of its term, in which event the Association shall upon and thereafter resume performance of all of its duties and obligations and functions. Notwithstanding anything to the contrary contained herein, so long as such management agreement remains in effect, Declarant shall have, and Declarant hereby reserves to itself, the exclusive right to oversee the Managing Agent and if necessary manage the Property and to perform all the functions of the Association.

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

SECTION 27. Failure of Owner to Pay Assessments.

- (a) No Owner may become exempt from liability for contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Areas or Limited Areas or by abandonment of the Owner's Condominium Unit. Each Owner shall be personally liable for the payment of all assessments by the Association.
- (b) Upon failure by any Owner to make any payment of assessment on the date when due, the lien

against the Owner's Condominium Unit may be foreclosed against as provided for by Section 5.06 of the By-Laws and applicable law. Any lien for assessments becoming payable after the recordation of a first mortgage on Owner's Condominium Unit shall be subordinate to the first mortgage on the Owner's Condominium Unit as more fully set forth in Section 5.06(b) of the By-Laws.

SECTION 28. Severability Clause. The invalidity of any covenant, restriction, condition, limitation or other provision of this Declaration or by the By-Laws filed herewith shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration or the attached By-Laws.

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

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

BY: ROTTLUND HOMES OF INDIANA LIMITED
PARTNERSHIP, A MINNESOTA LIMITED
PARTNERSHIP

CHICAGO TITLE

Patrick K. Duggan, President

STATE OF INDIANA)
Hamilton) SS:
COUNTY OF ~~Shelby~~)

Subscribed and sworn to before me, a Notary Public in and for said County and State, personally appeared Robert Duggan, who first having been sworn upon his oath, states the foregoing statements are true and accurate, this 29th day of December, 1998.

Diane Norman
Notary Public
Diane Norman
Printed

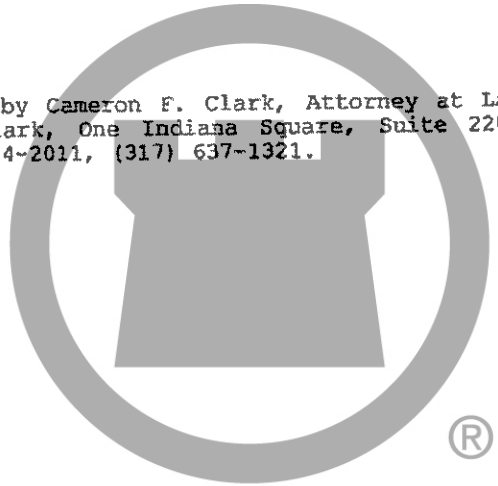
County of Residence:

Shelby

My Comm. Expires:



This instrument prepared by Cameron F. Clark, Attorney at Law, Clark, Quinn, Moses & Clark, One Indiana Square, Suite 2200, Indianapolis, Indiana 46204-2011, (317) 637-1321.
cfc\doc\gardens.declaration



CHICAGO TITLE

EXHIBIT A

Lots numbered A through W inclusive in Stone Harbour, a subdivision in Hamilton County, Indiana, as per plat thereof recorded in Plat Cabinet 2, Slide 141 as Instrument No. 9841527 in the Office of the Recorder of Hamilton County, Indiana.



CHICAGO TITLE

EXHIBIT B

<u>LOT</u>	<u>BUILDING</u>	<u>UNIT</u>	<u>GARDEN ADDRESS</u>
A	1	1	18473 PIERS END DRIVE
		2	18471 PIERS END DRIVE
		3	18463 PIERS END DRIVE
		4	18485 PIERS END DRIVE
B	2	5	18457 PIERS END DRIVE
		6	18455 PIERS END DRIVE
		7	18447 PIERS END DRIVE
		8	18449 PIERS END DRIVE
C	3	9	18453 PIERS END DRIVE
		10	18451 PIERS END DRIVE
		11	18443 PIERS END DRIVE
		12	18445 PIERS END DRIVE
D	4	13	18437 PIERS END DRIVE
		14	18435 PIERS END DRIVE
		15	18427 PIERS END DRIVE
		16	18429 PIERS END DRIVE
E	5	17	18433 PIERS END DRIVE
		18	18431 PIERS END DRIVE
		19	18423 PIERS END DRIVE
F	6	20	18425 PIERS END DRIVE
		21	18417 PIERS END DRIVE
		22	18415 PIERS END DRIVE
		23	6965 HARBOUR WOODS OVERLOOK
G	7	24	6981 HARBOUR WOODS OVERLOOK
		25	18413 PIERS END DRIVE
		26	18411 PIERS END DRIVE
		27	6995 HARBOUR WOODS OVERLOOK
H	8	28	6991 HARBOUR WOODS OVERLOOK
		29	18472 PIERS END DRIVE
		30	18474 PIERS END DRIVE
I	9	31	18464 PIERS END DRIVE
		32	18462 PIERS END DRIVE
		33	18452 PIERS END DRIVE
		34	18454 PIERS END DRIVE
		35	18444 PIERS END DRIVE
		36	18442 PIERS END DRIVE
		37	18432 PIERS END DRIVE
		38	18434 PIERS END DRIVE
K	11	39	18424 PIERS END DRIVE
		40	18422 PIERS END DRIVE
		41	18412 PIERS END DRIVE
		42	18414 PIERS END DRIVE
		43	18404 PIERS END DRIVE
		44	18402 PIERS END DRIVE
L	12	45	6984 HARBOUR WOODS OVERLOOK
		46	6988 HARBOUR WOODS OVERLOOK
		47	18385 PIERS END DRIVE
		48	18387 PIERS END DRIVE

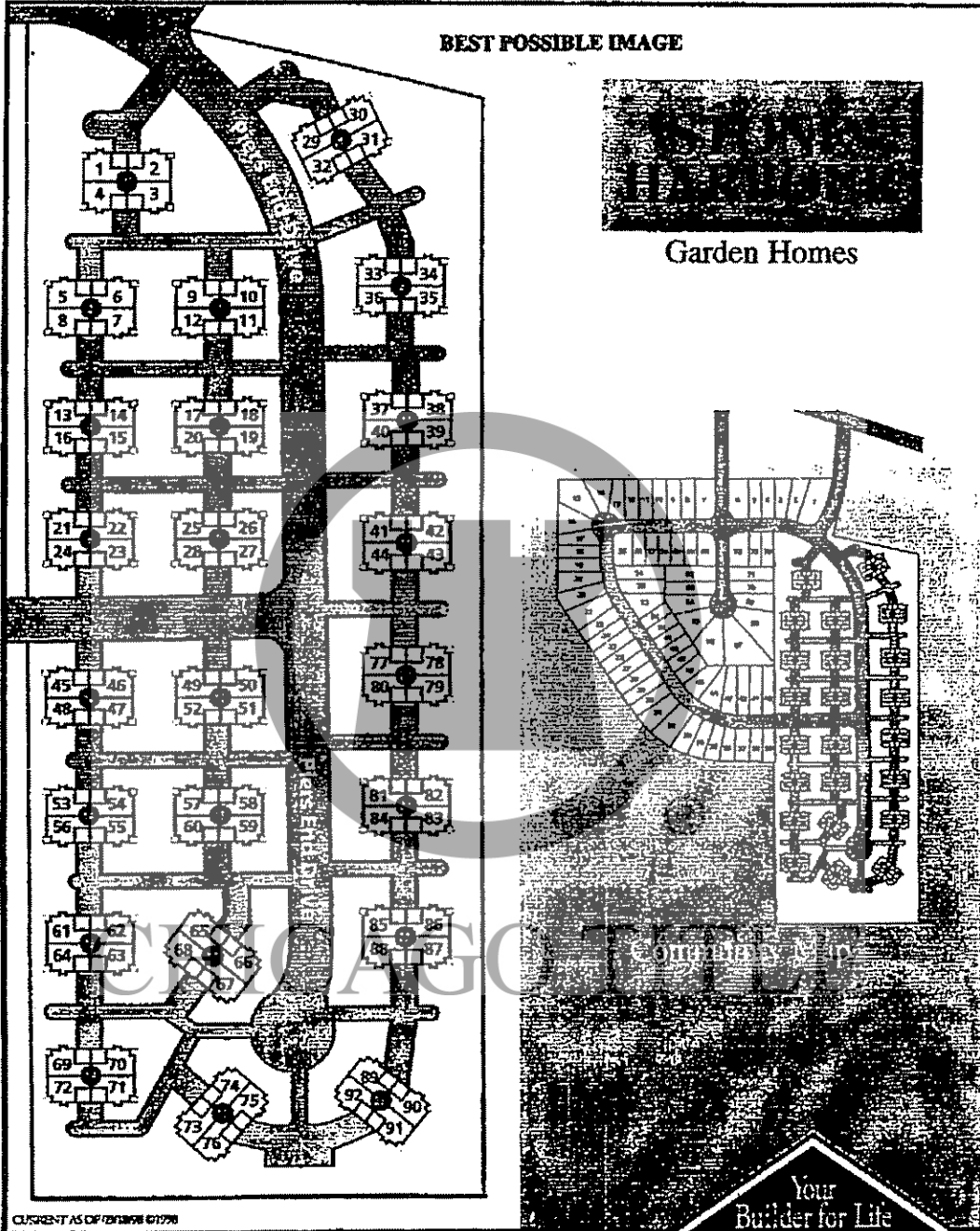
CHICAGO TITLE

EXHIBIT B

<u>LOT</u>	<u>BUILDING</u>	<u>UNIT</u>	<u>GARDEN ADDRESS</u>
M	13	49	6894 HARBOUR WOODS OVERLOOK
		50	6998 HARBOUR WOODS OVERLOOK
		51	18381 PIERS END DRIVE
		52	18383 PIERS END DRIVE
N	14	53	18379 PIERS END DRIVE
		54	19377 PIERS END DRIVE
		55	18365 PIERS END DRIVE
		56	18387 PIERS END DRIVE
O	15	57	18375 PIERS END DRIVE
		58	18373 PIERS END DRIVE
		59	18361 PIERS END DRIVE
		60	18363 PIERS END DRIVE
P	16	61	18357 PIERS END DRIVE
		62	18355 PIERS END DRIVE
		63	18345 PIERS END DRIVE
		64	18347 PIERS END DRIVE
Q	17	65	18353 PIERS END DRIVE
		66	18351 PIERS END DRIVE
		67	18341 PIERS END DRIVE
		68	18343 PIERS END DRIVE
R	18	69	18335 PIERS END DRIVE
		70	18333 PIERS END DRIVE
		71	18321 PIERS END DRIVE
		72	18323 PIERS END DRIVE
S	19	73	18313 PIERS END DRIVE
		74	18311 PIERS END DRIVE
		75	18301 PIERS END DRIVE
		76	18303 PIERS END DRIVE
T	20	77	18392 PIERS END DRIVE
		78	18394 PIERS END DRIVE
		79	18388 PIERS END DRIVE
		80	18386 PIERS END DRIVE
U	21	81	18372 PIERS END DRIVE
		82	18374 PIERS END DRIVE
		83	18366 PIERS END DRIVE
		84	18368 PIERS END DRIVE
V	22	85	18362 PIERS END DRIVE
		86	18354 PIERS END DRIVE
		87	18348 PIERS END DRIVE
		88	18346 PIERS END DRIVE
W	23	89	18312 PIERS END DRIVE
		90	18314 PIERS END DRIVE
		91	18306 PIERS END DRIVE
		92	18306 PIERS END DRIVE

NOTE: All units have a 1/92th percentage interest

BEST POSSIBLE IMAGE



Garden Homes

CURRENT AS OF 10/18/98 61776

ROTTLUND HOMES OF INDIANA, L.P. is a
 ARTIST'S CONCEPT ONLY. SUBJECTS TO CHANGE WITHOUT NOTICE. SEE
 BUILDER REPRESENTATIVE FOR ACTUAL LANDSCAPING AND PLANS.
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IN-6570 (10/98)

ARTIST'S CONCEPT ONLY.
 SEE BUILDER FOR ACTUAL
 DETAILS ON LANDSCAPING AND PLANS.



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Instrument
9909909546

2/07
⑧
200112
SUPPLEMENTAL DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP

THE GARDENS OF STONE HARBOUR
HORIZONTAL PROPERTY REGIME

9909909546
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 02-12-1999 At 02:46 pm.
DEC COV RES 24.00

THIS SUPPLEMENTAL DECLARATION made this 12th day of February,
19 99 by Rottlund Homes of Indiana Limited Partnership, a Minnesota
Limited Partnership, an agent and subsidiary of The Rottlund
Company, Incorporated, a Minnesota Corporation (the "Declarant").

W I T N E S S E T H:

WHEREAS, the following facts are true:

A. Declarant is the sole owner of the fee simple title to
the following described real estate located in Hamilton County,
Indiana, to-wit: See attached Exhibit "A" for Legal Description

B. On the 29th day of December [®], 1998
Declarant executed a Declaration of Horizontal Property Ownership
for The Gardens of Stone Harbour Horizontal Property Regime which
was recorded in the Office of the Recorder of Hamilton County,
Indiana on the 22nd day of January, 1999, as Instrument No. 9904184
(the "Declaration"). Attached to the Declaration is the
Code of By-Laws of The Gardens of Stone Harbour Horizontal Property
Regime. The Declaration and By-Laws are incorporated herein by
reference and all of the terms and definitions as described therein
are hereby adopted and shall have the same meaning in this
Supplemental Declaration.

C. Phase 1 is part of the Real Estate described in Exhibit "A" of the recitals of the Declaration. The Declaration provides that all or part of the Real Estate may be annexed to The Gardens of Stone Harbour Horizontal Property Regime, incorporated into the Declaration and the Owners thereof become members of The Gardens of Stone Harbour Horizontal Property Regime and the filing of the Supplemental Declaration by execution of this Supplemental Declaration, hereby incorporates Phase 1 into The Gardens of Stone Harbour Horizontal Property Regime.

NOW, THEREFORE, Declarant makes this Supplemental Declaration as follows:

1. Declaration. Declarant hereby expressly declares that Phase 1 and all appurtenant easements, Condominium Units, Buildings, Improvements and property every kind and nature whatsoever, real, personal and mixed, located thereon[®] is hereby annexed to and becomes a part of The Gardens of Stone Harbour Horizontal Property Regime as if such originally has been included in the Declaration, and shall hereafter be held, transferred, sold conveyed and occupied subject to the covenants, restrictions and provisions of the Declaration, the Act, the By-Laws, and the rules and regulations as adopted by the Board of Directors, as each may be amended from time to time. Phase 1 hereafter and for all purposes shall be included in the definition of "Tract" as defined in Section 1.(r) of the Declaration.

2. Description of Buildings. There shall be 1 Building(s) containing Four (4) Condominium Units in each Building in Phase 1 as shown on the Supplemental Plans for Phase 1. The Building(s) is/are identified and referred to in the Supplemental Plans and in this Supplemental Declaration as Building(s) Lot A (Bldg 1) The Gardens of Stone Harbour Horizontal Property Regime or the Tract now has 1 Building(s).

3. Percentage Interest. The Percentage interest of each Condominium Unit in the Tract (as now defined) is as set forth in Exhibit "B" attached hereto and made a part hereof. Exhibit "C" as attached hereto is the correct listing of the Building(s) and Units in The Gardens of Stone Harbour Horizontal Property Regime, such Building(s) being Building(s) (1) Lot A

4. Acceptance and Ratification. The acceptance of a deed of conveyance or the act of occupancy of a Condominium Unit shall constitute an agreement that the provisions of this Supplemental Declaration, the Declaration, 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 each Owner, tenant and 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 Condominium Unit or the Property as if those provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

5. Supplemental Plans. The Supplemental Plans, prepared by

Benchmark Surveying, Inc. including floor and building plans and elevations of the buildings and condominium units certified by David W. Talbott, registered professional engineer, and a site plan of Phase 1 and the buildings thereon certified by Willard E. Johnson, a registered professional surveyor under date of February 2 19 99 are incorporated herein by reference. The Supplemental Plans setting forth the layout, location, identification and dimension of the Condominium. Units identified in this Supplemental Declaration are incorporated into the Declaration, added to the plans filed with the Declaration, and have been filed in the Office of the Recorder of Hamilton County, Indiana in Horizontal Property Plan File, as of February 5, 1999 as Instrument No. 99-09907916.

EXECUTED the day and year first above written.

ROSSLUND HOMES OF INDIANA LIMITED
PARTNERSHIP, A MINNESOTA LIMITED
PARTNERSHIP

By: Dennis Yovanovich

Printed: DENNIS YOVANOVICH

Its: PRESIDENT

CHICAGO TITLE

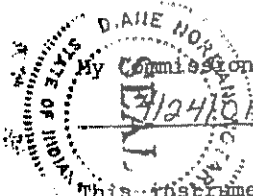
STATE OF Indiana)
) SS:
COUNTY OF Hamilton)

Before me, a Notary Public in and for said County and State, personally appeared Dennis Younouich, as ~~was~~ President, and acknowledged the execution of the foregoing "Supplemental Declaration" for The Gardens of Stone Harbour as his voluntary act and deed.

WITNESS my hand and Notarial Seal this 12th day of February, 1999.

Diane Norman
Notary Public

Diane Norman
Printed Signature



My County of Residence: Shelby

This instrument prepared by Cameron F. Clark, Attorney at Law, Clark, Quinn, Moses & Clark, One Indiana Square, Suite 2200, Indianapolis, IN 46204.

G:\WPDATA\cfc\DOC\stoneharbour\supplementaldec



CHICAGO TITLE

EXHIBIT A

Lots numbered A through W inclusive in Stone Harbour, a subdivision in Hamilton County, Indiana, as per plat thereof recorded in Plat Cabinet 2, Slide 141 as Instrument No. 9841527 in the Office of the Recorder of Hamilton County, Indiana.



