

VALLEY BROOK VILLAGE

SECTION TWO

(COVENANTS)

The undersigned, SUNRISE REAL ESTATE DEVELOPMENT CORP. ("Declarant"), an Indiana corporation, being the owner of the real estate shown and described herein, does hereby certify that it has laid off, platted, and subdivided, and does hereby lay off, plat and subdivide, said real estate in accordance with the within plat. This subdivision shall be known and designated as VALLEY BROOK VILLAGE, SECTION II, an addition in Cumberland, Hancock County, Indiana. The following restrictions, limitations and covenants are hereby imposed upon and shall run with the real estate described in this plat:

1. All streets shown on this plat, and not heretofore dedicated, are hereby dedicated to the public.
2. Front and rear yard building setback lines are hereby established as shown on this plat, between which lines and the property lines of the adjacent streets, there shall not be erected or maintained any building or structure, except for installations which are permitted to be made in Landscape Easements hereinafter described.
3. There are strips of ground as shown on the within plat marked "D & U E" (drainage and utility easement), strips of ground marked "Sanitary Sewer Easement" or "S.S.E.", strips of ground marked "Landscape Easement" or "L.E.", and areas on the plat marked "Common Area" and "Lakes" either separately or in any combination of the same. Such strips of ground and areas are hereby subjected to easements, which are hereby created and reserved, for the use of the public utility companies, governmental agencies, Declarant and the Homeowners Association (if and when formed and organized and hereinafter defined), as follows:
 - (A) "Utility Easements", or "U.E.'s", are created for the use of all public utility companies, including cable television companies, but not including transportation companies, for the installation and maintenance of mains, ducts, poles, lines, wires, cables, pipes and other utility installations for the purpose of furnishing utility services; such Utility Easements may also be used for all purposes for which Drainage Easements and Sanitary Sewer Easements are being used hereunder;
 - (B) "Drainage Easements", or "D.E.'s", are created to provide paths and courses and a system for natural area and local storm drainage, either over and/or in

- (E) "Common Area(s)" shall mean those areas such in this plat and all improvements set aside for recreation and use by within the Subdivision, these areas include areas or mounds at street entrances, street landscaping, the Lakes herein, footpaths to and around the shoreline areas of the Lakes as shown on any other areas so designated on the
- (F) "Lake" or "Lakes" shall mean and include detention pond(s) or lake(s); and the shoreline area as shown on the plat or shall serve as part of the storm drainage system serving the real estate in the future shall be more particularly shown on the plat.

All of the foregoing easements shall be the necessary rights of ingress and egress and through the same to permit the use and enjoyment thereof for their intended purpose of all lots in this subdivision shall be their lots subject to all of the foregoing rights of the public utility companies, agencies, Declarant and the Homeowners Association (when formed) therein, and to the jurisdiction of governmental authorities. No permanent structures shall be erected or maintained on any of the easements, except for walls, fences, and other installations which are specifically hereunder, including, but not limited to, such (Landscape Easements; any walls, fences, walkways and other installations erected on any of the foregoing easements shall be the responsibility of the party erecting and maintaining the same, and shall be subject to the same rights and easements herein and hereby created.

4. The use of all lots in this subdivision shall be in accordance with the Zoning Ordinance of and any amendments thereto (the "Zoning Ordinance") to any variances, waivers or special exceptions of the Zoning Ordinance at any time granted by the appropriate governmental agencies or officials having jurisdiction to do so. Every lot in this subdivision shall be used in accordance with the use designated by Declarant.

(B) "Drainage Easements", or "D.E.'s", are created to provide paths and courses and a system for natural area and local storm drainage, either overland or in

at the zoning ordinance at any time given appropriate governmental agencies or off jurisdiction to do so. Every lot in this unless otherwise designated by Declarant

are hereby created and reserved for the use of the public utility companies, governmental agencies, Declarant and the (if and when formed and organized and hereinafter defined), as follows:

(A) "Utility Easements", or "U.E.'s", are created for the use of all public utility companies, including cable television companies, but not including transportation companies, for the installation and maintenance of mains, ducts, poles, lines, wires, drains, pipes and other utility installations for the purpose of furnishing utility services; such Utility Easements may also be used for all purposes for which Drainage Easements and Sanitary Sewer Easements may be used hereunder;

(B) "Drainage Easements", or "D.E.'s", are created to provide paths and courses and a system for natural area and local storm drainage, either overland or in appropriate underground installations, to serve the needs of this and adjoining ground and the public drainage system; the owners of all lots are and shall be required to keep any areas of their lots designed for the natural flow of surface water free of obstructions to such natural flow, including both structures and plant materials, so that the flow of water will be unimpeded, and any improvements made on or under any such easements by the owner are and shall be at the risk of the property owner; such Drainage Easements may also be used for all purposes for which Utility Easements and Sanitary Sewer Easements may be used hereunder;

(C) "Sanitary Sewer Easements", or "S.S.E.'s", are created for the use of the public utility company or governmental agency having responsibility for the maintenance, repair and upkeep of the sanitary sewer mains and other facilities serving this subdivision, for the installation, maintenance, repair and replacement of such facilities; such Sanitary Sewer Easements may also be used for all purposes for which Utility Easements and Drainage Easements may be used hereunder; and

(D) "Landscape Easements", or "L.E.'s", are created and reserved for the use and benefit of Declarant and the Homeowners Association (if and when formed and organized) for the installation, construction, maintenance, repair, reconstruction and replacement of earthen mounds, plantings and other landscaping, walls, fences, entry ways, columns, landscape irrigation systems, accent lighting systems, street lights, subdivision identification signs and other items.

when (or when) therein, and to the jurisdiction of appropriate governmental authorities. No permanent shall be erected or maintained on any easements, except for walls, fences, or other installations which are specifically hereunder, including, as to Landscape Easements, such as to Landscape Easements which are permitted hereunder; any walls, fences, walkways and other installations erected on any of the foregoing easements shall be the party erecting and maintaining the same rights and easements herein and hereby

4. The use of all lots in this subdivision in accordance with the Zoning Ordinance of and any amendments thereto (the "Zoning Ordinance") to any variances, waivers or special exceptions of the Zoning Ordinance at any time given appropriate governmental agencies or off jurisdiction to do so. Every lot in this unless otherwise designated by Declarant exclusively for single family residential owner of a lot shall use and occupy his lot in a careful, safe and proper manner and keep the same in good and safe condition in accordance with the Zoning Ordinance, all health, fire and police regulations, state statutes, local ordinances and lawful directions of proper public officials. No person shall conduct, or permit any person to conduct, any activity in this subdivision.

5. No lots shall hereafter be subdivided into parcels so as to create additional residential lots than the number of lots shown hereon.

6. No sign or billboard, except professional "REAL ESTATE" signs erected by a builder or duly licensed real estate broker shall be erected or placed on any lot in this subdivision, and no barn, stable or other outbuilding housing domestic animals or poultry, except as may be permitted hereunder, shall be erected thereon. However, this shall not be deemed, construed or interpreted to restrict or restrict any structures, including signs, maintained by the Declarant or the Homeowners Association on any Landscape Easement shown on this subdivision.

7. No trailer, tent, basement, mini-barn, or other outbuilding erected on any lot shall at any time be used as a residence, nor shall any building of a permanent character, except those utilized by Declarant of a residence, be erected on any lot in this subdivision, unless specifically permitted within the subdivision.

DULY ENTERED FOR TAXATION

DEC 27 1991

Marilyn W. Counter
Recorder of Deeds

James W. Gibson
HARRIS COUNTY RECORDER

93 DEC 27 PM 1400

93 DEC 27 PM 1400

"Common Areas" and "Easements" are any combination of the same. Such areas are hereby subjected to easements, which are reserved, for the use of the public, governmental agencies, Declarant and the Association (if and when formed and organized and), as follows:

"U.E.'s", or "U.E.'s", are created for the public utility companies, including cable companies, but not including transportation or the installation and maintenance of poles, lines, wires, drains, pipes and other installations for the purpose of utility services; such Utility Easements may be used for all purposes for which Drainage and Sanitary Sewer Easements may be used

"D.E.'s", or "D.E.'s", are created to provide for drainage and courses and a system for natural area drainage, either overland or in underground installations, to serve the lot and adjoining ground and the public; the owners of all lots are and shall be responsible to keep any areas of their lots designed for the flow of surface water free of obstructions to such natural flow, including both natural and planted materials, so that the flow of water is unimpeded, and any improvements made on such easements by the owner are and shall be at the risk of the property owner; such Drainage Easements may also be used for all purposes for which Drainage and Sanitary Sewer Easements may be used

"S.S.E.'s", or "S.S.E.'s", are created for the use of the public utility company or agency having responsibility for the repair and upkeep of the sanitary sewer facilities serving this subdivision, including installation, maintenance, repair and replacement of such facilities; such Sanitary Sewer Easements may also be used for all purposes for which Drainage and Sanitary Sewer Easements may be used

"L.E.'s", or "L.E.'s", are created for the use and benefit of Declarant and the Association (if and when formed and organized) for the installation, construction, repair, reconstruction and replacement of landscape, plantings and other landscaping, walls, fences, columns, landscape irrigation systems, lighting systems, street lights, and identification signs and other items.

rights of the public utility companies, governmental agencies, Declarant and the Homeowners Association (if and when formed) therein, and to the jurisdiction of the proper governmental authorities. No permanent or other structures shall be erected or maintained on any of the foregoing easements, except for walls, fences, driveways, walkways and other installations which are specifically permitted hereunder. Including, as to Landscape Easements, any installations which are permitted hereunder to be located in such Landscape Easements, any walls, fences, driveways, walkways and other installations erected and maintained on any of the foregoing easements shall be at the risk of the party erecting and maintaining the same and subject to the rights and easements herein and hereby created.

4. The use of all lots in this subdivision shall be in accordance with the Zoning Ordinance of Cumberland, Indiana and any amendments thereto (the "Zoning Ordinance"), subject to any variances, waivers or special exceptions to the terms of the Zoning Ordinance at any time granted by the appropriate governmental agency or officials having jurisdiction to do so. Every lot in this subdivision, unless otherwise designated by Declarant, shall be used exclusively for single family residential purposes. Each owner of a lot shall use and occupy his respective lot in a careful, safe and proper manner and keep such lot in a clean and safe condition in accordance with this plat, the Zoning Ordinance, all health, fire and police requirements and regulations, state statutes, local ordinance, and the lawful directions of proper public officials. No owner shall conduct, or permit any person to conduct, any unlawful activity in this subdivision.
5. No lots shall hereafter be subdivided or resubdivided into parcels so as to create additional residential lots greater than the number of lots shown hereon.
6. No sign or billboard, except professional signs or "FOR SALE" signs erected by a builder or duly licensed real estate broker shall be erected or placed on any lot in this subdivision, and no barn, stable or other outbuilding housing domestic animals or poultry, except household pets, shall be erected thereon. However, this restriction shall not be deemed, construed or interpreted to prevent, preclude or restrict any structures, including signs, erected or maintained by the Declarant or the Homeowners Association in any Landscape Easement shown on this plat.
7. No trailer, tent, basement, mini-barn, storage shed, garage or other outbuilding erected on any lot in this subdivision shall at any time be used as a residence, temporarily or permanently, nor shall any building of a temporary character, except those utilized by Declarant or a builder of a residence, be erected on any lot. No overnight camping shall be permitted within the subdivision.

DULY ENTERED FOR TAXATION

DEC 7 1993

Marilyn W. Coover, Auditor of Hancock County

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Rodella Enterprises, Inc.

07/13/2006 07:29 FAX 3178628608

VALLEY BROOK VILLAGE

SECTION TWO

(COVENANTS)

CABINET	B
SLIDE	188
INSTR. NO.	93-1445V

SUNRISE REAL ESTATE DEVELOPMENT CORP., a corporation, being the owner of the described herein, does hereby certify that said real estate in accordance with the division shall be known and designated as SECTION II, an addition in Cumberland, Indiana. The following restrictions, limitations hereby imposed upon and shall run with the real estate:

on this plat, and not heretofore hereby dedicated to the public.

ard building setback lines are hereby shown on this plat, between which lines and of the adjacent streets, there shall not be contained any building or structure, except which are permitted to be made in accordance with the provisions hereinafter described.

of ground as shown on the within plat (drainage and utility easement), strips of Sanitary Sewer Easement" or "R.S.E.", strips of "Landscape Easement" or "L.E.", and areas of "Common Areas" and "Lakes" either in any combination of the same. Such strips of ground are hereby subjected to easements, which are reserved for the use of the public, governmental agencies, Declarant and the Association (if and when formed and organized and operating) as follows:

ements", or "U.E.'s", are created for the use of public utility companies, including cable television companies, but not including transportation companies, for the installation and maintenance of poles, lines, wires, drains, pipes and other installations for the purpose of providing utility services; such Utility Easements may be used for all purposes for which Drainage and Sanitary Sewer Easements may be used.

ements", or "D.E.'s", are created to

(E) "Common Area(s)" shall mean those areas designated as such in this plat and all improvements located therein set aside for recreation and use by owners of the lots within the Subdivision, these structures or landscaped areas or bounds at street entrances, lights, park areas, street landscaping, the Lakes (as defined herein), footpaths to and around the Lakes, certain shoreline areas of the Lakes as shown on the Plats and any other areas so designated on the Plats.

(F) "Lakes" or "Lakes" shall mean and refer to the water detention pond(s) or lake(s) and common area portion of the shoreline area as shown on the Plats which serves or shall serve as part of the storm and surface water drainage system serving the real estate, as such are or in the future shall be more particularly described on the plats.

All of the foregoing easements shall be deemed to include the necessary rights of ingress and egress in, along, across and through the same to permit the beneficial use and enjoyment thereof for their intended purposes. The owners of all lots in this subdivision shall take and hold title to their lots subject to all of the foregoing easements, to the rights of the public utility companies, governmental agencies, Declarant and the Homeowners Association (if and when formed) therein, and to the jurisdiction of the proper governmental authorities. No permanent or other structures shall be erected or maintained on any of the foregoing easements, except for walls, fences, driveways, walkways and other installations which are specifically permitted hereunder. Including, as to Landscape Easements, any installations which are permitted hereunder to be located in such Landscape Easements, any walls, fences, driveways, walkways and other installations erected and maintained on any of the foregoing easements shall be at the risk of the party erecting and maintaining the same and subject to the rights and easements herein and hereby created.

4. The use of all lots in this subdivision shall be in accordance with the Zoning Ordinance of Cumberland, Indiana and any amendments thereto (the "Zoning Ordinance"), subject to any variances, waivers or special exceptions to the terms of the Zoning Ordinance at any time granted by the appropriate governmental agencies or officials having

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR PRIVATE LAKE IN VALLEY CREEK AND VALLEY BROOK VILLAGE

[VALLEY BROOK VILLAGE - HANCOCK COUNTY]

THIS DECLARATION made this 1st day of June, 1993, by
SUNRISE REAL ESTATE DEVELOPMENT CORP., an Indiana corporation
("Developer").