CHICAGO TITLE

EXHIBIT B

Each unit has a 1/4th percentage interest



CHICAGO TITLE

EXHIBIT C

<u>LOT</u>	<u>BLDG.</u>	<u>UNIT</u>	<u>ADDRESS</u>
A	1	1	18473 Piers End Drive
		2	18471 Piers End Drive
		3	18463 Piers End Drive
		4	18465 Piers End Drive



CHICAGO TITLE

25.00
⑧
103
none

Instrument #
990991265

SUPPLEMENTAL DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP
THE GARDENS OF STONE HARBOUR
HORIZONTAL PROPERTY REGIME

THIS SUPPLEMENTAL DECLARATION made this 12th day of February,
1999 by Rottlund Homes of Indiana Limited Partnership, a Minnesota
Limited Partnership, an agent and subsidiary of The Rottlund
Company, Incorporated, a Minnesota Corporation (the "Declarant").

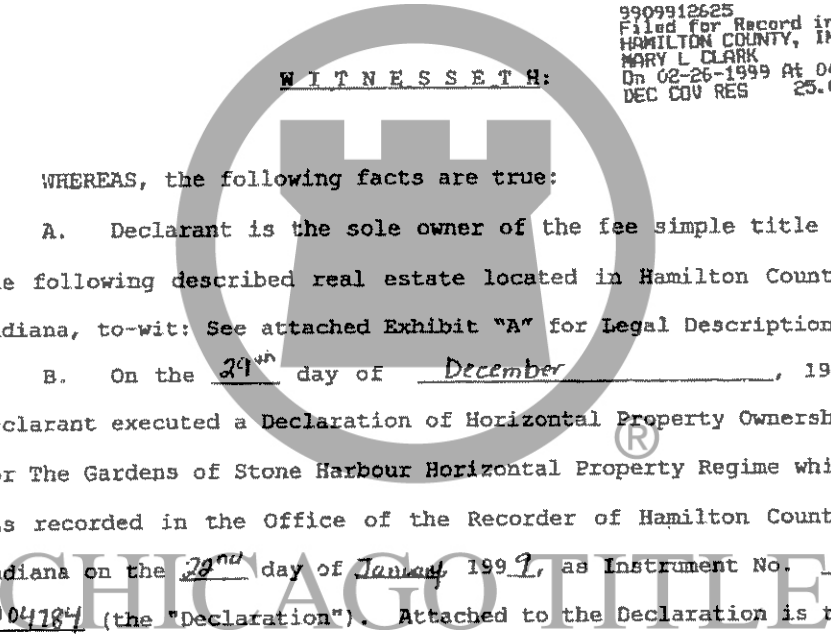
9909912625
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 02-26-1999 At 04:04 pm.
DEC COV RES 25.00

WITNESSETH:

WHEREAS, the following facts are true:

A. Declarant is the sole owner of the fee simple title to
the following described real estate located in Hamilton County,
Indiana, to-wit: See attached Exhibit "A" for Legal Description

B. On the 29th day of December, 1998
Declarant executed a Declaration of Horizontal Property Ownership
for The Gardens of Stone Harbour Horizontal Property Regime which
was recorded in the Office of the Recorder of Hamilton County,
Indiana on the 28th day of January, 1999, as Instrument No. 9904784
(the "Declaration"). Attached to the Declaration is the
Code of By-Laws of The Gardens of Stone Harbour Horizontal Property
Regime. The Declaration and By-Laws are incorporated herein by
reference and all of the terms and definitions as described therein
are hereby adopted and shall have the same meaning in this
Supplemental Declaration.



C. Phase 2 is part of the Real Estate described in Exhibit "A" of the recitals of the Declaration. The Declaration provides that all or part of the Real Estate may be annexed to The Gardens of Stone Harbour Horizontal Property Regime, incorporated into the Declaration and the Owners thereof become members of The Gardens of Stone Harbour Horizontal Property Regime and the filing of the Supplemental Declaration by execution of this Supplemental Declaration, hereby incorporates Phase 2 into The Gardens of Stone Harbour Horizontal Property Regime.

NOW, THEREFORE, Declarant makes this Supplemental Declaration as follows:

1. Declaration. Declarant hereby expressly declares that Phase 2 and all appurtenant easements, Condominium Units, Buildings, Improvements and property every kind and nature whatsoever, real, personal and mixed, located thereon is hereby annexed to and becomes a part of The Gardens of Stone Harbour Horizontal Property Regime as if such originally has been included in the Declaration, and shall hereafter be held, transferred, sold conveyed and occupied subject to the covenants, restrictions and provisions of the Declaration, the Act, the By-Laws, and the rules and regulations as adopted by the Board of Directors, as each may be amended from time to time. Phase 2 hereafter and for all purposes shall be included in the definition of "Tract" as defined in Section 1.(r) of the Declaration.

2. Description of Buildings. There shall be 1 Building(s) containing Four (4) Condominium Units in each Building in Phase 2 as shown on the Supplemental Plans for Phase 2. The Building(s) is/are identified and referred to in the Supplemental Plans and in this Supplemental Declaration as Building(s) Lot I (Bldg 9). The Gardens of Stone Harbour Horizontal Property Regime or the Tract now has 2 Building(s).

3. Percentage Interest. The Percentage interest of each Condominium Unit in the Tract (as now defined) is as set forth in Exhibit "B" attached hereto and made a part hereof. Exhibit "C" as attached hereto is the correct listing of the Building(s) and Units in The Gardens of Stone Harbour Horizontal Property Regime, such Building(s) being Building(s) Lot A (Bldg 1) + Lot L (Bldg 9).

4. Acceptance and Ratification. The acceptance of a deed of conveyance or the act of occupancy of a Condominium Unit shall constitute an agreement that the provisions of this Supplemental Declaration, the Declaration, 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 each Owner, tenant and 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 Condominium Unit or the Property as if those provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

5. Supplemental Plans. The Supplemental Plans, prepared by

Benchmark Surveying, Inc including floor and building plans and elevations of the buildings and condominium units certified by David W. Taiboff, registered professional engineer, and a site plan of Phase 2 and the buildings thereon certified by Willard E. Johnson, a registered professional surveyor under date of February 2, 19 99 are incorporated herein by reference. The Supplemental Plans setting forth the layout, location, identification and dimension of the Condominium. Units identified in this Supplemental Declaration are incorporated into the Declaration, added to the plans filed with the Declaration, and have been filed in the Office of the Recorder of Hamilton County, Indiana in Horizontal Property Plan File, as of February 26, 19 99 as Instrument No. 99-09912598

EXECUTED the day and year first above written.

ROTTLUND HOMES OF INDIANA LIMITED
PARTNERSHIP, A MINNESOTA LIMITED
PARTNERSHIP



By:

Dennis Yovanovitch

Printed:

Dennis Yovanovitch

Its:

President

CHICAGO TITLE

STATE OF Indiana)
) SS:
COUNTY OF Hamilton)

Before me, a Notary Public in and for said County and State, personally appeared Diane Norman, as ~~was~~ President, and acknowledged the execution of the foregoing "Supplemental Declaration" for The Gardens of Stone Harbour as his voluntary act and deed.

WITNESS my hand and Notarial Seal this 16th day of February, 19 99.

Diane Norman
Notary Public

Diane Norman
Printed Signature



My Commission Expires: _____
My County of Residence: Shelby

This instrument prepared by Cameron F. Clark, Attorney at Law,
Clark, Quinn, Moses & Clark, One Indiana Square, Suite 2200,
Indianapolis, IN 46204.

G:\102122\cfc\DOC\stoneharbour\supplementaldec



CHICAGO TITLE

EXHIBIT A

Lots numbered A through W inclusive in Stone Harbour, a subdivision in Hamilton County, Indiana, as per plat thereof recorded in Plat Cabinet 2, Slide 141 as Instrument No. 9841527 in the Office of the Recorder of Hamilton County, Indiana.



CHICAGO TITLE

EXHIBIT B

Each unit has a 1/8th percentage interest



CHICAGO TITLE

EXHIBIT C

<u>LOT</u>	<u>BLDG.</u>	<u>UNIT</u>	<u>ADDRESS</u>
A	1	1	18473 Piers End Drive
		2	18471 Piers End Drive
		3	18463 Piers End Drive
		4	18465 Piers End Drive
I	9	33	18452 Piers End Drive
		34	18454 Piers End Drive
		35	18444 Piers End Drive
		36	18442 Piers End Drive



CHICAGO TITLE

Assoc 4

Instrument
9909933624

24. D
8
100 none

SUPPLEMENTAL DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP
THE GARDENS OF STONE HARBOUR
HORIZONTAL PROPERTY REGIME

THIS SUPPLEMENTAL DECLARATION made this 20th day of May,
1999 by Rottlund Homes of Indiana Limited Partnership, a Minnesota
Limited Partnership, an agent and subsidiary of The Rottlund
Company, Incorporated, a Minnesota Corporation (the "Declarant").

W I T N E S S E T H:

9909933624
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 06-04-1999 At 03:17:46 pm.
DEC COV RES 24.00

WHEREAS, the following facts are true:

A. Declarant is the sole owner of the fee simple title to
the following described real estate located in Hamilton County,
Indiana, to-wit: See attached Exhibit "A" for Legal Description

B. On the 27th day of December, 1998
Declarant executed a Declaration of Horizontal Property Ownership
for The Gardens of Stone Harbour Horizontal Property Regime which
was recorded in the Office of the Recorder of Hamilton County,
Indiana on the 22nd day of January, 1999, as
Instrument No. 9904784 (the "Declaration"). Attached to the
Declaration is the Code of By-Laws of The Gardens of Stone Harbour
Horizontal Property Regime. The Declaration and By-Laws are
incorporated herein by reference and all of the terms and
definitions as described therein are hereby adopted and shall have
the same meaning in this Supplemental Declaration.

REVIEWED BY HAMILTON
COUNTY AUDITOR'S OFFICE
4 days June 1999

C. Phase 2 as described in Exhibit "A" attached hereto is part of the Real Estate described in Exhibit "A" of the recitals of the Declaration. The Declaration provides that all or part of the Real Estate may be annexed to The Gardens of Stone Harbour Horizontal Property Regime, incorporated into the Declaration and the Owners thereof become members of The Gardens of Stone Harbour Horizontal Property Regime and the filing of the Supplemental Declaration by execution of this Supplemental Declaration, hereby incorporates Phase 3 into The Gardens of Stone Harbour Horizontal Property Regime.

NOW, THEREFORE, Declarant makes this Supplemental Declaration as follows:

1. Declaration. Declarant hereby expressly declares that Phase 2 and all appurtenant easements, Condominium Units, Buildings, Improvements and property every kind and nature whatsoever, real, personal and mixed, located thereon is hereby annexed to and becomes a part of The Gardens of Stone Harbour Horizontal Property Regime as if such originally has been included in the Declaration, and shall hereafter be held, transferred, sold conveyed and occupied subject to the covenants, restrictions and provisions of the Declaration, the Act, the By-Laws, and the rules and regulations as adopted by the Board of Directors, as each may be amended from time to time. Phase 3 hereafter and for all purposes shall be included in the definition of "Tract" as defined in Section 1.(r) of the Declaration.

2. Description of Buildings. There shall be 1 Building(s) containing Four (4) Condominium Units in each Building in Phase 3 as shown on the Supplemental Plans for Phase 3. The Building(s) is/are identified and referred to in the Supplemental Plans and in this Supplemental Declaration as Building(s) (enote) The Gardens of Stone Harbour Horizontal Property Regime or the Tract now has 3 Building(s).

3. Percentage Interest. The Percentage interest of each Condominium Unit in the Tract (as now defined) is as set forth in Exhibit "B" attached hereto and made a part hereof. Exhibit "C" as attached hereto is the correct listing of the Building(s) and Units in The Gardens of Stone Harbour Horizontal Property Regime, such Building(s) being Building(s) 1319.

4. Acceptance and Ratification. The acceptance of a deed of conveyance or the act of occupancy of a Condominium Unit shall constitute an agreement that the provisions of this Supplemental Declaration, the Declaration, 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 each Owner, tenant and 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 Condominium Unit or the Property as if those provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

5. Supplemental Plans. The Supplemental Plans, prepared by

Benchmark Surveying, Inc. including floor and building plans and elevations of the buildings and condominium units certified by David W. Taibott, registered professional engineer, and a site plan of Phase 2 and the buildings thereon certified by Wilford E. Johnson, a registered professional surveyor under date of May 13th, 1999 are incorporated herein by reference. The Supplemental Plans setting forth the layout, location, identification and dimension of the Condominium. Units identified in this Supplemental Declaration are incorporated into the Declaration, added to the plans filed with the Declaration, and have been filed in the Office of the Recorder of Hamilton County, Indiana in Horizontal Property Plan File, as of May 26th, 1999 as Instrument No. 9909931619.

EXECUTED the day and year first above written.

ROTTLUND HOMES OF INDIANA LIMITED
PARTNERSHIP, A MINNESOTA LIMITED
PARTNERSHIP

By: Dennis Yovanovich

Printed: Dennis Yovanovich

Its: President

CHICAGO TITLE

STATE OF Indiana)
) SS:
COUNTY OF Hamilton

Before me, a Notary Public in and for said County and State, personally appeared Dennis Yovanovich, as President (Title), and acknowledged the execution of the foregoing "Supplemental Declaration" for The Gardens of Stone Harbour as his/her voluntary act and deed.

WITNESS my hand and Notarial Seal this 30th day of May, 1999.



Janice P. Vollmer
Notary Public

Janice P. Vollmer
Printed Signature

My Commission Expires: February 9, 2008 My County of Residence: Marion

This instrument prepared by Cameron F. Clark, Attorney at Law, Clark, Quinn, Moses & Clark, One Indiana Square, Suite 2200, Indianapolis, IN 46204.

c:\WPDATA\etc\DOC\stoseharbsup00c.mpd



CHICAGO TITLE

EXHIBIT "A"

LEGAL DESCRIPTION, PHASE #3, TRACT "C", BUILDING #3

Lot "C" according to the Plat of STONE HARBOUR, a subdivision in Hamilton County, Indiana, recorded July 29, 1998, in Plat Cabinet 2, Slide 141, in the Office of the Recorder, Hamilton County, Indiana.

Containing 0.51 acres, more or less.



CHICAGO TITLE

EXHIBIT B

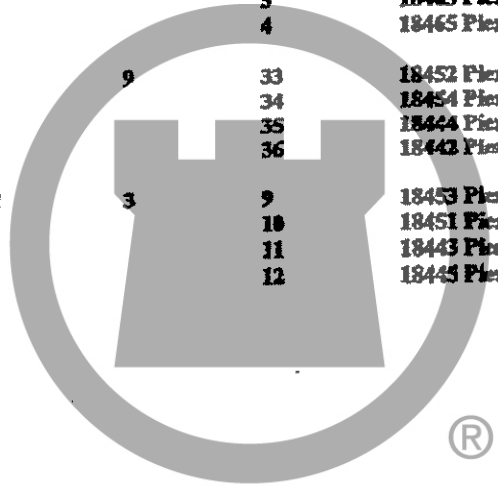
Note: Each unit has a 1/12th percentage interest



CHICAGO TITLE

EXHIBIT C

<u>LOT</u>	<u>BLDG.</u>	<u>UNIT</u>	<u>ADDRESS</u>
A	1	1	18473 Piers End Drive
		2	18471 Piers End Drive
		3	18463 Piers End Drive
		4	18465 Piers End Drive
I	9	33	18452 Piers End Drive
		34	18454 Piers End Drive
		35	18444 Piers End Drive
		36	18442 Piers End Drive
C	3	9	18453 Piers End Drive
		10	18451 Piers End Drive
		11	18443 Piers End Drive
		12	18445 Piers End Drive



CHICAGO TITLE

Page A
24.00
8
100 more

Instrument
9909933625

SUPPLEMENTAL DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP
THE GARDENS OF STONE HARBOUR
HORIZONTAL PROPERTY REGIME

THIS SUPPLEMENTAL DECLARATION made this 27th day of May,
1999 by Rottlund Homes of Indiana Limited Partnership, a Minnesota
Limited Partnership, an agent and subsidiary of The Rottlund
Company, Incorporated, a Minnesota Corporation (the "Declarant").

W I T N E S S E T H:

9909933625
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 06-04-1999 At 03:17:54 pm.
DEC COV RES 24.00

WHEREAS, the following facts are true:

A. Declarant is the sole owner of the fee simple title to
the following described real estate located in Hamilton County,
Indiana, to-wit: See attached Exhibit "A" for Legal Description

B. On the 27th day of December, 1998
Declarant executed a Declaration of Horizontal (8) Property Ownership
for The Gardens of Stone Harbour Horizontal Property Regime which
was recorded in the Office of the Recorder of Hamilton County,
Indiana on the 22nd day of January, 1999, as
Instrument No. 9904754 (the "Declaration"). Attached to the
Declaration is the Code of By-Laws of The Gardens of Stone Harbour
Horizontal Property Regime. The Declaration and By-Laws are
incorporated herein by reference and all of the terms and
definitions as described therein are hereby adopted and shall have
the same meaning in this Supplemental Declaration.

REVIEWED BY HAMILTON
COUNTY AUDITORS OFFICE
4 days June 1999

C. Phase 4 as described in Exhibit "A" attached hereto is part of the Real Estate described in Exhibit "A" of the recitals of the Declaration. The Declaration provides that all or part of the Real Estate may be annexed to The Gardens of Stone Harbour Horizontal Property Regime, incorporated into the Declaration and the Owners thereof become members of The Gardens of Stone Harbour Horizontal Property Regime and the filing of the Supplemental Declaration by execution of this Supplemental Declaration, hereby incorporates Phase 4 into The Gardens of Stone Harbour Horizontal Property Regime.