WITNESSETH:

WHEREAS, Developer is the owner of all of the lands contained in the area shown on Exhibit "A", attached hereto and made a part hereof (the "Lake Parcels"), which parcels of land will be a part of the development of Valley Brook Village, a single family housing development in Hancock County, Indiana (the "Valley Brook Village Development"), as will be more particularly described on the plats of the various sections thereof recorded and to be recorded in the Office of the Recorder of Hancock County, Indiana (the "Valley Brook Village Plats"); and

WHEREAS, Developer is also the owner of certain additional real estate located in Marion County, Indiana, which real estate is adjacent to the Lake Parcels, and which will be a part of the development of Valley Creek, a single family housing development (the "Valley Creek Development"), as will be more particularly described on the plats of the various sections thereof recorded and to be recorded in the Office of the Recorder of Marion County, Indiana (the "Valley Creek Plats"); and

WHEREAS, there exists on a portion of the Lake Parcels a water detention pond or lake and perimeter shoreline (the "Lake"), which serves or will serve as part of the storm and surface water drainage system serving the Valley Brook Village Development and the Valley Creek Development (such collectively referred to as the "Development"). The Lake's location in the Development is more particularly described in Exhibit "B" attached hereto and by reference made a part hereof, and is or shall be more particularly described in the Valley Brook Village Plats and the Valley Creek Plats (such collectively referred to as the "Plats"); and

WHEREAS, in addition to serving as part of the Development's drainage system, the Lake is intended to constitute a visual and aesthetic amenity exclusively for the Lake Parcels and the parcels land the Valley Creek Development upon which the Lake will be located and not as a recreational amenity for the Development or owners of other parcels within the Development; and

WHEREAS, Developer desires to provide for the preservation and enhancement of the Development and for the maintenance of the Lake, and to this end desires to subject the Lake Parcels to certain rights, privileges, covenants, restrictions, easements, assessments, charges and liens (the "Restrictions"), each and all to the extent provided herein, for the benefit of the Lake Parcels and the Development:

Jane J. [Signature]
HANCOCK COUNTY RECORDER
DEC 13 2003

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NOW, THEREFORE, Developer hereby declares that all of the planted lots and lands located within the Lake Parcels are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved, subject to the Restrictions, all of which are declared and agreed to be in furtherance of a plan for the improvement and sale of said lots and lands in the Lake Parcels, and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of the Development as a whole and of each of said lots situated therein and in the Lake Parcels. All of the Restrictions shall run with the land and shall be binding upon Developer and upon the parties having or acquiring any right, title or interest, legal or equitable, in and to the real property or any part or parts thereof subject to the Restrictions, and shall inure to the benefit of Developer's successors in title to any real estate in the Lake Parcels. Developer specifically reserves unto itself the right and privilege to exclude any real estate from the Development, or to include additional real estate in the Lake Parcels including real estate adjacent to the Development.

1. Definitions. The following are the definitions of the terms as they are used in this Declaration:

- A. "Assessment" shall mean the share of the Common Expenses imposed on each Lot or other special assessments, as determined and levied pursuant to the provisions of paragraph 4 hereof.
- B. "Association" shall mean the Valley Creek-Valley Brook Village Lake Association, Inc., an Indiana nonprofit corporation formed or to be formed under the Indiana Nonprofit Corporation Act of 1991, as amended.
- C. "Board" shall mean the Board of Directors of the Association.
- D. "Common Expenses" shall mean the actual and estimated cost to the Association for maintenance, management, operation, repair, improvement and replacement of the Lake, and any other cost or expense incurred by the Association for the benefit of the Lake or the Association.
- E. "Development Period" shall mean the period of time during which Developer owns at least one (1) Lot as defined herein.
- F. "Lot" or "Lots" shall mean any parcel(s) of real estate, whether residential or otherwise, described by one of the Plats, and being adjacent to, abutting or a part of the Lake.
- G. "Member" shall mean and refer to any person or entity including any class of membership in the Association as provided in this Declaration.

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Jane J. Dwyer
 HANCOCK COUNTY RECORDER

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f. "Owner" shall mean a person who has or is acquiring any right, title or interest, legal or equitable, in and to a lot, but excluding those persons having such interest merely as security for the performance of an obligation.

2. Organization and Duties of Association.

A. Organization of Association. The Association shall be organized as a nonprofit corporation under the laws of the State of Indiana, to be operated in accordance with the Articles of Incorporation which have been filed or will be filed by Developer, and the Code of By-Laws of the Association. The membership of the Association shall consist of one class of voting members, with each Member having equal voting rights. 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, so that as to any matter being considered by the Association, only one vote appertains to each lot. Notwithstanding anything herein to the contrary, during the Development Period, all actions of the Association shall require the prior written approval of the Developer.

B. General Duties of the Association. The Association is hereby authorized to act and shall act on behalf of, and in the name, place, and stead of, the individual Owners in all matters pertaining to the maintenance, repair, and replacement, of the Lake, the determination of Common Expenses, and the collection of annual and special Assessments. 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 the Plats. Neither the Association nor its officers or authorized agents shall have any liability whatsoever to any Owner for any action taken under color of 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 a willful or reckless disregard of the rights of the Owners or in the nature of willful, intentional, fraudulent, or reckless misconduct.

C. Amendment of Declaration. The Association shall have the right to amend this Declaration at any time, and from time to time, in accordance with paragraph 9 of this Declaration.

D. Insurance. The Association shall maintain in force adequate public liability insurance protecting the Association against its liability for property damage and personal injury. The Association may, but need not, maintain in force adequate officers and directors insurance covering the officers and directors of the Association. If appropriate, the Association shall also maintain in force adequate fire and extended coverage insurance, insuring the lake against fire, windstorm, vandalism, and such other hazards as may be insurable under standard "extended coverage" provisions, in an amount equal to the full insurable value of such improvements and property. The Association shall notify all mortgagees which have requested notice of any lapse, cancellation, or material modification of any insurance

Gene D. ...

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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 Developer, any property manager, their respective employees and agents, the 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 parties against other insured parties.

The Association may maintain a fidelity bond indemnifying the Association, the Board 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 one (1) year's assessment on all lots, 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 canceled or substantially modified for any reason.

E. Condemnation, Destruction. In the event the Lake is 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 the Lakes 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 Lake or turned over to the Owners in proportion to their Pro-rata Shares (as hereinafter defined), 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 Lake. The Association shall notify all Mortgagees of which it has notice of any condemnation, damage, or destruction of the Lake.

F. Transfer of Control of the Association. Developer shall transfer control of the Association (subject to its rights under Section 2.A. hereof) as soon as is practical upon the transfer of a number of Lots equal to eighty percent (80%) of the Lots in the Development; provided, however, that Developer may transfer control of the Association at an earlier date in its sole discretion.

Gene J. Wise
 HANCOCK COUNTY RECORDER

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G. Mortgagees' Rights. Any mortgagees of any Owners shall have the right, at their option, jointly or severally, to pay taxes or other charges which are in default or which may or have become a charge against the Lake and to pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for the Lake, and mortgagees making such payment shall be owed immediate reimbursement therefor from the Association. In addition, neither the Owners nor the Association shall materially impair the right of any mortgagee holding, insuring, or guaranteeing any mortgage on all or any portion of the Development.

3. Remedies.

A. In General. Any party to whose benefit these Restrictions inure, including Developer, any Owner, the Association, or any applicable governmental authority, may proceed at law or in equity to prevent the occurrence or continuation of any violation of these Restrictions, but Developer or the Association shall not be liable for damages of any kind to any person for failing either to enforce or carry out any of these Restrictions.

B. Delay or Failure to Enforce. No delay or failure on the part of any aggrieved party to invoke any available remedy with respect to a violation of any one or more of these Restrictions shall be held to be a waiver by that party (or an estoppel of that party to assert) any right available to him upon the occurrence, recurrence or continuation of such violation or violations of these Restrictions.

4. Covenants for Maintenance Assessments.

A. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of preserving the values of the Lots and promoting the health, safety, and welfare of the Owners, users, and occupants of the Lots and, in particular, for the Association's obligations relating to the improvement, repairing, operating, and maintenance of the Lake, including, but not limited to, the payment of taxes and insurance thereon, enforcement of the Restrictions, and for the cost of labor, equipment, material, and management furnished with respect to the Lake; provided that the Association shall not be responsible for the replacement, repair or maintenance of any Lake which is or hereafter may be dedicated to the public. Each Owner (except the Developer) hereby covenants and agrees to pay to the Association:

(a) A Pro-rata Share (as hereinafter defined) of the annual Assessment fixed, established, and determined from time to time, as hereinafter provided.

(b) A Pro-rata Share (as hereinafter defined) of any special Assessments fixed, established, and determined from time to time, as hereinafter provided.

Jane H. [Signature]
HANCOCK COUNTY RECORDER

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The Developer hereby covenants and agrees to pay to the Association during the Development Period an amount equal to the difference, if any, between the expenditures of the Association made pursuant to this Section 5.A and the aggregate amount of the annual Assessments collected by the Association.

B. Liability for Assessment. Each Assessment, together with any interest thereon and any costs of collection thereof, including attorneys' fees, shall be a charge on each Lot other than Lots owned by the Developer and shall constitute a lien from and after the due date thereof in favor of the Association upon each such Lot. Each such Assessment, together with any interest thereon and any costs of collection thereof, including attorneys' fees, shall also be the personal obligation of the Owner of each such Lot at the time when the Assessment is due. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such Assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any Assessments thereafter becoming due or from the lien thereof, nor shall any sale or transfer relieve any Owner of the personal liability hereby imposed. The personal obligation for delinquent Assessments shall not pass to any successor in title unless such obligation is expressly assumed by such successor.

C. Pro-rata Share. The Pro-rata Share of each Owner for purposes of this paragraph 4 shall be the percentage obtained by dividing one by the total number of Lots shown on the Plats of the Development ("Pro-rata Share"), except as provided in paragraph 4F hereinafter.

D. Basis of Annual Assessments. The Board shall establish an annual budget prior to the beginning of each fiscal year, setting forth estimates of all Common Expenses for the coming fiscal year, together with a reasonable allowance for contingencies and reserves of the Association. A copy of this budget shall be mailed or delivered to each Owner prior to the beginning of each fiscal year of the Association.

E. Basis of Special Assessments. Should the Board at any time during the fiscal year determine that the Assessment levied with respect to such year are insufficient to pay the Common Expenses of such year, the Board may, at any time, and from time to time levy such special Assessments as it may deem necessary for meeting the Common Expenses. In addition, the Board 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 Expense not provided for by the annual Assessments.

F. Fiscal Year. Date of Commencement of Assessments. 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. At the election of the Developer, the annual Assessments of each Lot in each section of the Development shall

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commence on the first day of the second month following the month in which Developer first conveys ownership of any Lot to an Owner. The first annual Assessment within each section of the Development shall be made for the balance of the Association's fiscal year in which such Assessment is made and shall become due and payable commencing on any date fixed by the Association. 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.

G. Duties of the Association.

(i) The Board shall keep proper books and records of the levy and collection of each annual and special Assessment, including a roster setting forth the identification of each and every Lot and each Assessment applicable thereto, which books and records shall be kept by 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 shall cause written notice of all Assessments levied by the Association upon the Lots and upon the Owners to be mailed or delivered 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 or delivered 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 or delivery of such notice.

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

(iii) The Association shall notify any mortgagee from which it has received a request for notice of any default in the performance by any owner of any obligation under the By-laws or this Declaration which is not cured within sixty (60) days.

Jane St. O'Sullivan
HANCOCK COUNTY RECORDER



H. Non-payment of Assessments; Remedies of Association.

(i) If any Assessment is not paid on the date when due, then such Assessment shall be deemed delinquent and shall, together with any interest thereon and any cost of collection thereof, including attorneys' fees, become a continuing lien on the Lot against which such Assessment was made, and such lien shall be binding upon and enforceable as a personal liability of the Owner of such lot as of the date of levy of such Assessment, and shall be enforceable against the interest of such Owner and all future successors and assignees of such Owner in such Lot, and shall be collected in the same manner as the Assessments described in paragraph ii hereof; provided, however, that such lien shall be subordinate to any mortgage on such lot recorded prior to the date on which such Assessment becomes due.

(ii) If any Assessment upon any Lot is not paid within thirty (30) days after the due date, such Assessment and all costs of collection thereof, including attorneys' fees, shall bear interest from the date of delinquency until paid at an annual rate which is two times the rate in effect for ninety-day U.S. Treasury Bills at the time such Assessment is due, but in no event greater than the maximum rate allowable under any applicable usury laws, and the Association may bring an action in any court having jurisdiction against the delinquent Owner to enforce payment of the same and/or to foreclose the lien against said Owner's Lot, and there shall be added to the amount of such Assessment all costs of such action, including the Association's attorneys fees, and in the event a judgment is obtained, such judgment shall include such interest, costs, and attorneys' fees.

I. 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 inclusion 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).

5. Effect of Becoming an Owner. The Owners of any Lot subject to these Restrictions, by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Developer or a subsequent Owner of such Lot, shall accept such deed and execute such contract subject to each and every

restriction and agreement herein contained. By acceptance of such deed or execution of such contract, the new Owner acknowledges the rights and powers of Developer with respect to these Restrictions and also for themselves, their heirs, personal representatives, successors and assigns. Such Owners covenant and agree and consent to and with Developer and to and with the Owners and subsequent owners of each of the Lots affected by these Restrictions to keep, observe, comply with and perform such Restrictions and agreements.

6. Control of the Lake.

A. Control by the Board. The Board shall regulate the Lake and shall provide for the maintenance thereof in such a manner so as to preserve and enhance values and to maintain a harmonious relationship among structures in the vicinity thereof and the natural or other vegetation and topography of the Lake.

B. Conditions. No improvements, excavation, changes in grade or other work shall be done upon the Lake by any Owner, nor shall the Lake be changed by any Owner from its natural or improved existing state, without the prior written approval of the Board.

7. Restrictions, Covenants and Regulations.

A. Restrictions on Use. The following covenants and restrictions on the use and enjoyment of the Lots and the Lake shall be in addition to any other covenants or restrictions contained herein, in the plats or any other declaration affecting the lake parcels, and all such covenants and restrictions are for the mutual benefit and protection of the present and future Owners and shall run with the land and inure to the benefit of and be enforceable by any Owner, or by the Association. Present or future Owners or the Association shall be entitled to injunctive relief against any violation or attempted violation of any of such covenants and restrictions, and shall, in addition, be entitled to damages for any injuries or losses resulting from any violations thereof, but there shall be no right of reversion or forfeiture resulting from such violation. These covenants and restrictions are as follows:

(a) No one other than Owners who are Members in good standing with the Association, or such an Owner's occupant, tenants, guests or invitees, may use the Lake.

(b) No nuisance shall be permitted to exist on any Lot and no waste shall be committed on any lot which shall or might damage or cause injury to the Lake.