NOW, THEREFORE, Declarant makes this Supplemental Declaration as follows:

1. Declaration. Declarant hereby expressly declares that Phase 4 and all appurtenant easements, Condominium Units, Buildings, Improvements and property every kind and nature whatsoever, real, personal and mixed, located thereon is hereby annexed to and becomes a part of The Gardens of Stone Harbour Horizontal Property Regime as if such originally has been included in the Declaration, and shall hereafter be held, transferred, sold conveyed and occupied subject to the covenants, restrictions and provisions of the Declaration, the Act, the By-Laws, and the rules and regulations as adopted by the Board of Directors, as each may be amended from time to time. Phase 4 hereafter and for all purposes shall be included in the definition of "Tract" as defined in Section 1.(r) of the Declaration.

2. Description of Buildings. There shall be 1 Building(s) containing Four (4) Condominium Units in each Building in Phase 4 as shown on the Supplemental Plans for Phase 4. The Building(s) is/are identified and referred to in the Supplemental Plans and in this Supplemental Declaration as Building(s) at Lot 81. The Gardens of Stone Harbour Horizontal Property Regime or the Tract now has 4 Building(s).

3. Percentage Interest. The Percentage interest of each Condominium Unit in the Tract (as now defined) is as set forth in Exhibit "B" attached hereto and made a part hereof. Exhibit "C" as attached hereto is the correct listing of the Building(s) and Units in The Gardens of Stone Harbour Horizontal Property Regime, such Building(s) being Building(s) 12349.

4. Acceptance and Ratification. The acceptance of a deed of conveyance or the act of occupancy of a Condominium Unit shall constitute an agreement that the provisions of this Supplemental Declaration, the Declaration, 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 each Owner, tenant and 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 Condominium Unit or the Property as if those provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

5. Supplemental Plans. The Supplemental Plans, prepared by

Benchmark Surveying, Inc. including floor and building plans and elevations of the buildings and condominium units certified by David W. Talbot, registered professional engineer, and a site plan of Phase 4 and the buildings thereon certified by Willard E. Johnson, a registered professional surveyor under date of May 13th, 1999 are incorporated herein by reference. The Supplemental Plans setting forth the layout, location, identification and dimension of the Condominium. Units identified in this Supplemental Declaration are incorporated into the Declaration, added to the plans filed with the Declaration, and have been filed in the Office of the Recorder of Hamilton County, Indiana in Horizontal Property Plan File, as of May 26th, 1999 as Instrument No. 99099216210.

EXECUTED the day and year first above written.

ROTLUND HOMES OF INDIANA LIMITED
PARTNERSHIP, A MINNESOTA LIMITED
PARTNERSHIP

CHICAGO TITLE

By: Dennis Yovanovich
Printed: Dennis Yovanovich
Its: President

STATE OF Indiana)
) SS:
COUNTY OF Hamilton

Before me, a Notary Public in and for said County and State, personally appeared Dennis Yovanovich, as President (Title), and acknowledged the execution of the foregoing "Supplemental Declaration" for The Gardens of Stone Harbour as his/her voluntary act and deed.

WITNESS my hand and Notarial Seal this 22nd day of May, 1999.



Janice P. Vollmer
Notary Public

Janice P. Vollmer
Printed Signature

My Commission Expires: February 9, 2008 My County of Residence: Marion

This instrument prepared by Cameron F. Clark, Attorney at Law, Clark, Quinn, Moses & Clark, One Indiana Square, Suite 2200, Indianapolis, IN 46204.

G:\WDRAZA\cf\DOC\stb\stbharboupdec.wpd



CHICAGO TITLE

EXHIBIT "A"

LEGAL DESCRIPTION, PHASE #4, TRACT "B", BUILDING #2

Lot "B" according to the Plat of STONE HARBOUR, a subdivision in Hamilton County, Indiana, recorded July 29, 1998, in Plat Cabinet 2, Slide 141, in the Office of the Recorder, Hamilton County, Indiana.

Containing 0.49 acres, more or less.



CHICAGO TITLE

EXHIBIT B

Note: Each unit has a 1/16th percentage interest



CHICAGO TITLE

EXHIBIT C

<u>LOT</u>	<u>BLDG.</u>	<u>UNIT</u>	<u>ADDRESS</u>
A	1	1	18473 Piers End Drive
		2	18471 Piers End Drive
		3	18463 Piers End Drive
		4	18465 Piers End Drive
I	9	33	18452 Piers End Drive
		34	18454 Piers End Drive
		35	18444 Piers End Drive
		36	18442 Piers End Drive
C	3	9	18453 Piers End Drive
		10	18451 Piers End Drive
		11	18443 Piers End Drive
		12	18445 Piers End Drive
B	2	5	18457 Piers End Drive
		6	18455 Piers End Drive
		7	18447 Piers End Drive
		8	18449 Piers End Drive

®

CHICAGO TITLE

COPY 2500
2500
2500

SUPPLEMENTAL DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP
THE GARDENS OF STONE HARBOUR
HORIZONTAL PROPERTY REGIME

199909969343
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L LARUE
On 12-02-1999 At 10:35 am.
HCRZ PROP R 25.00

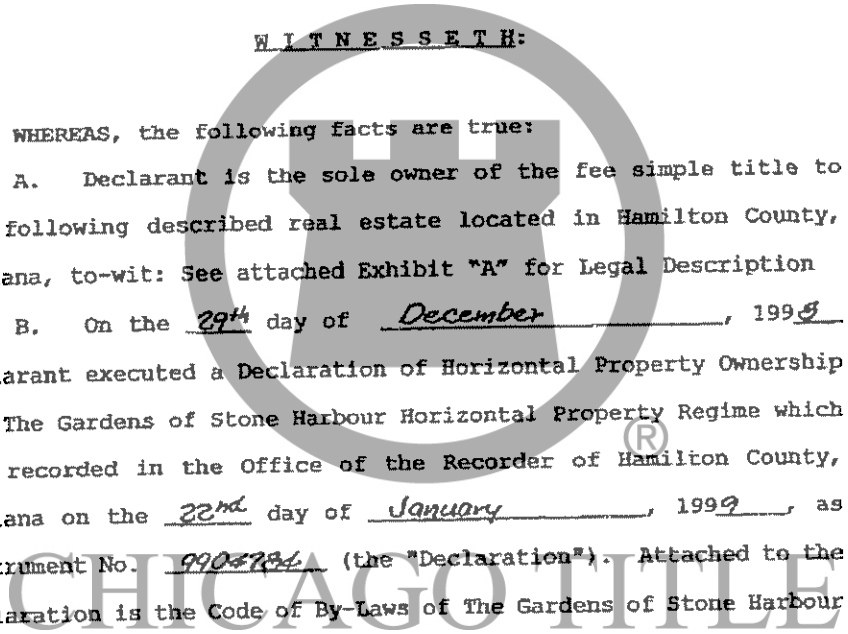
THIS SUPPLEMENTAL DECLARATION made this 1st day of December,
1999 by Rottlund Homes of Indiana Limited Partnership, a Minnesota
Limited Partnership, an agent and subsidiary of The Rottlund
Company, Incorporated, a Minnesota Corporation (the "Declarant").

W I T N E S S E T H:

WHEREAS, the following facts are true:

A. Declarant is the sole owner of the fee simple title to
the following described real estate located in Hamilton County,
Indiana, to-wit: See attached Exhibit "A" for Legal Description

B. On the 29th day of December, 1999
Declarant executed a Declaration of Horizontal Property Ownership
for The Gardens of Stone Harbour Horizontal Property Regime which
was recorded in the Office of the Recorder of Hamilton County,
Indiana on the 22nd day of January, 1999, as
Instrument No. 9905784 (the "Declaration"). Attached to the
Declaration is the Code of By-Laws of The Gardens of Stone Harbour
Horizontal Property Regime. The Declaration and By-Laws are
incorporated herein by reference and all of the terms and
definitions as described therein are hereby adopted and shall have
the same meaning in this Supplemental Declaration.



C. Phase 6 as described in Exhibit "A" attached hereto is part of the Real Estate described in Exhibit "A" of the recitals of the Declaration. The Declaration provides that all or part of the Real Estate may be annexed to The Gardens of Stone Harbour Horizontal Property Regime, incorporated into the Declaration and the Owners thereof become members of The Gardens of Stone Harbour Horizontal Property Regime and the filing of the Supplemental Declaration by execution of this Supplemental Declaration, hereby incorporates Phase 6 into The Gardens of Stone Harbour Horizontal Property Regime.

NOW, THEREFORE, Declarant makes this Supplemental Declaration as follows:

1. Declaration. Declarant hereby expressly declares that Phase 6 and all appurtenant easements, Condominium Units, Buildings, Improvements and property every kind and nature whatsoever, real, personal and mixed, located thereon is hereby annexed to and becomes a part of The Gardens of Stone Harbour Horizontal Property Regime as if such originally has been included in the Declaration, and shall hereafter be held, transferred, sold conveyed and occupied subject to the covenants, restrictions and provisions of the Declaration, the Act, the By-Laws, and the rules and regulations as adopted by the Board of Directors, as each may be amended from time to time. Phase 6 hereafter and for all purposes shall be included in the definition of "Tract" as defined in Section 1.(r) of the Declaration.

2. Description of Buildings. There shall be 1 Building(s) containing Four (4) Condominium Units in each Building in Phase 6 as shown on the Supplemental Plans for Phase 6. The Building(s) is/are identified and referred to in the Supplemental Plans and in this Supplemental Declaration as Building(s) Lot "E" (Bldg. 5). The Gardens of Stone Harbour Horizontal Property Regime or the Tract now has 6 Building(s).

3. Percentage Interest. The Percentage interest of each Condominium Unit in the Tract (as now defined) is as set forth in Exhibit "B" attached hereto and made a part hereof. Exhibit "C" as attached hereto is the correct listing of the Building(s) and Units in The Gardens of Stone Harbour Horizontal Property Regime, such Building(s) being Building(s) 1-5, 9.

4. Acceptance and Ratification. The acceptance of a deed of conveyance or the act of occupancy of a Condominium Unit shall constitute an agreement that the provisions of this Supplemental Declaration, the Declaration, 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 each Owner, tenant and 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 Condominium Unit or the Property as if those provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

5. Supplemental Plans. The Supplemental Plans, prepared by

Benchmark Surveying, Inc. including floor and building plans and elevations of the buildings and condominium units certified by David W. Talbott, registered professional engineer, and a site plan of Phase 6 and the buildings thereon certified by Willard E. Johnson, a registered professional surveyor under date of October 26, 1999 are incorporated herein by reference. The Supplemental Plans setting forth the layout, location, identification and dimension of the Condominium. Units identified in this Supplemental Declaration are incorporated into the Declaration, added to the plans filed with the Declaration, and have been filed in the Office of the Recorder of Hamilton County, Indiana in Horizontal Property Plan File, as of December 2, 1999 as Instrument No. 199969969342.

EXECUTED the day and year first above written.

ROTTLUND HOMES OF INDIANA LIMITED
PARTNERSHIP, A MINNESOTA LIMITED
PARTNERSHIP

By: Dennis Yovanovich [®]

Printed: Dennis Yovanovich

Its: President

CHICAGO TITLE

STATE OF Indiana)
) SS:
COUNTY OF Hamilton

Before me, a Notary Public in and for said County and State, personally appeared Dennis Yovanovich, as President (Title), and acknowledged the execution of the foregoing "Supplemental Declaration" for The Gardens of Stone Harbour as his/her voluntary act and deed.

WITNESS my hand and Notarial Seal this 27th day of December, 1999.



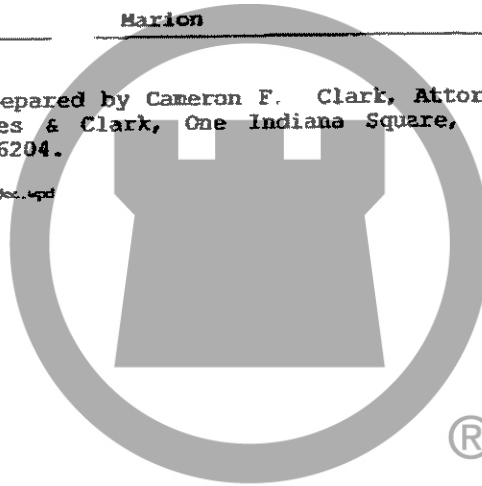
Janice P. Vollmer
Notary Public

Janice P. Vollmer
Printed Signature

My Commission Expires: February 9, 2008 My County of Residence: Marion

This instrument prepared by Cameron F. Clark, Attorney at Law, Clark, Quinn, Moses & Clark, One Indiana Square, Suite 2200, Indianapolis, IN 46204.

G:\MFDATA\cfc\DOC\stoseharbaupdec.upd



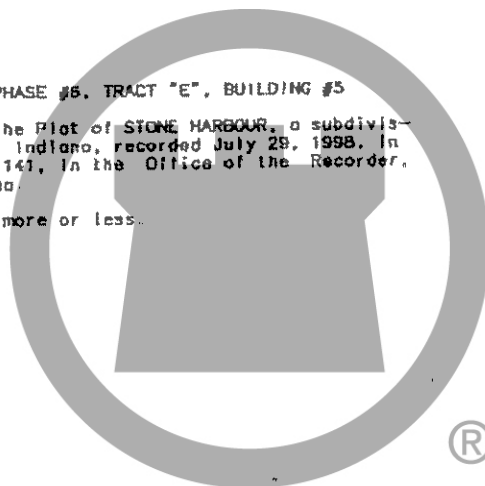
CHICAGO TITLE

EXHIBIT A

LEGAL DESCRIPTION, PHASE #6, TRACT "E", BUILDING #5

Lot "E" according to the Plat of STONE HARBOUR, a subdivision in Hamilton County, Indiana, recorded July 29, 1998. In Plat Cabinet 2, Slide 141, in the Office of the Recorder, Hamilton County, Indiana.

Containing 0.52 acres, more or less.



CHICAGO TITLE

EXHIBIT B

Each unit has a 1/24th percentage interest



CHICAGO TITLE

EXHIBIT C

<u>LOT</u>	<u>BLDG.</u>	<u>UNIT</u>	<u>ADDRESS</u>
A	1	1	18473 Piers End Drive
		2	18471 Piers End Drive
		3	18463 Piers End Drive
		4	18465 Piers End Drive
I	9	33	18452 Piers End Drive
		34	18454 Piers End Drive
		35	18444 Piers End Drive
		36	18442 Piers End Drive
C	3	9	18453 Piers End Drive
		10	18451 Piers End Drive
		11	18443 Piers End Drive
		12	18445 Piers End Drive
B	2	5	18457 Piers End Drive
		6	18455 Piers End Drive
		7	18447 Piers End Drive
		8	18449 Piers End Drive
D	4	13	18437 Piers End Drive
		14	18435 Piers End Drive
		15	18427 Piers End Drive
		16	18429 Piers End Drive
E	5	17	18433 Piers End Drive
		18	18431 Piers End Drive
		19	18423 Piers End Drive
		20	18425 Piers End Drive

CHICAGO TITLE

SUPPLEMENTAL DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP
THE GARDENS OF STONE HARBOUR
HORIZONTAL PROPERTY REGIME

J.O.
④

Instrument
199909970467

THIS SUPPLEMENTAL DECLARATION made this 6th day of December,
1999 by Rottlund Homes of Indiana Limited Partnership, a Minnesota
Limited Partnership, an agent and subsidiary of The Rottlund
Company, Incorporated, a Minnesota Corporation (the "Declarant").

W I T N E S S E T H:

199909970467
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 12-08-1999 At 10:16 am.
HORZ PROP R 25.00

WHEREAS, the following facts are true:

A. Declarant is the sole owner of the fee simple title to
the following described real estate located in Hamilton County,
Indiana, to-wit: See attached Exhibit "A" for Legal Description

B. On the 29th day of December, 1999
Declarant executed a Declaration of Horizontal Property Ownership
for The Gardens of Stone Harbour Horizontal Property Regime which
was recorded in the Office of the Recorder of Hamilton County,
Indiana on the 22nd day of January, 1999, as
Instrument No. 9904784 (the "Declaration"). Attached to the
Declaration is the Code of By-Laws of The Gardens of Stone Harbour
Horizontal Property Regime. The Declaration and By-Laws are
incorporated herein by reference and all of the terms and
definitions as described therein are hereby adopted and shall have
the same meaning in this Supplemental Declaration.

CHICAGO TITLE

C. Phase 7 as described in Exhibit "A" attached hereto is part of the Real Estate described in Exhibit "A" of the recitals of the Declaration. The Declaration provides that all or part of the Real Estate may be annexed to The Gardens of Stone Harbour Horizontal Property Regime, incorporated into the Declaration and the Owners thereof become members of The Gardens of Stone Harbour Horizontal Property Regime and the filing of the Supplemental Declaration by execution of this Supplemental Declaration, hereby incorporates Phase 7 into The Gardens of Stone Harbour Horizontal Property Regime.

NOW, THEREFORE, Declarant makes this Supplemental Declaration as follows:

1. ~~Declaration~~. Declarant hereby expressly declares that Phase 7 and all appurtenant easements, Condominium Units, Buildings, Improvements and property every kind and nature whatsoever, real, personal and mixed, located thereon is hereby annexed to and becomes a part of The Gardens of Stone Harbour Horizontal Property Regime as if such originally has been included in the Declaration, and shall hereafter be held, transferred, sold conveyed and occupied subject to the covenants, restrictions and provisions of the Declaration, the Act, the By-Laws, and the rules and regulations as adopted by the Board of Directors, as each may be amended from time to time. Phase 7 hereafter and for all purposes shall be included in the definition of "Tract" as defined in Section 1.(r) of the Declaration.

2. Description of Buildings. There shall be 1 Building(s) containing Four (~~4~~) Condominium Units in each Building in Phase 7 as shown on the Supplemental Plans for Phase 7. The Building(s) is/are identified and referred to in the Supplemental Plans and in this Supplemental Declaration as Building(s) Lot 1 (Bldg 6). The Gardens of Stone Harbour Horizontal Property Regime or the Tract now has 7 Building(s).

3. Percentage Interest. The Percentage interest of each Condominium Unit in the Tract (as now defined) is as set forth in Exhibit "B" attached hereto and made a part hereof. Exhibit "C" as attached hereto is the correct listing of the Building(s) and Units in The Gardens of Stone Harbour Horizontal Property Regime, such Building(s) being Building(s) 1-6, 9.

4. Acceptance and Ratification. The acceptance of a deed of conveyance or the act of occupancy of a Condominium Unit shall constitute an agreement that the provisions of this Supplemental Declaration, the Declaration, 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 each Owner, tenant and 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 Condominium Unit or the Property as if those provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

5. Supplemental Plans. The Supplemental Plans, prepared by

Benchmark Surveying, Inc. including floor and building plans and elevations of the buildings and condominium units certified by David W. Tolbott, registered professional engineer, and a site plan of Phase 2 and the buildings thereon certified by Willard G. Johnson, a registered professional surveyor under date of December 3rd, 1999 are incorporated herein by reference. The Supplemental Plans setting forth the layout, location, identification and dimension of the Condominium. Units identified in this Supplemental Declaration are incorporated into the Declaration, added to the plans filed with the Declaration, and have been filed in the Office of the Recorder of Hamilton County, Indiana in Horizontal Property Plan File, as of December 8, 1999 as Instrument No. 19990997046.

EXECUTED the day and year first above written.

ROTTLUND HOMES OF INDIANA LIMITED
PARTNERSHIP, A MINNESOTA LIMITED
PARTNERSHIP

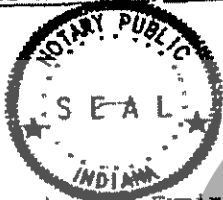
By: Dennis Yovanovich
Printed: Dennis Yovanovich
Its: President

CHICAGO TITLE

STATE OF Indiana)
) SS:
COUNTY OF Hamilton

Before me, a Notary Public in and for said County and State, personally appeared Dennis Yovanovich, as President (Title), and acknowledged the execution of the foregoing "Supplemental Declaration" for The Gardens of Stone Harbour as his/her voluntary act and deed.

WITNESS my hand and Notarial Seal this 6th day of December, 1999.



Janice P. Vollmer
Notary Public

Janice P. Vollmer
Printed Signature

My Commissions Expires: February 9, 2008
My County of Residence: Marion

This instrument prepared by Cameron F. Clark, Attorney at Law, Clark, Quinn, Moses & Clark, One Indiana Square, Suite 2200, Indianapolis, IN 46204.

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CHICAGO TITLE

EXHIBIT A

LEGAL DESCRIPTION, PHASE #7, TRACT "F", BUILDING #6

Lot "F" according to the Plat of STONE HARBOUR, a subdivision in Hamilton County, Indiana, recorded July 29, 1998, in Plat Cabinet 2, Slide 141, in the Office of the Recorder, Hamilton County, Indiana.

Containing 0.45 acres, more or less.



CHICAGO TITLE

EXHIBIT B

Each unit has a 1/28th percentage interest



CHICAGO TITLE

EXHIBIT C

LOT	BLDG.	UNIT	ADDRESS
A	1	1	18473 Piers End Drive
		2	18471 Piers End Drive
		3	18463 Piers End Drive
		4	18465 Piers End Drive
I	9	33	18452 Piers End Drive
		34	18454 Piers End Drive
		35	18444 Piers End Drive
		36	18442 Piers End Drive
C	3	9	18453 Piers End Drive
		10	18451 Piers End Drive
		11	18443 Piers End Drive
		12	18445 Piers End Drive
B	2	5	18457 Piers End Drive
		6	18455 Piers End Drive
		7	18447 Piers End Drive
		8	18449 Piers End Drive
D	4	13	18437 Piers End Drive
		14	18435 Piers End Drive
		15	18427 Piers End Drive
		16	18429 Piers End Drive
E	5	17	18433 Piers End Drive
		18	18431 Piers End Drive
		19	18423 Piers End Drive
		20	18425 Piers End Drive
F	6	21	18417 Piers End Drive
		22	18415 Piers End Drive
		23	6988 Harbour Woods Overlook
		24	6984 Harbour Woods Overlook

CHICAGO TITLE

Instrument
200000053118

22 00
①
1 00
NDNC

AMENDMENT TO THE DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS FOR THE COTTAGES OF
STONE HARBOUR PHASE I, PHASE II AND PHASE III

THIS AMENDMENT made this 25 day of May, 2000 by the undersigned Owners of the Lots within the Cottages of Stone Harbour.

W I T N E S S E T H:

WHEREAS, the following facts are true:

A. The undersigned Owners are the owners of certain Real Estate located in Hamilton County, Indiana, more particularly described in the attached Exhibit "A" ("Real Estate").

B. The Real Estate is subject to the Declaration of Covenants, Conditions and Restrictions for the Cottages of Stone Harbour Phase I, Phase II and Phase III executed on December 28, 1998 and recorded in the Hamilton County Recorder's Office on January 22, 1999 and identified therein as Instrument No. 9904782 (hereinafter referred to as "Declaration"). Said Declaration is incorporated herein by reference and all of the terms and definitions described therein are hereby adopted and shall have the same meaning in this Amendment.

C. Article VII, Section 7 of the Declaration provides for the amendment of said Declaration, which amendment may be done with the assent of ninety percent (90%) of the Lot Owners of the Cottages of Stone Harbour.

200000053118
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 10-24-2000 At 10:41 am.
AMEND DECL 22.00

CHICAGO TITLE

D. The undersigned, being Owners of at least ninety percent (90%) of the Real Estate propose to amend Article III, Section 1 of the Declaration.

E. The undersigned Lot owners have voted on the date first above written to approve the proposals and amend the Declaration.

NOW, THEREFORE, the undersigned Lot Owners of The Cottages Of Stone Harbour hereby amend Article III Section 1, of Declaration of Covenants, Conditions and Restrictions for the Cottages of Stone Harbour Phase I, Phase II and Phase III as follows (that portion in bold face type indicates the Amendment to the existing language):

ARTICLE III
General Restrictions

Section 1: Maintenance of Premises. In order to maintain the standards of The Cottages, no weeds, underbrush or other unsightly growths shall be permitted to grow or remain upon any lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. The Association shall be responsible for the lawn maintenance of all Lots and Common Areas. With that exception, all Owners shall maintain their Lots and improvements situated thereon in a manner so as to prevent the Lot or improvements from becoming unsightly, and specifically, Owner shall:

- (a) Maintain the Lot at such times as may be reasonably required in order to prevent the unsightly growth of

vegetation and noxious weeds. (With the exception of the maintenance of the lawns which shall be maintained by the Association.) Non-decorative vegetation allowed to grow to a height in excess of six inches (6") shall be deemed unsightly.

- (b) Keep the exterior of all improvements in such state of repair or maintenance so as to avoid their becoming unsightly.
- (c) Prevent the existence of any other condition that reasonably tends to detract from or diminish the appearance of the Lot and/or The Cottages.

Failure to comply shall warrant the Declarant, authorized agents of Hamilton County or the Association to cut the growth or weeds, or clear the refuse from the Lot at the expense of the Owner. The Association shall place and record a lien against said Lot in an amount equal to the expenses therefor and costs which costs may include reasonable attorneys' fees for the placement of said lien should such be deemed necessary by the Association. Said liens shall be subject and subordinate only to taxes, municipal liens, and the lien of any bona fide mortgage upon any Lot.® At the option of the Association, said liens may be foreclosed upon in any court of competent jurisdiction by the Association as plaintiff for the amount of lien with interest, attorneys' fees and costs. Any

judgment obtained shall be without relief from valuation or appraisal laws.

This Amendment has been duly adopted as of this 25 day of May, 2000, by vote of at least ninety percent (90%) of the Lot Owners of the Cottages of Stone Harbour.

Lot #	Owner (signed and printed)	Street Address
71	REBECCA L. DIXON <i>Rebecca L. Dixon</i>	18530 Windstar Circle
9	MARY G GRAY 1. <i>Jerry G Gray</i>	18574 Piers End Dr.
10	ROBERT H ADAMS <i>Robert H Adams</i>	18578 Piers End Dr.
15	JAMES F HOPP <i>James F Hopp</i>	18591 Piers End Dr.
15	PATRICIA S. HOPP <i>Patricia S. Hopp</i>	18598 Piers End Dr.
67	JUDITH A. CARSON <i>Judith A. Carson</i>	18558 Piers End Drive
66a	MARY A HICKEL <i>Mary A Hickel</i>	18461 Windstone
71	MICHAEL L BENSON <i>Michael L Benson</i>	18557 Piers End Dr.
72	NADEY A BENSON <i>Nadey A Benson</i>	18557 Piers End Dr.
11	HELGAN C GRIGSBY <i>Helgan C Grigsby</i>	18582 Piers End Drive
11	JERRY G GRAY <i>Jerry G Gray</i>	18582 Piers End Drive
59	CAROLINE S DAVIS <i>Caroline S Davis</i>	18573 Piers End Drive
58	NADEY HP HEADY <i>Nadey HP Heady</i>	18572 Piers End Dr.
61	JANET L ROOS <i>Janet L Roos</i>	18565 Piers End Dr.
61	FRANCE R. ROOS <i>France R. Roos</i>	18565 Piers End Dr.
55	NEVA J DROPPER <i>Neva J Dropper</i>	18589 Piers End Drive

Lot #	OWNER (signed and printed)	Street Address
14	EUGENE J BRUNS <i>Eugene J Bruns</i>	18594 Piers End Dr
14	CAROL L BRUNS <i>Carol L Bruns</i>	" " " "
13	VIRGINIA L WHIPPLE <i>Virginia L Whipple</i>	18590 Piers End Dr
70	EILEEN J RICCI <i>Eileen J Ricci</i>	18512 Windstone Circle
52	<i>Denny Yovanovitch</i>	18586 Piers End Drive
60	<i>Denny Yovanovitch</i>	18569 Piers End Drive
73	<i>Denny Yovanovitch</i>	18553 Piers End Drive
74	<i>Denny Yovanovitch</i>	18549 Piers End Drive

Lots 1-9, 11, 12, 16-54, 56, 57, 60, 62-65, 67-69, 71, 73-75.

By: *Denny Yovanovitch*
 Denny Yovanovitch, President
 Rottlund Homes of Indiana, LP
 11350 N. Meridian Street
 Suite 150
 Carmel, Indiana 46032



This Instrument was prepared by Cameron F. Clark, CLARK,
 QUINN, MOSES & CLARK, One Indiana Square, Ste. 2200, Indianapolis,
 Indiana 46204.

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Subscribed and sworn to before me, a Notary Public in and for
said County and State, this 25th day of May, 2000.

My Commission Expires:
2-9-08
County of Residence:
Marion



Janice P. Vollmar
Janice P. Vollmar



CHICAGO TITLE

EXHIBIT A

Lots numbered 1 through 74 inclusive in Stone Harbour, a subdivision in Hamilton County, Indiana, as per plat thereof recorded in Plat Cabinet 2, Slide 141 as Instrument No. 9841527 in the Office of the Recorder of Hamilton County, Indiana



CHICAGO TITLE

MADE
IN
INDIANA

COPY

200100025398
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
05-16-2001 12:25 pm.
HPR DECLAR 24.00

SUPPLEMENTAL DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP
THE GARDENS OF STONE HARBOUR
HORIZONTAL PROPERTY REGIME

24.00

⑧

2.00
NANC

THIS SUPPLEMENTAL DECLARATION made this 16TH day of May, 2001 by the Augusta Group, LLC, an Indiana Limited Liability Company (the "Successor Declarant"), successor in interest to Rottlund Homes of Indiana Limited Partnership, a Minnesota Limited Partnership, an agent and subsidiary of The Rottlund Company, Incorporated, a Minnesota Corporation (the "Declarant").

DULY ENTERED FOR TAXATION
Subject to final acceptance for transfer

W I T N E S S E T H:

16th day of May, 2001

Robin K. Mills Auditor of Hamilton County

Parcel # _____

WHEREAS, the following facts are true:

A. Successor Declarant is the sole owner of the fee simple title to the following described real estate located in Hamilton County, Indiana, to-wit: See attached Exhibit "A" for Legal Description

B. On the 29th day of December, 1998 Declarant executed a Declaration of Horizontal Property Ownership for The Gardens of Stone Harbour Horizontal Property Regime which was recorded in the Office of the Recorder of Hamilton County, Indiana on the 23rd day of January, 1999, as Instrument No. 9904784 (the "Declaration"). Attached to the Declaration is the Code of By-Laws of The Gardens of Stone Harbour Horizontal Property Regime. The

CHICAGO TITLE

Declaration and By-laws are incorporated herein by reference and all of the terms and definitions as described therein are hereby adopted and shall have the same meaning in this Supplemental Declaration

C. Phase 9 as described in Exhibit "A" attached hereto is part of the Real Estate described in Exhibit "A" of the recitals of the Declaration. The Declaration provides that all or part of the Real Estate may be annexed to The Gardens of Stone Harbour Horizontal Property Regime, incorporated into the Declaration and the Owners thereof become members of The Gardens of Stone Harbour Horizontal Property Regime and the filing of the Supplemental Declaration by execution of this Supplemental Declaration, hereby incorporates Phase 9 into The Gardens of Stone Harbour Horizontal Property Regime.

NOW, THEREFORE, Successor Declarant makes this Supplemental Declaration as follows:

1 Declaration. Successor Declarant hereby expressly declares that Phase 9 and all appurtenant easements, Condominium Units, Buildings, Improvements and property every kind and nature whatsoever, real, personal and mixed, located thereon is hereby annexed to and becomes a part of The Gardens of Stone Harbour Horizontal Property Regime as if such originally has been included in the Declaration, and shall hereafter be held, transferred, sold conveyed and occupied subject to the covenants, restrictions and provisions of the Declaration, the Act, the By-Laws, and the rules and regulations as adopted by the Board of Directors, as each may be amended

CHICAGO TITLE

from time to time. Phase 9 hereafter and for all purposes shall be included in the definition of "Tract" as defined in Section 1. (r) of the Declaration.

2. Description of Buildings. There shall be 1 Building(s) containing Four (4) Condominium Units in each Building in Phase 9 as shown on the Supplemental Plans for Phase 9. The Building(s) is/are identified and referred to in the Supplemental Plans and in this Supplemental Declaration as Building(s) Lot "H" (Sec. 0) The Gardens of Stone Harbour Horizontal Property Regime or the Tract now has 9 Building(s).

3. Percentage Interest. The Percentage interest of each Condominium Unit in the Tract (as now defined) is as set forth in Exhibit "B" attached hereto and made a part hereof. Exhibit "C" as attached hereto is the correct listing of the Building(s) and Units in The Gardens of Stone Harbour Horizontal Property Regime, such Building(s) being Building(s) 1-9.

4. Acceptance and Ratification. The acceptance of a deed of conveyance or the act of occupancy of a Condominium Unit shall constitute an agreement that the provisions of this Supplemental Declaration, the Declaration, 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 each Owner, tenant and 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 Condominium Unit or the Property as if those provisions were recited and stipulated at length in each and every deed, conveyance,

mortgage or lease thereof.

5. Supplemental Plans. The Supplemental Plans, prepared by Benchmark Surveying, Inc. including floor and building plans and elevations of the buildings and condominium units certified by David W. Talbott, registered professional engineer, and a site plan of Phase 9 and the buildings thereon certified by Donn M. Scotten, a registered professional surveyor under date of May 16, 2001 are incorporated herein by reference. The Supplemental Plans setting forth the layout, location, identification and dimension of the Condominium. Units identified in this Supplemental Declaration are incorporated into the Declaration, added to the plans filed with the Declaration, and have been filed in the Office of the Recorder of Hamilton County, Indiana in Horizontal Property Plan File, as of _____, as Instrument No. _____.

EXECUTED the day and year first above written.

AUGUSTA GROUP, LLC, AN INDIANA
LIMITED LIABILITY COMPANY

By: Dennis Yovanovich ®

Printed: Dennis Yovanovich

Its: President

CHICAGO TITLE

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Dennis Yovanovich, as President of Augusta Group, LLC, and acknowledged the execution of the foregoing "Supplemental Declaration" for The Gardens of Stone Harbour as his/her voluntary act and deed.

WITNESS my hand and Notarial Seal this 16TH day of May, 2001.

Janice P. Vollmer Notary Public

Janice P. Vollmer Printed Signature

My Commissions Expires: My County of Residence:

February 9, 2008

Marion

This instrument prepared by Cameron F. Clark, Attorney at Law, Clark, Quinn, Moses & Clark, One Indiana Square, Suite 2200, Indianapolis, IN 46204.

u:\WPDATA\cfc\DOCS\inst\cmh\zks\pde0.spd



CHICAGO TITLE

EXHIBIT A

LEGAL DESCRIPTION, PHASE #9, TRACT "H", BUILDING #8

lot "H" according to the Plot of STONE HARBOUR, a subdivision in Hamilton County, Indiana, recorded July 29, 1998, in Plot Cabinet 2, Slide 141, in the Office of the Recorder, Hamilton County, Indiana.

Containing 0.89 acres, more or less



CHICAGO TITLE

EXHIBIT C

<u>LOT</u>	<u>BLDG.</u>	<u>UNIT</u>	<u>ADDRESS</u>
A	1	1	18473 Piers End Drive
		2	18471 Piers End Drive
		3	18463 Piers End Drive
		4	18465 Piers End Drive
I	9	33	18452 Piers End Drive
		34	18454 Piers End Drive
		35	18444 Piers End Drive
		36	18442 Piers End Drive
C	3	9	18453 Piers End Drive
		10	18451 Piers End Drive
		11	18443 Piers End Drive
		12	18445 Piers End Drive
B	2	5	18457 Piers End Drive
		6	18455 Piers End Drive
		7	18447 Piers End Drive
		8	18449 Piers End Drive
D	4	13	18437 Piers End Drive
		14	18435 Piers End Drive
		15	18427 Piers End Drive
		16	18429 Piers End Drive
E	5	17	18433 Piers End Drive
		18	18431 Piers End Drive
		19	18423 Piers End Drive
		20	18425 Piers End Drive
F	6	21	18417 Piers End Drive
		22	18415 Piers End Drive
		23	6988 Harbour Woods Overlook
		24	6984 Harbour Woods Overlook
G	7	25	18413 Piers End Drive
		26	18411 Piers End Drive
		27	6995 Harbour Woods Overlook
		28	6991 Harbour Woods Overlook
H	8	29	18472 Piers End Drive
		30	18474 Piers End Drive
		31	18464 Piers End Drive
		32	18462 Piers End Drive

CHICAGO TITLE

EXHIBIT B

Each unit has a 1/36th percentage interest



CHICAGO TITLE

18 00
⑤
200 nonc

Instrument
9909905266

AMENDMENT TO THE CODE OF BY-LAWS OF THE
COTTAGES OF STONE HARBOUR HOMEOWNERS ASSOCIATION, INC.