(c) All Owners and members of their families, their guests, or invitees, and all occupants of any Lot or the Lake Parcels or other persons entitled to use the same and to use and enjoy the Lake, shall observe and be governed by such rules and regulations as may from time to time be promulgated and issued by the Board governing the operation, use and enjoyment of the Lake.

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(d) No Owner shall be allowed to plant trees, landscape or do any gardening in any part of the Lake, except with express permission from the Board.

(e) The Lake shall be used and enjoyed only for the purposes for which it is designed and intended, and shall be used subject to the rules and regulations from time to time adopted by the Board. Without limiting the generality of the foregoing, the Lake is and will be an integral part of the storm water drainage system serving the Development, and is intended to be used for such purpose and primarily as a visual and aesthetic amenity for the Lake Parcels and not as a recreational amenity. Accordingly, no use shall be made of the Lake which in any way interferes with its proper functioning as part of such storm water drainage system. No boating, swimming, diving, skiing, ice skating or other recreational activity shall be permitted in or on the lake. No sewage, garbage, refuse, or other solid, liquid, gaseous or other materials or items (other than storm and surface water drainage) shall be put into the Lake, except the Association may take steps to clear and purify the waters thereof by the addition of chemicals or other substances commonly used for such purposes or by providing therein structures and equipment to aerate the same. No Owner or other person shall take or remove any water from or out of the Lake, or utilize the water contained therein for any purposes, including, without limitation, connection with any sprinkler or irrigation systems. No piers, docks, retaining walls, rafts or other improvements shall be built, constructed or located on any lot or on the Properties, except by Developer and/or the Association, which extend into, or to within twenty-five (25) feet from the shoreline of the Lake.

B. Non-applicability to Association. Notwithstanding anything to the contrary contained herein, the covenants and restrictions set forth in subparagraph A of this paragraph 7 shall not apply to the operator, maintenance, repair, replacement and upkeep of the Lake to the extent the application thereof could or might hinder, delay or otherwise adversely affect the Association in the performance of its duties, obligations and responsibilities as to the Lake.

8. Duration. The foregoing covenants, conditions and restrictions are to run with the land and shall be binding on all parties and all persons claiming under them for a period commencing on the date this Declaration is recorded and expiring December 31, 2018, at which time said covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years. Changes or amendments in these covenants, conditions and restrictions may be made by Owners in accordance with paragraph 9 hereof.

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James M. Case
 HAINES COUNTY RECORDER

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9. Amendment of Declaration.

A. Generally. Except as otherwise provided in this Declaration, amendments to this Declaration shall be proposed and adopted in the following manner:

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

(ii) Resolution. A resolution to adopt a proposed amendment may be proposed by the Board of Directors or Owners having in the aggregate at least a majority of the votes of all Owners.

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

(iv) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less than seventy-five percent (75%) in the aggregate of the votes of all Owners; provided, however, that during the Development Period, any amendment to this Declaration shall require the prior written approval of Developer. In the event any Lot is subject to a first mortgage, the mortgagee thereunder shall be notified of the meeting and the proposed amendment in the same manner as an Owner if the mortgagee has given prior written notice of its mortgage interest to the Association.

(v) Special Amendments. No amendment to this Declaration shall be adopted which changes the applicable shares of an Owner's liability for assessments, or the method of determining the same, without, in each and any of such circumstances, the unanimous approval of all Owners and all mortgagees whose mortgage interests have been made known to the Association.

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

B. Amendments by Developer Alone. Notwithstanding the foregoing or anything elsewhere contained herein, the Developer shall have and hereby reserves the right and power acting alone, and without the consent or approval of any other of the Owners, the Association, the Board of Directors, any mortgagees or any other person, to amend or supplement this Declaration at any time and from time to time if such amendment or supplement is made (a) to comply

Jane M. Doherty
HANCOCK COUNTY RECORDER

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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, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (b) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering lots, (c) to bring this Declaration into compliance with any statutory requirements, (d) to comply with or satisfy the requirements of any insurance underwriters, insurance rating bureaus or organizations which perform (or may in the future perform) functions similar to those performed by such agencies or entities, (e) to annex additional real estate to the Development, or (f) to correct clerical or typographical errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto. In furtherance of the foregoing, a power coupled with an interest is hereby reserved by, and granted by each Owner to the Developer to vote in favor of, make, or consent to any amendments described in this subparagraph B on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a lot and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Developer to vote in favor of, make, execute and record any such amendments. The right of the Developer to act pursuant to rights reserved or granted under this subparagraph B shall terminate upon the completion of the Development Period.

10. Severability. Every one of the Restrictions is hereby declared to be independent of, and severable from, the rest of the Restrictions and of and from every other one of the Restrictions, and of and from every combination of the Restrictions. Therefore, if any of the Restrictions shall be held to be invalid or to be unenforceable, or to lack the quality of running with the land, that holding shall be without effect upon the validity, enforceability or "running" quality of any other one of the Restrictions.

IN WITNESS WHEREOF, the Developer has caused this Declaration of Covenants, Conditions and Restrictions for Valley Creek to be executed as of the date first written above.

SUNRISE REAL ESTATE DEVELOPMENT CORP.

By: *Kenneth L. Borgmann*
Kenneth L. Borgmann, President

Jane H. Puse
HANCOCK COUNTY RECORDER

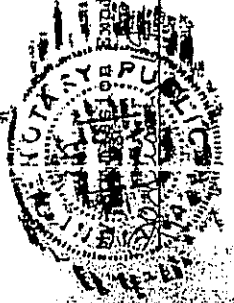
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STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Kenneth L. Borgmann, President of Sunrise Real Estate Development Corp., who acknowledged the execution of the foregoing Declaration of Covenants, Conditions and Restrictions for Private Lake in Valley Creek and Valley Brook Village on behalf of such corporation, and who, having been duly sworn, stated that the representations therein contained are true.

Witness my hand and Notarial Seal this 1st day of June, 1993.



Lynda D. Denis
Lynda D. Denis, Notary Public
My County of Residence is: Hancock

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James McCreese
HANCOCK COUN. CLERK

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This instrument was prepared by Brian J. Tucky, Attorney at Law.

c:0650.lew



The west 1/2 of the southwest 1/4 of Section 26, Township 16 North, range 5 East in Buck Creek Township, Hancock County, Indiana, said west 1/2 being more particularly described as follows:

BEGINNING at a brass monument marking the southwest corner of said 1/2 1/4 section; thence North 00° 46' 29" west (assumed bearing) along the west line of said 1/2 1/4 section a distance of 2680.95 feet to a Harrison monument marking the northwest corner of said 1/2 1/4 section; thence North 89° 09' 43" East along the north line of said 1/2 1/4 section a distance of 1332.45 feet to the northeast corner of said 1/2 1/4 section; thence South 00° 40' 18" East along the east line of said 1/2 1/4 section a distance of 1342.01 feet to the northwest corner of Cobblefield Estates, Section One, as per plat thereof recorded as Instrument No. 90-0777 in the Office of the Recorder of Hancock County, Indiana; thence South 00° 40' 51" East along the West line of Cobblefield Estates a distance of 1337.35 feet to the southeast corner of said 1/2 1/4 section; thence South 89° 05' 36" West along the south line of said 1/2 1/4 section a distance of 1327.84 feet to the point of beginning. Containing 81.836 acres, more or less. Subject to all legal highways, rights-of-ways, easements, and restrictions of record.