THIS AMENDMENT made this 26th day of January, 1999 by The Board of Directors of the Cottages of Stone Harbour Homeowners Association, Inc.

9909905266
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 01-26-1999 At 11:26 a.m.
AMEND DECL 18.00

W I T N E S S E T H

WHEREAS, the following facts are true:

A. Declarant is a Minnesota Limited Partnership and the agent and subsidiary of the Rottlund Company, Inc., a Minnesota Corporation, and Declarant is the owner of certain Real Estate located in Hamilton County, Indiana, more particularly described in the attached Exhibit "A" ("Real Estate").

B. The Real Estate is subject to the Declaration of Covenants, Conditions and Restrictions for the Cottages of Stone Harbour Phase I, Phase II and Phase III executed on December 29, 1998 and recorded in the Hamilton County Recorder's Office on January 22, 1999 and identified therein as Instrument Number 9904782 (hereinafter referred to as "Declaration"). Said Declaration is incorporated herein by reference and all of the terms and definitions described therein are hereby adopted and shall have the same meaning in this Amendment.

C. The Real Estate is also subject to the Code of By-Laws of the Cottages of Stone Harbour Homeowners Association, Inc. executed on December 22, 1998 and recorded in the Hamilton County Recorder's Office on January 22, 1999 and identified therein as Instrument Number 9904780 (hereinafter referred to as

CHICAGO TITLE

"Code of By-Laws) which is appended to the Declaration and incorporated herein by reference and all of the terms and definitions described therein are adopted and shall have the same meaning in this Amendment.

D. Article 9 of the Code of By-Laws provides for the amendment of said Code of By-Laws, which amendment may be done with the assent two-thirds (2/3) of the Directors.

E. Declarant, being Owner of the one hundred percent (100%) of the Real Estate proposes to amend Article 8, Sections 8.04 and 8.05 of the Code of By-Laws.

F. The Directors, being the Initial Board, have voted unanimously on the date first above written to approve the Declarant's proposal and amend the Code of By-Laws.

NOW, THEREFORE, the Directors hereby amend the Code Of By-Laws Of The Cottages Of Stone Harbour Homeowners Association, Inc., Article 8, Section 8.04 and Section 8.05 as follows (that portion in bold face type indicates the Amendment to the existing language):

Section 8.04. Reserve for Replacements. The Board of Directors shall establish and maintain a reserve fund for replacements by the allocation and payment to such reserve fund of an amount determined annually by the Board to be sufficient to meet the cost of periodic maintenance, repairs, renewal and replacement of the buildings and improvements located on the Common Areas and of equipment and Property, including but not limited to maintenance and repair of buildings, if any, and resurfacing of streets. In determining the amount, the Board shall take into consideration the expected useful life of such improvements, projected increases in the cost of materials and labor, interest to be earned by such fund and the advice of the managing agent or any

®

TITLE

consultants the Board may employ. An amount of \$200.00 shall be collected at the time the sale of a Lot is closed to fund that Lot's initial share of the replacement fund. Such fund shall be deposited in a special account with a lending institution the accounts of which are insured by an agency of the United States of America or may, in the discretion of the Board, be invested in obligations of or fully guaranteed as to principal by, the United States of America. The reserve for replacements may be expended only for the purposes of effecting the maintenance, repair, renewal or replacement of the buildings and improvements located upon the Common Areas and the equipment. The Board shall annually review the adequacy of the Replacement Reserve Fund.

Section 8.05. General Operating Reserve. The Board of Directors shall establish and maintain a reserve fund for general operating expenses of a non-recurring nature by the allocation and payment to such reserve fund not less frequently than annually of an amount described as follows:

- (i) 3% of the amount of the General Assessment until the reserve fund is equal to 30% of the amount of the General Assessment;
- (ii) thereafter, 2% of the amount of the General Assessment until the reserve fund is equal to 50% of the amount of the General Assessment, when payments to the reserve shall terminate.

Such fund shall be deposited in a special account with a lending institution the accounts of which are insured by an agency of the United States of America or may, in the discretion of the Board, be invested in obligations of or fully guaranteed as to principal by the United States of America. Each Lot's initial payment to the general operating reserve will be collected at the time the sale of that Lot is closed. The general operating reserve may be expended for operating contingencies of a non-recurring nature or for capital improvement or capital replacement or repair purposes, provided that a method for replenishment of the fund is simultaneously adopted by the Board.

This Amendment has been duly adopted as of this 26th day of January, 1999, by vote of the Initial Board of Directors.

BY: Dennis Youmans
Printed: DENNIS Youmans
Title: President

Attest: Kim Kirch
Printed: KIM KIRCH
Title: SECRETARY

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Subscribed and sworn to before me, a Notary Public in and for said County and State, this 22nd day of January, 1999.

My Commission Expires: 7/24/01



Diane Norman
Notary Public: Diane Norman
County of Residence: Shelby

This Instrument was prepared by Cameron F. Clark, CLARK, QUINN, MOSES & CLARK, One Indiana Square, Ste. 2200, Indianapolis, Indiana 46204.
G:\MPDATA\etc\DOC\stone-cot.tylauaaared.vpd



CHICAGO TITLE

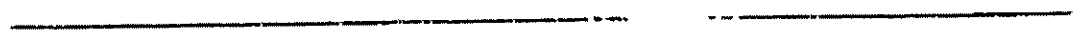


EXHIBIT A

Lots numbered 1 through 74 inclusive in Stone Harbour, a subdivision in Hamilton County, Indiana, as per plat thereof recorded in Plat Cabinet 2, Slide 141 as Instrument No. 9841527 in the Office of the Recorder of Hamilton County, Indiana.



CHICAGO TITLE

22 (5)
B
200 none

200000043866
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 09-01-2000 At 03:09 PM.
AMENDMENT 22.00

AMENDMENT TO THE BY-LAWS OF STONE
HARBOUR MASTER ASSOCIATION, INC.

THIS AMENDMENT made this 12th day of July, 2000 by Rottlund Homes of Indiana Limited Partnership, a Minnesota Limited Partnership, (the "Declarant").

W I T N E S S E T H:

WHEREAS, the following facts are true:

A. Declarant is a Minnesota Limited Partnership and the agent and subsidiary of the Rottlund Company, Inc., a Minnesota Corporation, and Declarant is the owner of certain Real Estate located in Hamilton County, Indiana, more particularly described in the attached Exhibit "A" ("Real Estate").

B. The Real Estate is subject to the "Declaration of Covenants, Conditions, Easements and Restrictions Stone Harbour Master Association, Inc." executed on December 29, 1998 and recorded in the Hamilton County Recorder's Office on January 22, 1999 and identified therein as Instrument Number 99-04783, the "Declaration of Horizontal Property Ownership The Gardens of Stone Harbour Horizontal Property Regime" recorded in the Hamilton County Recorder's Office on January 22, 1999 and identified therein as Instrument Number 99-04784, and the "Declaration of Covenants, Conditions, and Restrictions For The Cottages Of Stone Harbour Phase I, Phase II And Phase III" recorded in the Hamilton County Recorder's Office on January 22, 1999 and identified therein as Instrument Number 99-04782. The "Declaration of Covenants, Conditions, Easements and Restrictions Stone Harbour Master

CHICAGO TITLE

Association, Inc." (hereinafter referred to as "Declaration") is incorporated herein by reference and all of the terms and definitions described therein are hereby adopted and shall have the same meaning in this Amendment.

C. The Real Estate is also subject to the Code of By-Laws of the Gardens of Stone Harbour Horizontal Property Regime and of the Gardens of Stone Harbour Co-Owners Association, Inc. executed on January 26, 1999 and recorded in the Hamilton County Recorder's Office on January 26, 1999 and identified therein as Instrument Number 99-04779 (hereinafter referred to as "Code of By-Laws") which is appended to the Declaration and incorporated herein by reference and all of the terms and definitions described therein are adopted and shall have the same meaning in this Amendment. The Real Estate is also subject to the Amendment to The Code of By-Laws of The Gardens of Stone Harbour Horizontal Property Regime and of The Gardens of Stone Harbour Co-Owners Association, Inc. and was executed and recorded in the Hamilton County Recorder's Office on January 26, 1999 and identified therein as Instrument Number 99-09905265.

D. Article XIV, Section 1 of the Code of By-Laws provides for the amendment of said Code of By-Laws "by a vote of a majority of a quorum of Members present in person or by proxy."

E. Rottlund Homes of Indiana, L.P. currently owns sixteen (16) of seventy-four (74) Cottages of Stone Harbour lots and Langston Development Company, Inc. currently owns fifty-three (53)

of the seventy-four (74) Cottages of Stone Harbour lots. Rottlund Homes of Indiana, L.P. currently owns six (6) of the ninety-two (92) Gardens of Stone Harbour lots and Langston Development Company, Inc. currently owns sixty-four (64) of the ninety-two (92) Gardens of Stone Harbour lots. This being so, Declarant proposes to amend Article II, Section 5 of the Code of By-Laws.

NOW, THEREFORE, Declarant hereby amends the Code Of By-Laws Of Stone Harbour Master Association, Inc., Article II, Section 5 as follows (that portion in bold face type indicates the Amendment to the existing language):

Section 5. "Declarant" shall mean and refer to Rottlund Homes of Indiana, L.P., a Minnesota Limited Partnership and any successors and assigns of Rottlund Homes of Indiana, L.P., whom it designates in one or more recorded instruments to have the rights of Declarant hereunder, including, but not limited to, any mortgagee acquiring title to any portion of the Property pursuant to the exercise of the rights under or foreclosure of, a mortgage executed by Declarant.

EXECUTED the day and year first above written.

DECLARANT

ROTLUND HOMES OF INDIANA LIMITED PARTNERSHIP,
a Minnesota Limited Partnership

By: *Dennis Yovanovitch* _____

Printed: Dennis Yovanovitch _____

Title: President _____



CHICAGO TITLE

STATE OF INDIANA)
)SS
COUNTY OF MARION)

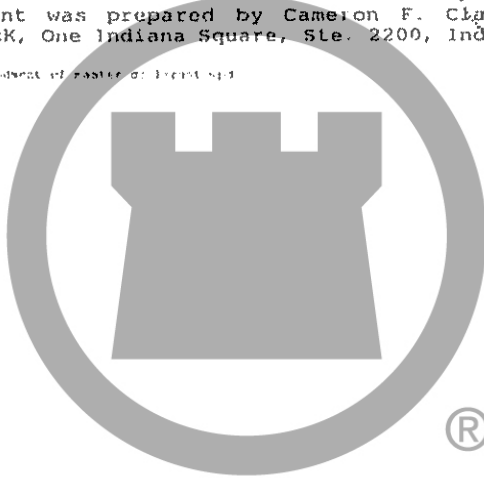
Before me, a Notary Public in and for said County and State, personally appeared Rottlund Homes of Indiana, LP by Dennis Yovanovich who acknowledged the execution of the foregoing instrument and who, having been duly sworn, stated that any representation therein contained are true.

Witness my hand and Notarial Seal this 12th day of July, 2000.

Signature: Jane P. Vollmer
Printed: Jane P. Vollmer
County of Residence: Marion

My Commission Expires: 2-7-02

This Instrument was prepared by Cameron F. Clark, CLARK, QUINN, MOSES & CLARK, One Indiana Square, Ste. 2200, Indianapolis, Indiana 46204.




CHICAGO TITLE

EXHIBIT A

Commencing at the Northwest corner of the West Half of the Northwest Quarter of Section 35 Township 19 North, Range 4 East in Hamilton County, Indiana; thence South 00 degrees 06 minutes 20 seconds East (assumed bearing) on the West line of said West Half 1175.00 feet to the Southeast corner of LOT #44 in MILL CREEK SUBDIVISION SEVENTH SECTION, PART A, as per plat thereof recorded in Plat Book 4, pages 33 and 34 in the Office of the Recorder of Hamilton County, Indiana, said corner being also on the Northerly line of LOT #54 in MILL CREEK SUBDIVISION SECTION EIGHT, as per plat thereof recorded in Plat Book 11, pages 162 through 166 in said Recorder's Office; thence North 89 degrees 51 minutes 17 seconds East on the Northerly line of said Lot #54, measured parallel with the South line of the Northwest Quarter of said Section 35, a distance of 8 feet, more or less, to the center line of Sly Run; (the following twelve courses are chord bearings and lengths along the approximate center line of Sly Run and are included for closure computation purposes only, the actual boundary follows the meandering of said centerline and the Easterly line of said subdivision of Mill Creek, Section Eight) 1) thence South 27 degrees 14 minutes 06 seconds East, (plat, South 21 degrees 00 minutes 48 seconds East, measured) 91.31 feet; 2) thence South 38 degrees 30 minutes 35 seconds East 64.03 feet; 3) thence South 39 degrees 28 minutes 06 seconds East 81.32 feet; 4) thence South 40 degrees 52 minutes 08 seconds East 69.94 feet; 5) thence South 52 degrees 16 minutes 53 seconds East 82.01 feet; 6) thence South 27 degrees 01 minute 55 seconds East 45.00 feet; 7) thence South 59 degrees 49 minutes 00 seconds East 115.00 feet; 8) thence South 22 degrees 26 minutes 50 seconds East 27.00 feet; 9) thence South 67 degrees 35 minutes 55 seconds East 72.00 feet; 10) thence South 85 degrees 17 minutes 45 seconds East 88.50 feet; 11) thence South 60 degrees 27 minutes 15 seconds East 114.00 feet; 12) thence South 34 degrees 01 minute 37 seconds East 29.25 feet to a point on the South line of a parcel of real estate described on pages 449 through 451 of Deed Record 347 in said Recorder's Office; thence North 89 degrees 33 minutes 58 seconds East on said line a distance of 862.85 feet to the Southeast corner of said real estate said corner being located on the East line of the West Half of said Northwest Quarter at a point 1652.75 feet South of the Northeast corner of said West Half; thence North 00 degrees 02 minutes 52 seconds West on the East line of said West Half 1373.09 feet to a point located 285.56 feet Southerly of the Northeast corner of said West Half; thence North 77 degrees 30 minutes 31 seconds West 222.18 feet; thence North 12 degrees 32 minutes 22 seconds East 227.02 feet to the North line of said West Half; thence South 89 degrees 47 minutes 33 seconds West on said North line 1089.26 feet to the point of commencement, containing 46.194 acres, more or less.

Subject to the Statutory Easement for the right-of-way of Sly Run Legal Drain

Subject to an Easement for pipeline purposes granted to Shell Petroleum Corporation recorded on pages 221 and 222 of Miscellaneous Record 33, and the receipt for additional consideration for a second pipe line per a document recorded on pages 94 and 95 of Miscellaneous Record 105 and the release of a portion of said easement per a document titled Agreement Partially Releasing and Amending Pipeline Easement recorded as instrument Number 8513975 on pages 48 through 150 of Easement Book 3 all as found recorded in the Office of the Recorder of Hamilton County, Indiana

Subject to a 30 foot wide Permanent Sewer Easement as dedicated to the City of Noblesville, Indiana, per a document recorded as Instrument Number 9557670 in the Office of the Recorder of Hamilton County, Indiana

Subject to all other legal easements and rights-of-way

15-2
⑤
2:30 PM

ASSIGNMENT OF DECLARANT FOR THE COTTAGES OF STONE
HARBOUR PHASE I, PHASE II, AND PHASE III

Rottlund Homes of Indiana, Limited Partnership ("Assignor"), for good and valuable consideration, does hereby assign to Langston Development Company, Inc. ("Assignee"), their right, title, and interest of "Declarant" for The Cottages of Stone Harbour.

Article II, section 7 of the "Declaration of Covenants, Conditions and Restrictions for the Cottages of Stone Harbour Phase I, Phase II, and Phase III" ("Declaration") defines the "Declarant" to be "Rottlund Homes of Indiana, L.P., an Indiana Limited Partnership, or any other person, firm, corporation or partnership which succeeds to the interest of Rottlund Homes of Indiana, L.P., as developer and/or owner of The Cottages." The Declaration was recorded in the Hamilton County Recorder's Office on January 22, 1999 and identified therein as Instrument Number 99-04782.

Rottlund Homes of Indiana, Limited Partnership designates Langston Development Company, Inc. as Declarant as permitted by article II, section 7 of the "Declaration of Covenants, Conditions and Restrictions for the Cottages of Stone Harbour Phase I, Phase II, and Phase III."

NOW TRANSFERS, ASSIGNS AND GRANTS all of the rights and interests of Declarant of The Cottages of Stone Harbour to Langston Development Company, Inc., Assignee.

IN WITNESS WHEREOF, the Assignor, Rottlund Homes of Indiana Limited Partnership has executed this Assignment this 20th day of July, 2000.

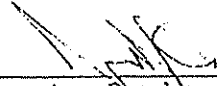

Dennis Yvonovich, President of
Rottlund Homes of Indiana L.P.

200000043869
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 09-01-2000 At 03:09 pm.
ASSIGNMENT 18.00

CHICAGO TITLE

ACCEPTANCE OF ASSIGNMENT

James R. Langston U.P., as Assignee, hereby accepts said Assignment of Declarant for The Cottages of Stone Harbour and agree to be bound by all the terms and conditions thereof.