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EXHIBIT "A"

James H. [Signature]
HANCOCK COUNTY RECORDER

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR VALLEY BROOK VILLAGE

THIS DECLARATION made this 1st day of June, 1993, by
SUIRISE REAL ESTATE DEVELOPMENT CORP., an Indiana corporation
("Developer"),

WITNESSETH:

WHEREAS, Developer is the owner of all of the lands contained in the area shown on Exhibit "A", attached hereto and made a part hereof, which lands will be subdivided for development and made a part of Brook Village, a single family housing development in Hancock County, Indiana (the "Development"), and will be more particularly described on the plats of the various sections thereof recorded and to be recorded in the Office of the Recorder of Hancock County, Indiana (the "plats"); and

WHEREAS, Developer is about to sell and convey the residential lots situated within the platted areas of the Development and before doing so desires to subject and impose upon all real estate within the platted areas of the Development mutual and beneficial restrictions, covenants, conditions and charges contained herein and as set forth in the Plats (the "Declaration" or "Restrictions") under a general plan or scheme of improvement for the benefit and complement of the lots and lands in the Development and future owners thereof;

NOW, THEREFORE, Developer hereby declares that all of the platted lots and lands located within the Development are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved, subject to the Restrictions, all of which are declared and agreed to be in furtherance of a plan for the improvement and sale of said lots and lands in the Development and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of the Development as a whole and of each of said lots situated therein. All of the Restrictions shall run with the land and shall be binding upon Developer and upon the parties having or acquiring any right, title or interest, legal or equitable, in and to the real property any part or parts thereof subject to the Restrictions, and shall inure to the benefit of Developer's successors in title to any real estate in the Development. Developer specifically reserves unto itself the right and privilege to exclude any real estate from the Development, or to include additional real estate in the Development including real estate adjacent to the Development.

1. Definitions. The following are the definitions of the terms as they are used in this Declaration:

A. "Assessment" shall mean the share of the Common Expenses imposed on each Lot or other special assessments, as determined and levied pursuant to the provisions of paragraph 4 hereof.

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Jane D. Piser

B. "Association" shall mean the Valley Brook Village Homeowners' Association, Inc., an Indiana nonprofit corporation formed or to be formed under the Indiana Nonprofit Corporation Act of 1991, as amended.

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

D. "Committee" shall mean the Valley Brook Village Architectural Control Committee as established in the Plats.

E. "Common Area(s)" shall mean those areas and all improvements located thereon set aside for recreation areas and all improvements landscaped areas or mounds at street entrances, theme structures or street landscaping, the Lakes (other than the Private Lakes), as defined herein, the shoreline areas of the Lake, and any other areas so designated on the Plats.

F. "Common Expenses" shall mean the actual and estimated cost to the Association of its proportionate share of the costs for maintenance, management, operation, repair, improvement and replacement of the Common Areas, and any other cost or expense incurred by the Association for the benefit of the Common Areas or for the benefit of the Association.

G. "Development Period" shall mean the period of time during which Developer owns at least one (1) Lot as defined herein.

H. "Lake" or "Lakes" shall mean and refer to the water detention pond or lake which is adjacent to and abutting Lot Nos. 25-31, 58-67, 98-105, 114, 115 and 118, together with the common area portion of the shoreline area as shown on the Plats, which serves or shall serve as part of the storm and surface water drainage system serving the Development, as such are or in the future shall be more particularly described on the Plats.

I. "Lot" or "Lots" shall mean any parcel(s) of real estate, whether residential or otherwise, described by one of the Plats.

K. "Member" shall mean any person or entity holding membership in the Association as provided in this Declaration.

L. "Owner" shall mean a person who has or is acquiring any right, title or interest, legal or equitable, in and to a Lot, but excluding those persons having such interest merely as security for the performance of an obligation.

M. "Private Lakes" shall mean and refer to the water detention pond(s) or lake(s), other than the Lake, together with the common area portion of the shoreline area as shown on the Plats, which serves or shall serve as part of the storm and surface water drainage system serving the Development, as such are or in the future shall be more particularly described on the Plats.

Jane St. Wise
 HANCOCK COUNTY BOARD OF SUPERVISORS

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defenses based on co-insurance or on invalidity arising from acts of the insured, and shall cover claims of one or more parties against other insured parties.

The Association may maintain a fidelity bond indemnifying the Association, the Board 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 one (1) year's assessment on all Lots in the Development, 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 canceled or substantially modified for any reason.

E. 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 Areas 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 Areas or turned over to the Owners in proportion to their Pro-rata Shares (as hereinafter defined), 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 condemnation, damage, or destruction of any Common Areas.

F. Transfer of Control of the Association. Developer shall transfer control of the Association (subject to its rights under Section 2.A. hereof) as soon as is practical upon the transfer of a number of Lots equal to eighty percent (80%) of the Lots in the Development; provided, however, that Developer may transfer control of the Association at an earlier date in its sole discretion.

G. Mortgagees' Rights. Any mortgagees of any Owners shall have the right, at their option, jointly or severally, to pay taxes or other charges which are in default or which may or have become a charge against the Common Areas and to pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the

Jane A. [Signature]
 HANCOCK COUNTY, MISSISSIPPI

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lapse of a policy for the Common Areas, and mortgagees making such payment shall be owed immediate reimbursement therefor from the Association. In addition, neither the Owners nor the Association shall materially impair the right of any mortgagee holding, insuring, or guaranteeing any mortgage on all or any portion of the Real Estate.

3. Remedies.

A. In General. Any party to whose benefit these Restrictions inure, including Developer, any Owner, the Association, or any applicable governmental authority, may proceed at law or in equity to prevent the occurrence or continuation of any violation of these Restrictions, but Developer or the Association shall not be liable for damages of any kind to any person for failing either to enforce or carry out any of these Restrictions.

B. Delay or Failure to Enforce. No delay or failure on the part of any aggrieved party to invoke any available remedy with respect to a violation of any one or more of these Restrictions shall be held to be a waiver by that party (or an estoppel of that party to assert) any right available to him upon the occurrence, recurrence or continuation of such violation or violations of these Restrictions.

4. Covenants for Maintenance Assessments.

A. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of preserving the values of the Lots within the Development and promoting the health, safety, and welfare of the Owners, users, and occupants of the Development and, in particular, for the Association's obligations relating to the improvement, repairing, operating, and maintenance of the Common Areas, including, but not limited to, the payment of taxes and insurance thereon, enforcement of the Restrictions, and for the cost of labor, equipment, material, and management furnished with respect to the Common Areas; provided that the Association shall not be responsible for the replacement, repair or maintenance of any Common Areas which are or hereafter may be dedicated to the public. Each Owner (except the Developer) hereby covenants and agrees to pay to the Association:

(a) A Pro-rata Share (as hereinafter defined) of the annual Assessment fixed, established, and determined from time to time, as hereinafter provided.

(b) A Pro-rata Share (as hereinafter defined) of any special Assessments fixed, established, and determined from time to time, as hereinafter provided.

The Developer hereby covenants and agrees to pay to the Association during the Development period an amount equal to the difference, if any, between the expenditures of the Association made pursuant to this Section 5.A and the aggregate amount of the annual Assessments collected by the Association.

James P. Chase
HANCOCK COUNTY RECORDER

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B. Liability for Assessment. Each Assessment, together with any interest thereon and any costs of collection thereof, including attorneys' fees, shall be a charge on each Lot other than Lots owned by the Developer and shall constitute a lien from and after the due date thereof in favor of the Association upon each such Lot. Each such Assessment, together with any interest thereon and any costs of collection thereof, including attorneys' fees, shall also be the personal obligation of the Owner of such Lot at the time when the Assessment is due. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such Assessments as to payments which become due prior to such sale or transfer. No sale or transfer which relieves such Lot from liability for any Assessments thereafter becoming due or from the lien thereof, nor shall any sale or transfer relieve any Owner of the personal liability hereby imposed. The personal obligation for delinquent Assessments shall not pass to any successor in title unless such obligation is expressly assumed by such successor.