Langston Development Company, Inc.

STATE OF INDIANA)
)SS
COUNTY OF MARION)

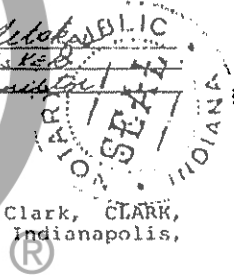
Before me, a Notary Public in and for said County and State, personally appeared Rottlund Homes of Indiana, LP and Langston Development Company, Inc., who acknowledged the execution of the foregoing instrument and who, having been duly sworn, stated that any representation therein contained are true.

Witness my hand and Notarial Seal this 20th day of July, 2000.

Signature: Barbara A. Metker
Printed: BARBARA A METKER
County of Residence: Blair

My Commission Expires:
8/22/01

This Instrument was prepared by Cameron F. Clark, CLARK, QUINN, MOSES & CLARK, One Indiana Square, Ste. 2200, Indianapolis, Indiana 46204.



CHICAGO TITLE

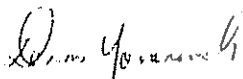
Date 7-12-00

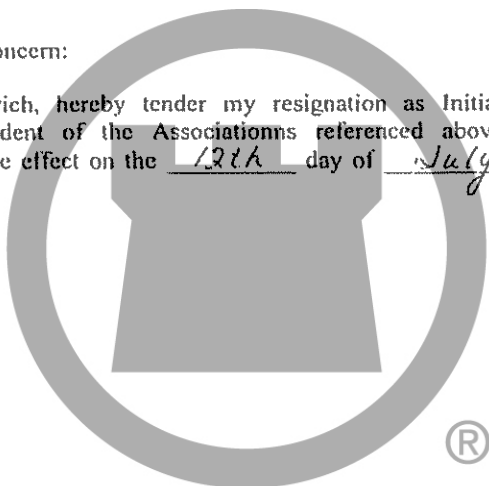
Re: Stone Harbour Master Association, Inc.
The Cottages of Stone Harbour Homeowners' Association, Inc.
The Gardens of Stone Harbour Co-owners Association, Inc.

To Whom It May Concern:

I, Dennis Yovanovich, hereby tender my resignation as Initial Board Member and President of the Associations referenced above. My resignation is to take effect on the 12th day of July, 2000.

Sincerely,


Dennis Yovanovich



CHICAGO TITLE

Date 7-12-00

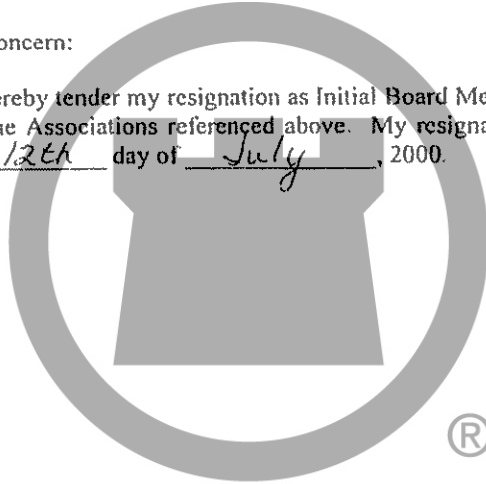
Re: Stone Harbour Master Association, Inc.
The Cottages of Stone Harbour Homeowners' Association, Inc.
The Gardens of Stone Harbour Co-owners Association, Inc.

To Whom It May Concern:

I, Matthew Ochs, hereby tender my resignation as Initial Board Member and Vice-President of the Associations referenced above. My resignation is to take effect on the 12th day of July, 2000.

Sincerely,


Matthew Ochs



CHICAGO TITLE

Date 7-12-00

Re: Stone Harbour Master Association, Inc.
The Cottages of Stone Harbour Homeowners' Association, Inc.
The Gardens of Stone Harbour Co-owners Association, Inc.

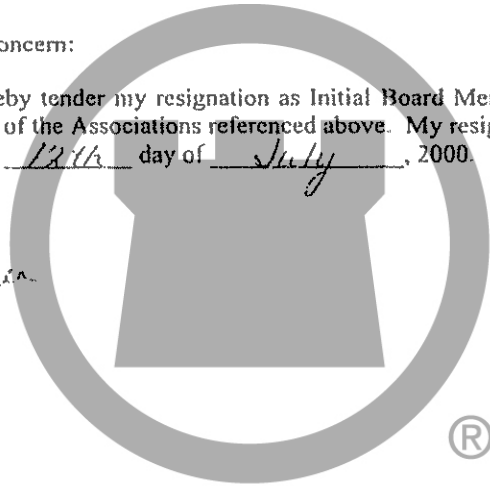
To Whom It May Concern:

I, Jan Vollmer, hereby tender my resignation as Initial Board Member and Secretary-Treasurer of the Associations referenced above. My resignation is to take effect on the 12th day of July, 2000.

Sincerely,

Jan Vollmer

Jan Vollmer



CHICAGO TITLE

19.00
⑤ 2/11/11

20000043870
Filed for Recrd in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 09-01-2000 At 03:09 PM.
MISC 19.00

APPOINTMENT OF REPLACEMENT MEMBERS AND OFFICERS TO
THE STONE HARBOUR MASTER
ASSOCIATION, INC. INITIAL BOARD OF DIRECTORS

W I T N E S S E T H :

WHEREAS, on December 29, 1998, Rottlund Homes of Indiana, Limited Partnership, a Minnesota Limited Partnership, and an agent and subsidiary of the Rottlund Company, Inc., a Minnesota Corporation, began development of a residential subdivision known as Stone Harbour by executing and filing for recordation with the Hamilton County Recorder's Office on January 22, 1999 a Declaration of Horizontal Property Ownership The Gardens of Stone Harbour Horizontal Property Regime under Instrument Number 99-04784 and a Declaration of Covenants, Conditions, and Restriction for The Cottages of Stone Harbour Phase I, Phase II and Phase III under Instrument Number 99-04782 (hereafter referred to collectively as the "Development"); and

WHEREAS, both of the aforementioned Declarations for the Development name Rottlund Homes of Indiana, Limited Partnership as the Declarant of said Declarations; and

WHEREAS, in conjunction with the execution and formation of the Declarations, separate Code of By-Laws for The Cottages of Stone Harbour and for The Gardens of Stone Harbour were likewise executed and made a part of the aforementioned Declarations; and

WHEREAS, both sets of Declarations and By-Laws reference a Master Association to be formed for the purpose of the administration of the overall Development; and

CHICAGO TITLE

WHEREAS, on December 29, 1998, the Stone Harbour Master Association, Inc. was formed and a Declaration of Covenants, Conditions and Restrictions Stone Harbour Master Association, Inc. was filed for recordation on January 22, 1999, with the Hamilton County Recorder's Office under Instrument No. 99-04783; and

WHEREAS, in conjunction with the execution and formation of the Declaration for the Stone Harbour Master Association, Inc. a Code of By-Laws for the Stone Harbour Master Association was likewise executed and made a part of the aforementioned Declaration; and

WHEREAS, the Declaration for the Stone Harbour Master Association, Inc. names Rottlund Homes of Indiana, Limited Partnership as the Declarant of the Declaration for the Stone Harbour Master Association, Inc.; and

WHEREAS, on March 7, 2000, Dennis Yovanovich, Matthew Ochs, and Jan Vollmer were appointed by the Declarant, Rottlund Homes of Indiana, Limited Partnership, as the Initial Board of Directors for the Stone Harbour Master Association, Inc.; and

WHEREAS, Section 3 of Article V of the Code of By-laws of Stone Harbour Master Association, Inc. states that "[i]n the event of death, resignation or removal of a Director, a successor shall be selected by the remaining Members of the Board."; and

WHEREAS, on July 12, 2000, Dennis Yovanovich resigned as Initial Board member and President of the Stone Harbour

Master Association Board of Directors, a copy of his resignation is attached hereto; and

WHEREAS, on July 12, 2000, Matthew Ochs resigned as Initial Board member and Vice-President of the Stone Harbour Master Association Board of Directors, a copy of his resignation is attached hereto; and

WHEREAS, on July 12, 2000, Jan Vollmer resigned as Initial Board member and Secretary/Treasurer of the Stone Harbour Master Association Board of Directors, a copy of her resignation is attached hereto; and

WHEREAS, the three aforementioned resignees were collectively the entire membership of the Board of Directors. Hence, there are no remaining Directors to appoint the replacements for the vacancies created by the resignations as required by Section 3 of Article V of the By-Laws; and

WHEREAS, since the Declarant was responsible for the appointment of the three resignees, the Declarant intends to fill the vacancies created by Dennis Yovanovich, Matthew Ochs, and Jan Vollmer by appointing replacements for the Initial Board vacancies.

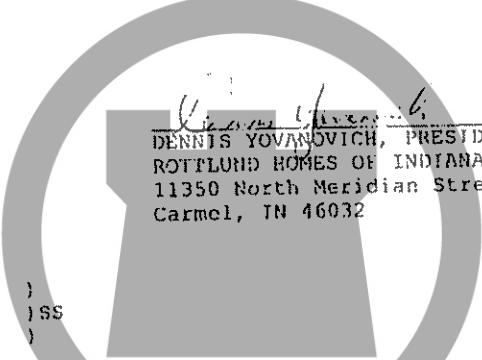
NOW, THEREFORE, the undersigned Declarant hereby appoints the following individuals as replacements for the vacancies created by the resignation of Dennis Yovanovich, Matthew Ochs, and Jan Vollmer as the Initial Board of Directors and officers for the Stone Harbour Horizontal Master Association, Inc.:

James R. Langston - President

Robert C. Langston - Vice-President
John R. Edwards - Secretary/Treasurer

Said individuals shall serve in the capacity of Initial Board of Directors and officers at the pleasure of the Declarant until the Master Association is turned over to the Owners and members of the Associations in the Development or their resignation or replacement.

These appointments shall be effective this 14th day of July, 2000


Dennis Yovanovich
DENNIS YOVANOVICH, PRESIDENT
ROSSLUND HOMES OF INDIANA, LP
11350 North Meridian Street, #150
Carmel, IN 46032

STATE OF INDIANA)
) SS
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Rosslund Homes of Indiana, LP by Dennis Yovanovich who acknowledged the execution of the foregoing instrument and who, having been duly sworn, stated that the representation therein contained are true.

Witness my hand and Notarial Seal this 14th day of July, 2000.

CHICAGO TITLE

Signature: Janice P. Vallone
Printed: Janice P. Vallone
County of Residence: Marion

My Commission Expires: 2-9-02

This Instrument was prepared by Cameron E. Clark, CLARK,
QUINN, MOSES & CLARK, One Indiana Square, Ste. 2200,
Indianapolis, Indiana 46204.

00 WBLSTAVCDEPOT50: 1434-APPRAISER 14-145840 001042824-001



CHICAGO TITLE

200000043872
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 09-01-2000 At 03:09 PM.
MISC 19.00

190
25
None
(E)

APPOINTMENT OF REPLACEMENT MEMBERS AND OFFICERS TO
THE COTTAGES OF STONE HARBOUR HOMEOWNERS
ASSOCIATION, INC. INITIAL BOARD OF DIRECTORS
AND THE ARCHITECTURAL CONTROL COMMITTEE

W I T N E S S E T H :

WHEREAS, on December 29, 1998, Rottlund Homes of Indiana, Limited Partnership, a Minnesota Limited Partnership, and an agent and subsidiary of the Rottlund Company, Inc., a Minnesota Corporation, began development of a residential subdivision known as The Cottages of Stone Harbour by executing and filing for recordation with the Hamilton County Recorder's Office on January 22, 1999, under Instrument No. 99-04782 a Declaration of Covenants, Conditions, and Restrictions for The Cottages of Stone Harbour Phase I, Phase II and Phase III (hereafter referred to collectively as the "Declaration"); and

WHEREAS, within the Declaration, Rottlund Homes of Indiana, Limited Partnership was identified as and is the Declarant of said Declaration; and

WHEREAS, in conjunction with the execution and formation of the Declaration a Code of By-Laws of The Cottages of Stone Harbour Homeowners Association, Inc. was likewise executed and filed for recordation with the Hamilton County Recorder's Office on January 22, 1999, under Instrument No. 99-04780 (and subsequently amended and re-recorded January 26, 1999, under Instrument No. 99-05266) and made part of the aforementioned Declaration; and

WHEREAS, the Declarant organized a Not-for-Profit Corporation under the laws of the State of Indiana known as The Cottages of

CHICAGO TITLE

Stone Harbour Homeowners Association, Inc. which was organized by the filing of Articles of Incorporation with the Office of the Indiana Secretary of State on November 12, 1998; and

WHEREAS, on March 7, 2000, Dennis Yovanovich, Matthew Ochs, and Jan Vollmer were appointed as the Initial Board of Directors and as the Architectural Control Committee of the Cottages of Stone Harbour Homeowners Association by Rottlund Homes of Indiana, Limited Partnership; and

WHEREAS, Section 4 of Article VII of the Declaration states that the "Initial Board shall serve as said board members until seventy-five percent (75%) of the lots in the Cottages have been sold and developed; and

WHEREAS, as of the date of this writing less than seventy-five percent (75%) of the Lots in the Cottages have been sold and developed; and

WHEREAS, the initial Architectural Control Committee is to be appointed by the Board of Directors or in the event the Board of Directors is unable to make such appointments, by the Declarant; and

WHEREAS, in Section 12 of Article IX of the Declaration, the Declarant reserved unto itself certain rights to amend the Declaration as the Declarant may deem necessary or appropriate so long as the Declarant owned at least five (5) Lots within The Cottages. Said amendment may be made "without the approval or consent of the Owners or Mortgagees of the Lots; provided that

Declarant shall not be entitled to make any amendment which has materially adverse effect on the rights of any Mortgagee, nor which substantially impairs the benefits of this Declaration to any Owner, or substantially increases the obligations imposed by this Declaration on any Owner"; and

WHEREAS, on July 12, 2000, Dennis Yovanovich resigned as Initial Board member, President for The Cottages of Stone Harbour Homeowners Association, Inc., and Architectural Control Committee member, a copy of his resignation is attached hereto; and

WHEREAS, on July 12, 2000, Matthew Ochs resigned as Initial Board member, Vice-President for The Cottages of Stone Harbour Homeowners Association, Inc., and Architectural Control Committee member, a copy of his resignation is attached hereto; and

WHEREAS, on July 12, 2000, Jan Vollmer resigned as Initial Board member, Secretary/Treasurer for The Cottages of Stone Harbour Homeowners Association, Inc., and Architectural Control Committee member, a copy of her resignation is attached hereto; and

WHEREAS, the Declarant intends to fill the vacancies created by the resignation of Dennis Yovanovich, Matthew Ochs, and Jan Vollmer from the Cottages of Stone Harbour Homeowners Association, Inc. Board of Directors and from the Architectural Control Committee of The Cottages of Stone Harbour Homeowners Association,

CHICAGO TITLE

Inc. by exercising its right to appoint such replacements as allowed under the reservations of rights provision Section 12 of Article IX of the Declaration.

NOW, THEREFORE, the undersigned Declarant hereby appoints the following individuals as replacements for the vacancies created by the resignation of Dennis Yovanovich, Matthew Ochs, and Jan Vollmer as the Initial Board of Directors of The Cottages of Stone Harbour Homeowners Association, Inc.:

James R. Langston - President

Robert C. Langston - Vice-President

John R. Edwards - Secretary/Treasurer

Said individuals shall also serve as the initial Architectural Control Committee. Further, said individuals shall serve in a capacity of Initial Board of Directors and Members of the Architectural Control Committee for the Cottages of Stone Harbour Homeowners Association, Inc. at the pleasure of the Declarant until the earlier point in time between when seventy-five percent (75%) of the Lots in the Cottages of Stone Harbour have been sold and developed or their resignation or replacement. ®

CHICAGO TITLE

These appointments shall be effective this 12th day of July, 2000.

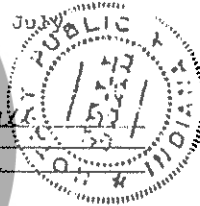
Dennis Yovanovich
DENNIS YOYANOVICH, PRESIDENT
ROTTLUND HOMES OF INDIANA, LP
11350 North Meridian Street, #150
Carmel, IN 46032

STATE OF INDIANA)
)SS
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Rottlund Homes of Indiana, LP by Dennis Yovanovich who acknowledged the execution of the foregoing instrument and who, having been duly sworn, stated that any representation therein contained are true.

Witness my hand and Notarial Seal this 12th day of July, 2000.

Signature: Jessie P. Volmer
Printed: Jessie P. Volmer
County of Residence: Marion



My Commission Expires: 12-31-01

This Instrument was prepared by Cameron F. Clark, CLARK, QUINN, MOSES & CLARK, One Indiana Square, Ste. 2200, Indianapolis, Indiana 46204. ®

CHICAGO TITLE

22 00
⑦
1 00
NONC

AMENDMENT TO THE DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS FOR THE COTTAGES OF
STONE HARBOUR PHASE I, PHASE II AND PHASE III

THIS AMENDMENT made this 25 day of May, 2000 by the undersigned Owners of the Lots within the Cottages of Stone Harbour.

W I T N E S S E T H:

WHEREAS, the following facts are true:

A. The undersigned Owners are the owners of certain Real Estate located in Hamilton County, Indiana, more particularly described in the attached Exhibit "A" ("Real Estate").

B. The Real Estate is subject to the Declaration of Covenants, Conditions and Restrictions for the Cottages of Stone Harbour Phase I, Phase II and Phase III executed on December 28, 1998 and recorded in the Hamilton County Recorder's Office on January 22, 1999 and identified therein as Instrument No. 9904782 (hereinafter referred to as "Declaration"). Said Declaration is incorporated herein by reference and all of the terms and definitions described therein are hereby adopted and shall have the same meaning in this Amendment.