C. Pro-rata Share. The Pro-rata Share of each Owner for purposes of this paragraph 4 shall be the percentage obtained by dividing one by the total number of Lots shown on the Plats of the Development ("Pro-rata Share"), except as provided in paragraph 4F hereir.

L. Basis of Annual Assessments. The Board shall establish an annual budget prior to the beginning of each fiscal year, setting forth estimates of all Common Expenses for the coming fiscal year, together with a reasonable allowance for contingencies and reserves of the Association. A copy of this budget shall be mailed or delivered to each Owner prior to the beginning of each fiscal year of the Association.

E. Basis of Special Assessments. Should the Board at any time during the fiscal year determine that the Assessment levied with respect to such year are insufficient to pay the Common Expenses for such year, the Board may, at any time, and from time to time levy such special Assessments as it may deem necessary for meeting the Common Expenses. In addition, the Board shall have the right to levy special Assessments 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 Expense not provided for by the annual Assessments.

F. Fiscal Year; Date of Commencement of Assessments; Due Date of Assessments. The fiscal year of the Association shall be established by the Board of the Association and may be changed from time to time by action of the Association. At the election of the Developer, the annual Assessments of each Lot in each section of the Development shall commence on the first day of the second month following the month in which Developer first conveys ownership of any lot in such section to an Owner. The first annual Assessment within each section of the Development shall be made for the balance of the Association's fiscal year in which such Assessment is made and shall become due and payable commencing on any date fixed by the Association. The annual

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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.

G. Duties of the Association.

(i) The Board shall keep proper books and records of the levy and collection of each annual and special Assessment, including a roster setting forth the identification of each and every lot and each Assessment applicable thereto, which books and records shall be kept by 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 shall cause written notice of all Assessments levied by the Association upon the Lots and upon the Owner to be mailed or delivered 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 or delivered 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 or delivery of such notice.

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

(iii) The Association shall notify any mortgagee if it has received a request for notice of any default in the performance by any owner of any obligation under the By-laws or this Declaration which is not cured within sixty (60) days.

H. Non-payment of Assessments; Remedies of Association.

(i) If any Assessment is not paid on the date when due, then such Assessment shall be deemed delinquent and shall, together with any interest thereon and any cost of collection thereof, including attorneys' fees, become a continuing lien on the Lot against which such Assessment was made, and such lien shall be binding upon and enforceable as a personal liability of the Owner of such

Janet A. O'Connell
HANCOCK COUNTY RECORDER

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Lot as of the date of levy of such Assessment, and shall be enforceable against the interest of such Owner and all future successors and assigns of such Owner and all and shall be collected in the same manner as the Assessments described in paragraph 11 hereof; provided, however, that such lien shall be subordinate to any mortgage on such Lot recorded prior to the date on which such Assessment becomes due.

(ii) If any Assessment upon any Lot is not paid within thirty (30) days after the due date, such Assessment and all costs of collection thereof, including attorneys' fees, shall bear interest from the date of delinquency until paid at an annual rate which is two times the rate in effect for ninety-day U.S. Treasury Bills at the time such Assessment is due, but in no event greater than the maximum rate allowable under any applicable usury laws, and the Association may bring an action in any court having jurisdiction against the delinquent Owner to enforce payment of the same and/or to foreclose the lien against said Owner's Lot, and there shall be added to the amount of such Assessment all costs of such action, including the Association's attorneys' fees, and in the event a judgment is obtained, such judgment shall include such interest, costs, and attorneys' fees.

I. 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 inclusion 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).

5. Effect of Becoming an Owner. The Owners of any Lot subject to these Restrictions, by acceptance of a deed conveying title to the Lot, whether from the Developer or a subsequent Owner of such Lot, shall accept: such deed and execute such contract subject to each and every restriction and agreement herein contained. By acceptance of such deed or execution of such contract, the new Owner acknowledges the rights and powers of Developer with respect to these Restrictions and also for themselves, their heirs, personal representatives, successors and assigns. Such Owners covenant and agree and consent to and with Developer and to and with the Owners and subsequent owners of each of the Lots affected by these Restrictions to keep, observe, comply with and perform such Restrictions and agreements.

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6. Control of the Lake and Common Areas.

A. Control by the Board. The Board shall regulate the Lake (but not the Private Lakes) and Common Areas and shall provide for the maintenance thereof in such a manner so as to preserve and enhance values and to maintain a harmonious relationship among structures in the vicinity thereof and the natural or other vegetation and topography of the Lake and Common Areas.

B. Conditions. No improvements, excavation, changes in grade or other work shall be done upon the Lake or Common Areas by any Owner, nor shall the Lake or Common Areas be changed by any Owner from its natural or improved existing state, without the prior written approval of the Board.

7. Restrictions, Covenants and Regulations.

A. Restrictions on Use. The following covenants and restrictions on the use and enjoyment of the Lots, the Lake (including the Private Lakes, as indicated), and the Common Areas shall be in addition to any other covenants or restrictions contained herein or in the Plats and all such covenants and restrictions are for the mutual benefit and protection of the present and future Owners and shall run with the land and inure to the benefit of and be enforceable by any Owner, or by the Association. Present or future Owners or the Association shall be entitled to injunctive relief against any violation or attempted violation of any of such covenants and restrictions; and shall, in addition, be entitled to damages for any injuries or losses resulting from any violations thereof, but there shall be no right of reversion or forfeitures resulting from such violation. These covenants and restrictions are as follows:

(a) No one other than Owners who are Members in good standing with the Association, or such an Owner's occupant, tenants, guests or invitees, may use the Lake or the Common Areas.

(b) No nuisance shall be permitted to exist on any Lot and no waste shall be committed on any Lot which shall or might damage or cause injury to the Lake, the Private Lakes, or the Common Areas.

(c) All Owners and members of their families, their guests, or invitees, and all occupants of any Lot or the Properties or other persons entitled to use the same and to use and enjoy the Lake and the Common Areas, shall observe and be governed by such rules and regulations as may from time to time be promulgated and issued by the Board governing the operation, use and enjoyment of the Lake and the Common Areas.

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(d) No Owner shall be allowed to plant trees, landscape or do any gardening in any part of the Lake, the Private Lakes, or the Common Areas, except with express permission from the Board.

(e) The Lake and the Common Areas shall be used and enjoyed only for the purposes for which they are designed and intended, and shall be used subject to the rules and regulations from time to time adopted by the Board. Without limiting the generality of the foregoing, the Lake is and will be an integral part of the foregoing, the Lake system serving the Development, and is intended to be used for such purpose and primarily as a visual and aesthetic amenity and not as a recreational amenity. Accordingly, no use shall be made of the Lake which in any way interferes with its proper functioning as part of such storm water drainage system. No boating, swimming, diving, skiing, ice skating or other recreational activity shall be permitted in or on the Lake. No sewage, garbage, refuse, or other solid, liquid, gaseous or other materials or items (other than storm and surface water drainage) shall be put into the Lake, except the Association may take steps to clear and purify the waters thereof by the addition of chemicals or other substances commonly used for such purposes or by providing therein structures and equipment to aerate the same. No Owner or other person shall take or remove any water from or out of the Lake, or utilize the water contained therein for any purposes, including, without limitation, connection with any sprinkler or irrigation systems. No piers, docks, retaining walls, rafts or other improvements shall be built, constructed or located on any lot or on the Properties, except by Developer and/or the Association, which extend into, or to within twenty-five (25) feet from the shoreline of the Lake.