C. Article VII, Section 7 of the Declaration provides for the amendment of said Declaration, which amendment may be done with the assent of ninety percent (90%) of the Lot Owners of the Cottages of Stone Harbour.

200000053118
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
On 10-24-2000 At 10:41 am.
AMEND DECL 22.00

D. The undersigned, being Owners of at least ninety percent (90%) of the Real Estate propose to amend Article III, Section 1 of the Declaration.

E. The undersigned Lot owners have voted on the date first above written to approve the proposals and amend the Declaration.

NOW, THEREFORE, the undersigned Lot Owners of The Cottages Of Stone Harbour hereby amend Article III Section 1, of Declaration of Covenants, Conditions and Restrictions for the Cottages of Stone Harbour Phase I, Phase II and Phase III as follows (that portion in bold face type indicates the Amendment to the existing language):

ARTICLE III
General Restrictions

Section 1: Maintenance of Premises. In order to maintain the standards of The Cottages, no weeds, underbrush or other unsightly growths shall be permitted to grow or remain upon any lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. The Association shall be responsible for the lawn maintenance of all Lots and Common Areas. With that exception, all Owners shall maintain their Lots and improvements situated thereon in a manner so as to prevent the Lot or improvements from becoming unsightly, and specifically, Owner shall:

- (a) Maintain the Lot at such times as may be reasonably required in order to prevent the unsightly growth of

vegetation and noxious weeds. (With the exception of the maintenance of the lawns which shall be maintained by the Association.) Non-decorative vegetation allowed to grow to a height in excess of six inches (6") shall be deemed unsightly.

- (b) Keep the exterior of all improvements in such state of repair or maintenance so as to avoid their becoming unsightly.
- (c) Prevent the existence of any other condition that reasonably tends to detract from or diminish the appearance of the Lot and/or The Cottages.

Failure to comply shall warrant the Declarant, authorized agents of Hamilton County or the Association to cut the growth or weeds, or clear the refuse from the Lot at the expense of the Owner. The Association shall place and record a lien against said Lot in an amount equal to the expenses therefor and costs which costs may include reasonable attorneys' fees for the placement of said lien should such be deemed necessary by the Association. Said liens shall be subject and subordinate only to taxes, municipal liens, and the lien of any bona fide mortgage upon any Lot. At the option of the Association, said liens may be foreclosed upon in any court of competent jurisdiction by the Association as plaintiff for the amount of lien with interest, attorneys' fees and costs. Any

judgment obtained shall be without relief from valuation or appraisal laws.

This Amendment has been duly adopted as of this 25 day of May, 2000, by vote of at least ninety percent (90%) of the Lot Owners of the Cottages of Stone Harbour.

Lot #	Owner (signed and printed)	Street Address
71	REBECCA L. DIXON <i>Rebecca L. Dixon</i>	18530 Windstone Circle
9	MARY G GRAGG <i>Mary G Gragg</i>	18574 Piers End Dr.
10	ROBERT H. HOPKINS <i>Robert H. Hopkins</i>	18578 Piers End Dr.
15	JAMES F. HOPP <i>James F. Hopp</i>	18598 Piers End Dr.
15	PATRICIA S. HOPP <i>Patricia S. Hopp</i>	18598 Piers End Dr.
67	JUDITH A. CARSON <i>Judith A. Carson</i>	18558 Piers End Drive
66	MARY A. HICKEL <i>Mary A. Hickel</i>	18461 Windstone
72	MICHAEL L. BENSON <i>Michael L. Benson</i>	18557 Piers End Dr.
72	NAUCY A. BENSON <i>Nancy A. Benson</i>	18557 Piers End Dr.
11	HELGA C. GRIGSBY <i>Helga C. Grigsby</i>	18582 Piers End Drive
11	JERRY W. WELCH <i>Jerry W. Welch</i>	18582 Piers End Drive
59	CAROLINE S. DAVIS <i>Caroline S. Davis</i>	18573 Piers End Drive
58	NANCY W. HEADY <i>Nancy W. Heady</i>	18577 Piers End Dr.
61	JANET L. ROOS <i>Janet L. Roos</i>	18565 Piers End Dr.
61	TERRANCE R. ROOS <i>Terrance R. Roos</i>	18565 Piers End Dr.
55	NEVA J. OBOPFER <i>Neva J. Obopfer</i>	18589 Piers End Dr.

Lot #	OWNER (signed and printed)	Street Address
14	EUGENE J BRUNS <i>Eugene J Bruns</i>	18594 Piers End Dr
14	CAROL L BRUNS <i>Carol L Bruns</i>	" " " "
13	VIRGINIA L WHIPPLE <i>Virginia L Whipple</i>	18590 Piers End Dr.
70	EILEEN J RICCI <i>Eileen J Ricci</i>	18512 Nundstone Circle
12	Denny Yovanovitch <i>Denny Yovanovitch</i>	18586 Piers End Drive
60	Denny Yovanovitch <i>Denny Yovanovitch</i>	18569 Piers End Drive
73	Denny Yovanovitch <i>Denny Yovanovitch</i>	18553 Piers End Drive
74	Denny Yovanovitch <i>Denny Yovanovitch</i>	18549 Piers End Drive

Lots 1-9, 11, 12, 16-54, 56, 57, 60, 62-65, 67-69, 71, 73-75.

By: *Denny Yovanovitch*
Denny Yovanovitch, President
Rottlund Homes of Indiana, LP
11350 N. Meridian Street
Suite 150
Carmel, Indiana 46032

This Instrument was prepared by Cameron F. Clark, CLARK, QUINN, MOSES & CLARK, One Indiana Square, Ste. 2200, Indianapolis, Indiana 46204.

G:\WPDATA\cfc\DOC\stone-cul-DECAmerd.vpl

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Subscribed and sworn to before me, a Notary Public in and for
said County and State, this 25th day of May, 2000.

My Commission Expires:
2-9-08
County of Residence:
Marion



Janice P. Vollmer
Janice P. Vollmer



CHICAGO TITLE

EXHIBIT A

Lots numbered 1 through 74 inclusive in Stone Harbour, a subdivision in Hamilton County, Indiana, as per plat thereof recorded in Plat Cabinet 2, Slide 141 as Instrument No. 9841527 in the Office of the Recorder of Hamilton County, Indiana



CHICAGO TITLE

PLAT
141
CABINET 2

18.00
⑤
1.00 NONC

AMENDMENT TO THE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
THE COTTAGES OF STONE HARBOUR PHASE I, PHASE II AND PHASE III

THIS AMENDMENT made this 21 day of JUNE, 2001, by the undersigned Declarant.

Instrument
200100038732

W I T N E S S E T H

WHEREAS, on August 15, 1998, Rottlund Homes of Indiana Limited Partnership, a Minnesota Limited Partnership, and an agent and subsidiary of The Rottlund Company, Inc., a Minnesota Corporation, began developing a residential subdivision known as The Cottages of Stone Harbour upon real estate described in the attached Exhibit "A" by executing and filing for recordation with the Hamilton County Recorder's Office on January 22, 1999, under Instrument No. 99-04782. A Declaration of Covenants, Conditions and Restrictions for The Cottages of Stone Harbour Phase I, Phase II and Phase III (hereafter referred to as the "Declaration"); and

WHEREAS, within the Declaration, Rottlund Homes of Indiana Limited Partnership was identified as the "Declarant" of said Declaration; and

WHEREAS, in conjunction with the execution and formation of the Declaration, a Code of By Laws of The Cottages of Stone Harbour Homeowners Association, Inc. was likewise executed and filed for recordation with the Hamilton County Recorder's Office on January 22, 1999, under Instrument No. 99-04780 (and subsequently amended and re-recorded January 26, 1999, under Instrument No. 99-05266) and made a part of the aforementioned Declaration; and

200100038732
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
06-27-2001 09:09 am.
AMEND DECL 18.00

WHEREAS, the Declarant organized a not-for-profit corporation under the laws of the State of Indiana known as The Cottages of Stone Harbour Homeowner's Association, Inc. which Indiana Corporation was organized by the filing of Articles of Incorporation with the Offices of the Indiana Secretary of State on November 12, 1998; and

WHEREAS, on July 12, 2000, the Declarant appointed replacement members and officers to The Cottages of Stone Harbour Homeowners Association, Inc. Initial Board of Directors and Architectural Control Committee naming James R. Langston, Robert C. Langston and John R. Edwards to the Initial Board of Directors and the Architectural Control Committee for The Cottages of Stone Harbour Homeowner's Association, Inc.; and

WHEREAS, on July 20, 2000, Rottlund Homes of Indiana, Limited Partnership, assigned its right, title and interest, in, as, of and for Declarant for The Cottages of Stone Harbour to Langston Development Company, Inc. which assignment is accepted by Langston Development Company, Inc. on same date; and

WHEREAS, in Section 12 of Article IX, the Declarant reserved unto itself certain rights to amend the Declaration as the Declarant may deem necessary or appropriate[®] so long as the Declarant owned at least five (5) lots within The Cottages of Stone Harbour. Said Amendment may be made "without the approval or consent of the Owners or Mortgagees of the Lots; provided that Declarant shall not be entitled to make any amendment which has

materially adverse effect on the rights of any Mortgagee, nor which substantially impairs the benefits of this Declaration to any Owner, or substantially increases the obligations imposed by this Declaration on any Owner"; and

WHEREAS, Declarant owns in excess of five (5) lots within The Cottages of Stone Harbour; and

WHEREAS, the undersigned Initial Board of Directors, on behalf of the Declarant, proposed to amend Article III, Section Two of the Declaration; and

WHEREAS, the undersigned Initial Board of Directors have voted on the date first above written to approve the proposal and amend the Declaration.

NOW, THEREFORE, the undersigned Initial Board of Directors of The Cottages of Stone Harbour hereby amend Article III, Section Two of the Declaration of Covenants, Conditions and Restrictions for The Cottages of Stone Harbour Phase I, Phase II and Phase III as follows (that portion in bold face type indicates the Amendment to the existing language):

ARTICLE III

General Restrictions

Section Two. Residential Purpose



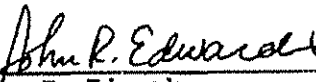
No Lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted on any Lot other than a dwelling not to exceed two (2) stories in height which building shall be subject to the approval of the architectural

control committee pursuant to authority granted thereto as set out in Article V of the Declaration.

This Amendment has been duly adopted this 26th day of June, 2001 by the Initial Board of Directors by and for the Declarant.


James R. Langston, President


Robert C. Langston,
Vice President


John R. Edwards,
Secretary/Treasurer

STATE OF INDIANA)
) SS:
COUNTY OF HAMILTON)

Before me the undersigned, a Notary Public in and for said County and State, personally appeared James R. Langston, Robert C. Langston, and John R. Edwards authorized officers of The Cottages of Stone Harbour Homeowners Association, Inc., an Indiana Not For Profit Corporation, whom acknowledged the execution of the foregoing Instrument for and behalf of said Corporation, and whom, having duly sworn, stated that the representations therein contained are true.

WITNESS MY HAND and Notarial Seal this 26th day of June, 2001.

My Commission Expires: _____ Signature 
922-01 _____ Barbara L. Metsker Notary Public
Resident of Hamilton County, Indiana

CHICAGO TITLE



This Instrument Prepared By:
Cameron F. Clark
Clark, Quinn, Moses & Clark
One Indiana Square, Suite 2200
Indianapolis, IN 46204-2011

Stone Harbour Legal Description

The Stone Harbour Subdivision, a subdivision in Hamilton County, Indiana, as per plat thereof, recorded in Plat Cabinet 2, Slide 141 as Instrument Number 9809841527 and corrected by Certificate Of Correction, dated October 1, 1998 and recorded October 2, 1998 as instrument Number 9809855679 in the Office of the Recorder of Hamilton County, Indiana.



CHICAGO TITLE

12.00
2.00
2.00
ASSIGNMENT OF DECLARANT FOR THE COTTAGES OF STONE
HARBOUR PHASE I, PHASE II, AND PHASE III

Langston Development Company, Inc. ("Assignor"), for good and valuable consideration, does hereby assign to The Augusta Group, LLC ("Assignee"), their right, title, and interest of "Declarant" for The Cottages of Stone Harbour.

Article II, section 7 of the "Declaration of Covenants, Conditions and Restrictions for the Cottages of Stone Harbour Phase I, Phase II, and Phase III" ("Declaration") defines the "Declarant" to be "Rottlund Homes of Indiana, L.P., an Indiana Limited Partnership, or any other person, firm, corporation or partnership which succeeds to the interest of Rottlund Homes of Indiana, L.P., as developer and/or owner of The Cottages." The Declaration was recorded in the Hamilton County Recorder's Office on January 22, 1999 and identified therein as Instrument Number 99-04782.

On July 20, 2000, Rottlund Homes of Indiana, Limited Partnership designated Langston Development Company, Inc. as Declarant as permitted by article II, section 7 of the "Declaration of Covenants, Conditions and Restrictions for the Cottages of Stone Harbour Phase I, Phase II, and Phase III."

Langston Development Company, Inc., successor to the interest of Rottlund Homes of Indiana, L.P. as Declarant, NOW TRANSFERS, ASSIGNS AND GRANTS all of the rights and interests of Declarant of The Cottages of Stone Harbour to The Augusta Group, LLC, Assignee.

IN WITNESS WHEREOF, the Assignor, Langston Development Company, Inc., successor to the interest of Rottlund Homes of Indiana, L.P. as Declarant has executed this Assignment this 18th day of December, 2001.



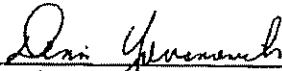
James R. Langston, Vice President
Langston Development Company, Inc.

CHICAGO TITLE

200200002997
Filed for Record in
HAMILTON COUNTY, INDIANA
MARY L CLARK
01-09-2002 12:16 pm.
ASSIGNMENT 12.00

ACCEPTANCE OF ASSIGNMENT

Dennis Yovanovich, on behalf of Assignee, The Augusta Group, LLC, hereby accepts said Assignment of Declarant for Gardens of Stone Harbour and agree to be bound by all the terms and conditions thereof.


Dennis Yovanovich, Member
The Augusta Group, LLC

STATE OF INDIANA)
)SS
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared authorized representatives of Langston Development Company, Inc., and The Augusta Group, LLC, who acknowledged the execution of the foregoing instrument and who, having been duly sworn, stated that any representation therein contained are true.

Witness my hand and Notarial Seal this 28th day of December, 2001.

Signature: Barbara L. Metsker
Printed: BARBARA L. METSKER
County of Residence: Hamilton

My Commission Expires: 9-28-09



This Instrument was prepared by Cameron F. Clark, CLARK, QUINN, MOSES & CLARK, One Indiana Square, Ste. 2200, Indianapolis, Indiana 46204.

CHICAGO TITLE

24.00
⑧
1.00 none

APPOINTMENT OF REPLACEMENT MEMBERS AND OFFICERS TO
THE COTTAGES OF STONE HARBOUR HOMEOWNERS
ASSOCIATION, INC., INITIAL BOARD OF DIRECTORS
AND THE ARCHITECTURAL CONTROL COMMITTEE

200200002999
Filed for Record in
HAMILTON COUNTY, INDIAN
MARY L CLARK
01-09-2002 12:16 pm.
MISC 24.00

W I T N E S S E T H :

WHEREAS, on December 29, 1998, Rottlund Homes of Indiana, Limited Partnership, a Minnesota Limited Partnership, and an agent and subsidiary of the Rottlund Company, Inc., a Minnesota Corporation, began development of a residential subdivision known as The Cottages of Stone Harbour by executing and filing for recordation with the Hamilton County Recorder's Office on January 22, 1999, under Instrument No. 99-04782 a Declaration of Covenants, Conditions, and Restrictions for The Cottages of Stone Harbour Phase I, Phase II and Phase III (hereafter referred to as the "Declaration") (said Declaration was subsequently amended and said amendment was recorded July 27, 2001, under Instrument No. 2001-00038732); and

WHEREAS, within the Declaration, Rottlund Homes of Indiana, Limited Partnership was identified as and is the Declarant of said Declaration; and

WHEREAS, on July 20, 2000, in an Assignment of Declarant For The Cottages Of Stone Harbour Phase I, Phase II, And Phase III, Rottlund Homes of Indiana, Limited Partnership designated Langston Development Company, Inc. as Declarant as permitted by article II, section 7 of the Declaration of Covenants, Conditions and Restrictions for the Cottages of Stone Harbour Phase I, Phase II, and Phase III; and

CHICAGO TITLE

WHEREAS, in conjunction with the execution and formation of the Declaration a Code of By-Laws of The Cottages of Stone Harbour Homeowners Association, Inc. was likewise executed and filed for recordation with the Hamilton County Recorder's Office on January 22, 1999, under Instrument No. 99-04780 (and subsequently amended and re-recorded January 26, 1999, under Instrument No. 99-05266) and made part of the aforementioned Declaration; and

WHEREAS, the Declarant organized a Not-for-Profit Corporation under the laws of the State of Indiana known as The Cottages of Stone Harbour Homeowners Association, Inc. which was organized by the filing of Articles of Incorporation with the Office of the Indiana Secretary of State on November 12, 1998; and

WHEREAS, on July 20, 2001, James R. Langston, Robert C. Langston and John R. Edwards were appointed as the Initial Board of Directors and as the Architectural Control Committee of the Cottages of Stone Harbour Homeowners Association by the Declarant; and

WHEREAS, Section 4 of Article VII of the Declaration states that the "Initial Board shall serve as said board members until seventy-five percent (75%) of the Lots in the Cottages have been sold and developed; and

WHEREAS, as of the date of this writing less than seventy-five percent (75%) of the Lots in the Cottages have been sold and developed; and

WHEREAS, the initial Architectural Control Committee is to be appointed by the Board of Directors or in the event the Board of Directors is unable to make such appointments, by the Declarant; and

WHEREAS, in Section 12 of Article IX of the Declaration, the Declarant reserved unto itself certain rights to amend the Declaration as the Declarant may deem necessary or appropriate so long as the Declarant owned at least five (5) Lots within The Cottages. Said amendment may be made "without the approval or consent of the Owners or Mortgagees of the Lots; provided that Declarant shall not be entitled to make any amendment which has materially adverse effect on the rights of any Mortgagee, nor which substantially impairs the benefits of this Declaration to any Owner, or substantially increases the obligations imposed by this Declaration on any Owner"; and

WHEREAS, on December 18, 2001, James R. Langston resigned as Initial Board member, President for The Cottages of Stone Harbour Homeowners Association, Inc., and Architectural Control Committee member, a copy of his resignation is attached hereto; and

WHEREAS, on December 18, 2001, Robert C. Langston resigned as Initial Board member, Vice-President for The Cottages of Stone Harbour Homeowners Association, Inc., and Architectural Control Committee member, a copy of his resignation is attached hereto; and

WHEREAS, on December 18, 2001, John R. Edwards resigned as Initial Board member, Secretary/Treasurer for The Cottages of Stone Harbour Homeowners Association, Inc., and Architectural Control Committee member, a copy of his resignation is attached hereto; and

WHEREAS, the Declarant intends to fill the vacancies created by the resignation of James R. Langston, Robert C. Langston and John R. Edwards from the Cottages of Stone Harbour Homeowners Association, Inc. Board of Directors and from the Architectural Control Committee of The Cottages of Stone Harbour Homeowners Association, Inc. by exercising its right to appoint such replacements as allowed under the reservations of rights provision Section 12 of Article IX of the Declaration.