Jane J. O'Neil

B. Use of Private Lakes. The use and enjoyment, and the maintenance and repair, of the Private Lakes shall be regulated by a separate Declaration with respect to the Lots within the Development which comprise a part of or are adjacent to the Private Lakes (the "Lake Lots"). The Private Lakes are intended to be for the sole and exclusive enjoyment of the Owners of the Lake Lots. Without limiting the foregoing, no boating, swimming, diving, skiing, ice skating or other recreational activity shall be permitted in or on the Private Lakes. No sewage, garbage, refuse, or other solid, liquid, gaseous or other materials or items (other than storm and surface water drainage) shall be put into the Private Lakes. No person shall take or remove any water from or out of the Private Lakes, or utilize the water contained therein for any purposes, including, without limitation, connection with any sprinkler or irrigation systems.

C. Non-applicability to Association. Notwithstanding anything to the contrary contained herein, the covenants and restrictions set forth in subparagraph A of this paragraph 7 shall not apply to or be

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binding upon the Association in its management, administration, operation, maintenance, repair, replacement and upkeep of the Lake and Common Areas to the extent the application thereof could or might hinder, delay or otherwise adversely affect the Association in the performance of its duties, obligations and responsibilities as to the Lake and Common Areas.

8. Duration. The foregoing covenants, conditions and restrictions are to run with the land and shall be binding on all parties and all persons claiming under them for a period commencing on the date this Declaration is recorded and ending December 31, 2016 at which time said covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years. Changes or amendments in these covenants, conditions and restrictions may be made by Owners in accordance with paragraph 9 hereof.

9. Amendment of Declaration.

A. Generally. Except as otherwise provided in this Declaration, amendments to this Declaration shall be proposed and adopted in the following manner:

- (i) Notice. Notice of the subject matter of any proposed amendment shall be included in the notice of the meeting at which the proposed amendment is to be considered.
- (ii) Resolution. A resolution to adopt a proposed amendment may be proposed by the Board of Directors or Owners having in the aggregate at least a majority of the votes of all Owners.
- (iii) Meeting. The resolution concerning a proposed amendment must be adopted by the designated vote at a meeting duly called and held in accordance with the provisions of the By-Laws of the Association.
- (iv) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less than seventy-five percent (75%) in the aggregate of the votes of all Owners; provided, however, that during the Development Period, any amendment to this Declaration shall require the prior written approval of Developer. In the event any Loan is subject to a first mortgage, the mortgagee thereunder shall be notified of the meeting and the proposed amendment in the same manner as an Owner if the mortgagee has given prior written notice of its mortgage interest to the Association.

(v) Special Amendments. No amendment to this Declaration shall be adopted which changes the applicable share of an Owner's liability for assessments, or the method of determining the same, without, in each and any of such circumstances, the unanimous approval of all Owners

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and all mortgagees whose mortgage interests have been made known to the Association.

(vi) Recording. Each amendment to this Declaration shall be executed by the President and Secretary of the Association and shall be recorded in the office of the Recorder of Hancock County, Indiana, and such amendment shall not become effective until so recorded.

B Amendments by Developer Alone. Notwithstanding the foregoing or anything elsewhere contained herein, the Developer shall have and hereby reserves the right and power acting alone, and without the consent or approval of any other of the Owners, and Association, the Board of Directors, any mortgagees or any other person, to amend or supplement this Declaration at any time and from time to time if such amendment or supplement is made (a) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, or any other governmental agency or any other public quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities; (b) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering lots, requirements, (d) to comply with or satisfy the requirements of any insurance underwriters, insurance rating bureaus or organizations which perform (or may in the future perform) functions similar to those performed by such agencies or entities, (e) to annex additional real estate to the Development, or (f) to correct clerical or typographical errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto. In furtherance of the foregoing, a power coupled with an interest is hereby reserved by, and granted by each Owner to the Developer to vote in favor of, make, or consent to any amendments described in this subparagraph B on behalf of any Owner as proxy or attorney-in-fact, as the case may be. Each deed mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Developer to vote in favor of, make, execute or record any such amendments. The right of the Developer to act pursuant to rights reserved or granted under this subparagraph shall terminate upon the completion of the Development Period.

10. Savability. Every one of the Restrictions is hereby declared to be independent of, and severable from, the rest of the Restrictions and of and from every other one of the Restrictions, and of and from every combination of the Restrictions. Therefore, if any of the Restrictions shall be held to be invalid or to be unenforceable, or to lack the quality of running with the land, that holding shall be without effect upon the validity, enforceability or "running" quality of any other one of the Restrictions.

James P. [Signature]
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IN WITNESS WHEREOF, the Developer has caused this Declaration of Covenants, Conditions and Restrictions for Valley Brook Village to be executed as of the date first written above.

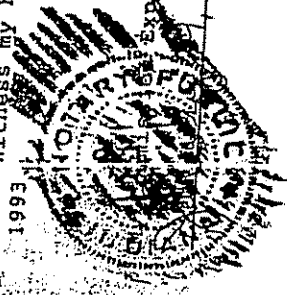
SUNRISE REAL ESTATE DEVELOPMENT CORP

By: Kenneth L. Borgmann, President

STATE OF INDIANA)
COUNTY OF MARION) SS:

Before me, a Notary Public in and for said County and State, personally appeared Kenneth L. Borgmann, President of Sunrise Real Estate Development Corp., who acknowledged the execution of the foregoing Declaration of Covenants, Conditions and Restrictions for Valley Brook Village on behalf of such corporation, and who, having been duly sworn, stated that the representations therein contained are true.

Witness my hand and Notarial Seal this 1st day of June, 1993



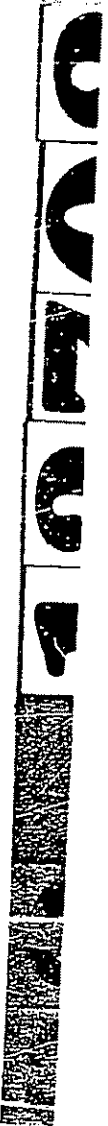
Lynd D. Dennis, Notary Public
My County of Residence is: Hancock

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Jane J. Davis
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This Instrument was prepared by Brian J. Tuchy, Attorney at Law

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The west 1/2 of the southwest 1/4 of Section 26, Township 16 North, range 5 East in Buck Creek Township, Hancock County, Indiana, said west 1/2 being more particularly described as follows:

BEGINNING at a brass monument marking the southwest corner of said 1/2 1/4 section; thence North 00° 46' 29" west (assumed bearing) along the west line of said 1/2 1/4 section a distance of 2680.95 feet to a Harrison monument marking the northwest corner of said 1/2 1/4 section; thence North 89° 09' 43" East along the north line of said 1/2 1/4 section a distance of 1332.45 feet to the northeast corner of said 1/2 1/4 section; thence South 00° 40' 18" East along the east line of said 1/2 1/4 section a distance of 1342.01 feet to the northwest corner of Cobblefield Estates, Section One, as per plat thereof recorded as Instrument No. 90-0777 in the Office of the Recorder of Hancock County, Indiana; thence South 00° 40' 51" East along the West line of Cobblefield Estates a distance of 1337.35 feet to the southeast corner of said 1/2 1/4 section; thence South 89° 05' 36" west along the south line of said 1/2 1/4 section a distance of 1327.84 feet to the point of beginning. Containing 81.836 acres, more or less. Subject to all legal highways, rights-of-ways, easements, and restrictions of record.

EXHIBIT "A"

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Jane H. Wilson
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