NOW, THEREFORE, the undersigned Declarant hereby appoints the following individuals as replacements for the vacancies created by the resignation of James R. Langston, Robert C. Langston and John R. Edwards as the Initial Board of Directors of The Cottages of Stone Harbour Homeowners Association, Inc.:

Dennis Yovanovich - President


Matther Ochs - Vice-President

Jan Vollmer - Secretary/Treasurer

Said individuals shall also serve as the initial Architectural Control Committee. Further, said individuals shall serve in a capacity of Initial Board of Directors and Members of the Architectural Control Committee for the Cottages of Stone Harbour

Homeowners Association, Inc. at the pleasure of the Declarant until the earlier point in time between when seventy-five percent (75%) of the Lots in the Cottages of Stone Harbour have been sold and developed or their resignation or replacement.

These appointments shall be effective this Fifth day of December, 2001.


James R. Langston, President
Langston Development Company, Inc.
1132 S. Range Line Road, Ste 100
Carmel, IN 46032

STATE OF INDIANA)
)SS
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Langston Development Company, Inc. by James R. Langston, President, who acknowledged the execution of the foregoing instrument and who, having been duly sworn, stated that any representation therein contained are true.

Witness my hand and Notarial Seal this 18th day of December, 2001.

Signature: Barbara L. Metzker
Printed: BARBARA L. METSKER
County of Residence: Hamilton

My Commission Expires: 9-28-09

CHICAGO TITLE



This Instrument was prepared by Cameron F. Clark, CLARK, QUINN, MOSES & CLARK, One Indiana Square, Ste. 2200, Indianapolis, Indiana 46204.

Date 12/18/01

Re: Stone Harbour Master Association, Inc.
The Cottages of Stone Harbour Homeowners' Association, Inc.
The Gardens of Stone Harbour Co-owners Association, Inc.

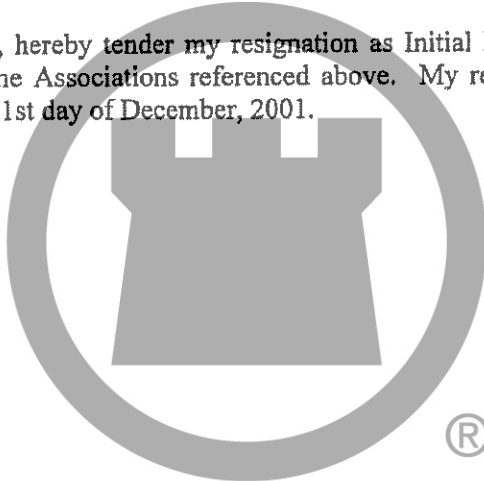
To Whom It May Concern:

I, James Langston, hereby tender my resignation as Initial Board Member and President of the Associations referenced above. My resignation is to take effect on the 31st day of December, 2001.

Sincerely,



James Langston



CHICAGO TITLE

Date 12/18/01

Re: Stone Harbour Master Association, Inc.
The Cottages of Stone Harbour Homeowners' Association, Inc.
The Gardens of Stone Harbour Co-owners Association, Inc.

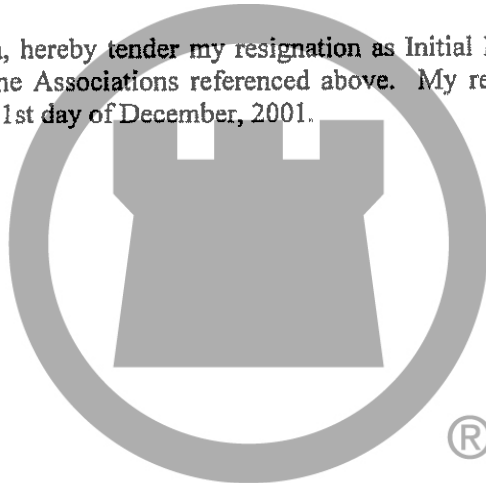
To Whom It May Concern:

I, Robert Langston, hereby tender my resignation as Initial Board Member and President of the Associations referenced above. My resignation is to take effect on the 31st day of December, 2001.

Sincerely,



Robert Langston



CHICAGO TITLE

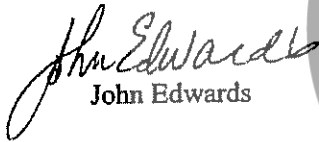
Date 12/18/01

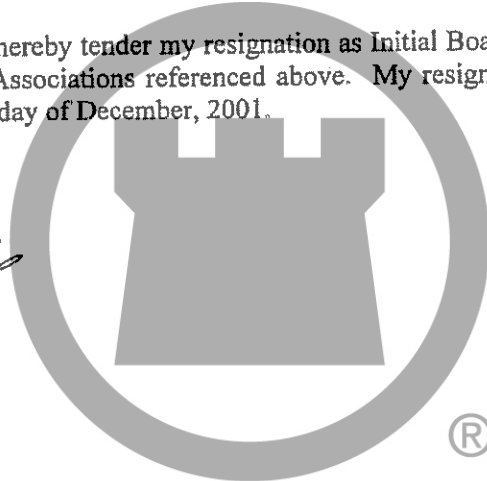
Re: Stone Harbour Master Association, Inc.
The Cottages of Stone Harbour Homeowners' Association, Inc.
The Gardens of Stone Harbour Co-owners Association, Inc.

To Whom It May Concern:

I, John Edwards, hereby tender my resignation as Initial Board Member and President of the Associations referenced above. My resignation is to take effect on the 31st day of December, 2001.

Sincerely,


John Edwards



CHICAGO TITLE

24.00
⑧
1.00
none

APPOINTMENT OF REPLACEMENT MEMBERS AND OFFICERS TO
THE STONE HARBOUR MASTER
ASSOCIATION, INC. INITIAL BOARD OF DIRECTORS

200200002998
Filed for Record in
HAMILTON COUNTY, INDIAN
MARY L CLARK
01-09-2002 12:16 pm.
MISC 24.00

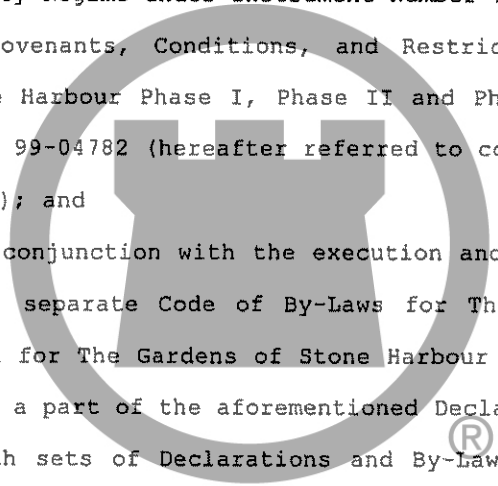
W I T N E S S E T H :

WHEREAS, on December 29, 1998, Rottlund Homes of Indiana, Limited Partnership, a Minnesota Limited Partnership, and an agent and subsidiary of the Rottlund Company, Inc., a Minnesota Corporation, began development of a residential subdivision known as Stone Harbour by executing and filing for recordation with the Hamilton County Recorder's Office on January 22, 1999 a Declaration of Horizontal Property Ownership The Gardens of Stone Harbour Horizontal Property Regime under Instrument Number 99-04784 and a Declaration of Covenants, Conditions, and Restriction for The Cottages of Stone Harbour Phase I, Phase II and Phase III under Instrument Number 99-04782 (hereafter referred to collectively as the "Development"); and

WHEREAS, in conjunction with the execution and formation of the Declarations, separate Code of By-Laws for The Cottages of Stone Harbour and for The Gardens of Stone Harbour were likewise executed and made a part of the aforementioned Declarations; and

WHEREAS, both sets of Declarations and By-Laws reference a Master Association to be formed for the purpose of the administration of the overall Development; and

WHEREAS, on December 29, 1998, the Stone Harbour Master Association, Inc. was formed and a Declaration of Covenants, Conditions and Restrictions Stone Harbour Master Association, Inc.



CHICAGO TITLE

was filed for recordation on January 22, 1999, with the Hamilton County Recorder's Office under Instrument No. 99-04783; and

WHEREAS, in conjunction with the execution and formation of the Declaration for the Stone Harbour Master Association, Inc. a Code of By-Laws for the Stone Harbour Master Association was likewise executed and made a part of the aforementioned Declaration; and

WHEREAS, the Declaration for the Stone Harbour Master Association, Inc. named Rottlund Homes of Indiana, Limited Partnership as the Declarant of the Declaration for the Stone Harbour Master Association, Inc.; and

WHEREAS, on July 20, 2000, in an Assignment Of Declarant For The Stone Harbour Master Association, Inc., Rottlund Homes of Indiana, Limited Partnership designated Langston Development Company, Inc. as Declarant as permitted by article I, section 3 of the Declaration of Covenants, Conditions, Easements and Restrictions Stone Harbour Master Association, Inc.; and

WHEREAS, on July 20, 2000, James R. Langston, Robert C. Langston and John R. Edwards were appointed by the Declarant, as the Initial Board of Directors for the Stone Harbour Master Association, Inc.; and

WHEREAS, Section 3 of Article V of the Code of By-Laws of Stone Harbour Master Association, Inc. states that "[i]n the event of death, resignation or removal of a Director, a successor shall be selected by the remaining Members of the Board..."; and

WHEREAS, on December 18, 2001, James R. Langston resigned as Initial Board member and President of the Stone Harbour Master Association Board of Directors, a copy of his resignation is attached hereto; and

WHEREAS, on December 18, 2001, Robert C. Langston resigned as Initial Board member and Vice-President of the Stone Harbour Master Association Board of Directors, a copy of his resignation is attached hereto; and

WHEREAS, on December 18, 2001, John R. Edwards resigned as Initial Board member and Secretary/Treasurer of the Stone Harbour Master Association Board of Directors, a copy of his resignation is attached hereto; and

WHEREAS, the three aforementioned resignees were collectively the entire membership of the Board of Directors. Hence, there are no remaining Directors to appoint the replacements for the vacancies created by the resignations as required by Section 3 of Article V of the By-Laws; and

WHEREAS, since the Declarant is responsible for the appointment of the three resignees, the Declarant intends to fill the vacancies created by James R. Langston, Robert C. Langston and John R. Edwards by appointing replacements for the Initial Board vacancies.

NOW, THEREFORE, the undersigned Declarant hereby appoints the following individuals as replacements for the vacancies created by the resignation of James R. Langston, Robert C. Langston and John

R. Edwards as the Initial Board of Directors and officers for the Stone Harbour Horizontal Master Association, Inc.:

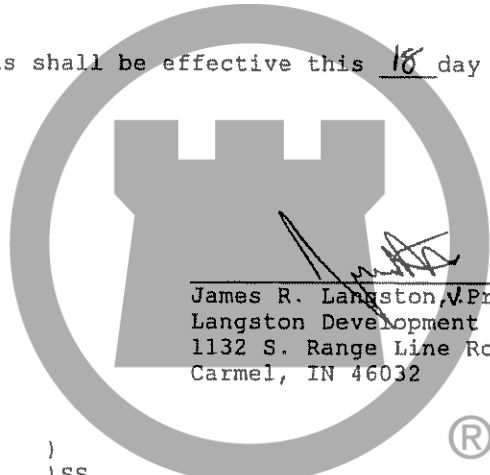
Dennis Yovanovich - President

Matther Ochs - Vice-President

Jan Vollmer - Secretary/Treasurer

Said individuals shall serve in the capacity of Initial Board of Directors and officers at the pleasure of the Declarant until the Master Association is turned over to the Owners and members of the Associations in the Development or their resignation or replacement.

These appointments shall be effective this 18 day of December, 2001.



James R. Langston, President
Langston Development Company, Inc.
1132 S. Range Line Road, Ste 100
Carmel, IN 46032

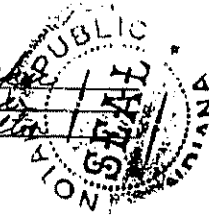
STATE OF INDIANA)
) SS
COUNTY OF MARION)



Before me, a Notary Public in and for said County and State, personally appeared Langston Development Company, Inc. by James R. Langston, President, who acknowledged the execution of the foregoing instrument and who, having been duly sworn, stated that any representation therein contained are true.

Witness my hand and Notarial Seal this 18th day of December, 2001.

Signature: Barbara L. Melske
Printed: BARBARA L. MELSKE
County of Residence: Hamilton



My Commission Expires: 9-28-09

This Instrument was prepared by Cameron F. Clark, CLARK,
QUINN, MOSES & CLARK, One Indiana Square, Ste. 2200,
Indianapolis, Indiana 46204.

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CHICAGO TITLE

Date 12/18/01

Re: Stone Harbour Master Association, Inc.
The Cottages of Stone Harbour Homeowners' Association, Inc.
The Gardens of Stone Harbour Co-owners Association, Inc.

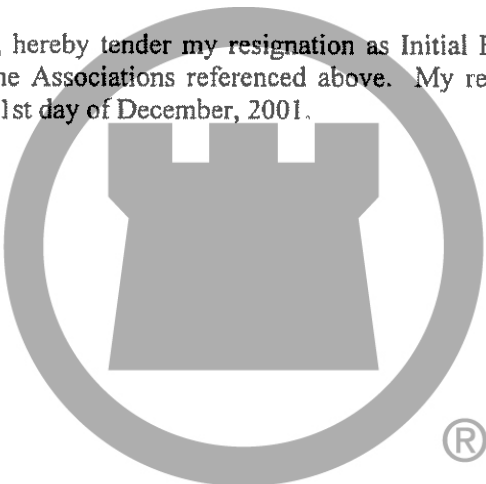
To Whom It May Concern:

I, James Langston, hereby tender my resignation as Initial Board Member and President of the Associations referenced above. My resignation is to take effect on the 31st day of December, 2001.

Sincerely,



James Langston



CHICAGO TITLE

Date 12/18/01

Re: Stone Harbour Master Association, Inc.
The Cottages of Stone Harbour Homeowners' Association, Inc.
The Gardens of Stone Harbour Co-owners Association, Inc.

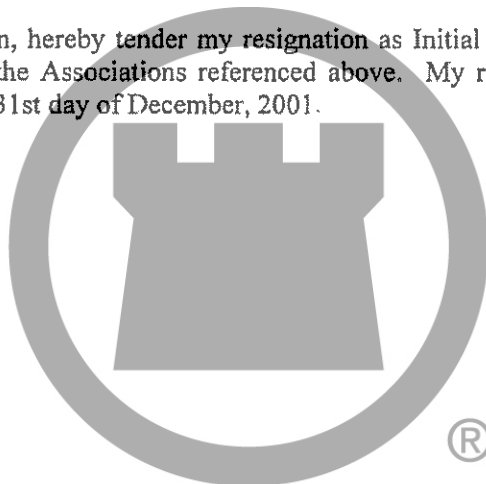
To Whom It May Concern:

I, Robert Langston, hereby tender my resignation as Initial Board Member and President of the Associations referenced above. My resignation is to take effect on the 31st day of December, 2001.

Sincerely,



Robert Langston



CHICAGO TITLE

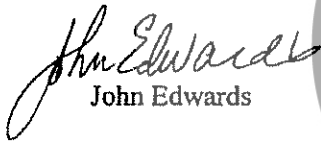
Date 12/18/01

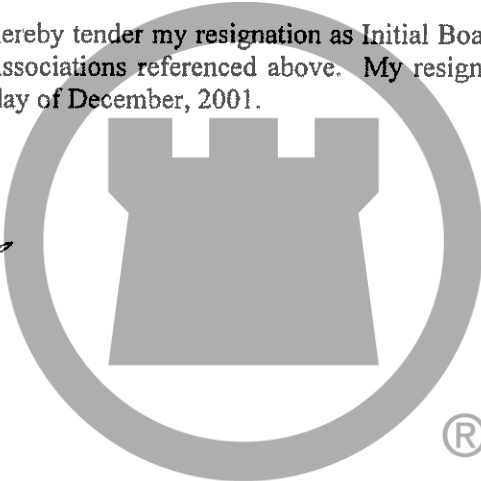
Re: Stone Harbour Master Association, Inc.
The Cottages of Stone Harbour Homeowners' Association, Inc.
The Gardens of Stone Harbour Co-owners Association, Inc.

To Whom It May Concern:

I, John Edwards, hereby tender my resignation as Initial Board Member and President of the Associations referenced above. My resignation is to take effect on the 31st day of December, 2001.

Sincerely,


John Edwards



CHICAGO TITLE