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**MASTER DECLARATION OF
COVENANTS, CONDITIONS AND
RESTRICTIONS**

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MARTHA A. WOMACHS
FOR

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SUBJECT TO COMPLIANCE
FOR TRANSFER

OF
THE VILLAGES OF COBBLESTONE HOMEOWNERS, INC.,
•
THE VILLAGES OF COBBLESTONE-OXFORD HOMEOWNERS, INC.,
•
THE VILLAGES OF COBBLESTONE -CAMBRIDGE & STANFORD
HOMEOWNERS, INC.,
•
THE VILLAGES OF COBBLESTONE-DARTMOUTH & BERKLEY
HOMEOWNERS, INC.,
and
•
THE VILLAGES OF COBBLESTONE EAST HOMEOWNERS, INC.

THIS DECLARATION, made on the date hereinafter set forth by an The Villages of Cobblestone, L.P., an Indiana Limited Partnership (hereinafter called "Declarant"), its successors or assigns, having its principal office at 25 West 9th Street, Indianapolis, Indiana 46204,

WITNESSETH

WHEREAS, Declarant is the owner of certain real estate in Indianapolis, County of Marion, State of Indiana, which is more particularly described on Exhibit "A" (subject to certain Easements for utilities servicing the Properties) attached hereto and made a part hereof. The real estate described on Exhibit "A" is hereinafter called "*THE VILLAGES*", "*THE VILLAGES OF COBBLESTONE*" or the "*Properties*", and

WHEREAS, the ultimate subject of this Declaration will be an integrated community of no more than four hundred forty-one (441) dwelling units, located on approximately one hundred twenty plus/minus (120±) acres, divided into four (4) separate residential developments as follows:

- Two (2) traditional developments of single family homes on separate lots with :
 - one development resembling the D3 classification but with lots generally enhanced by twenty percent (20%)
 - another development resembling the D4 classification

The Villages of Cobblestone
DECLARE. 19

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- Two (2) single family residential developments on smaller lots, one of which shall be single family detached homes on separate lots with the other development being single family attached or doubles with each portion of the double being capable of separate ownership. These developments are designed for empty nesters or young professional home seekers and may be either owner-maintained or maintained by an association for the particular development.

WHEREAS, the subject of this Declaration embodies the first portion of the residential lots titled **THE VILLAGES OF COBBLESTONE** , designated as follows:

EXHIBIT "B"

Section 1, otherwise known as "OXFORD"



THE VILLAGES OF COBBLESTONE-OXFORD HOMEOWNERS, INC. ,

EXHIBIT "C"

Section 2, otherwise known as "CAMBRIDGE"

and

Section 3, otherwise known as "STANFORD"



**THE VILLAGES OF COBBLESTONE -CAMBRIDGE & STANFORD
HOMEOWNERS, INC.,**

EXHIBIT "D"

Section 4, otherwise known as "DARTMOUTH"

and

Section 5, otherwise known as "BERKLEY"



**THE VILLAGES OF COBBLESTONE-DARTMOUTH & BERKLEY
HOMEOWNERS, INC.,**

These legal descriptions include dedicated public streets and may also include common areas for the benefit of all residential property owners subject to this Declaration which common areas will be delineated in detail herein as to location, use, ownership and maintenance.

WHEREAS, it is the intent of Declarant that each of the owners within the Properties shall be members of an umbrella organization designated **THE VILLAGES OF COBBLESTONE HOMEOWNERS, INC.** (or "ASSOCIATION") which shall assess and collect assessments from the owners within the Properties for, among other things, the care, replacement and restoration of the common areas, entrances and perimeter landscape buffer areas within the Properties. The ASSOCIATION shall establish the budgeting and assessment procedures for the maintenance of these Common Areas within the Properties. Further an architectural committee will be empowered under

the ASSOCIATION to maintain general conformity to the development plan, with the power to delegate architectural approval to the individual associations set forth below.

WHEREAS, it is the intent of Declarant that each of the four planned (4) parcels within the Properties shall have its own subsidiary organizations which shall be designated:

THE VILLAGES OF COBBLESTONE-OXFORD HOMEOWNERS, INC. ,
(Section 1)



**THE VILLAGES OF COBBLESTONE -CAMBRIDGE & STANFORD
HOMEOWNERS, INC.,**
(Section 2 and Section 3)



**THE VILLAGES OF COBBLESTONE-DARTMOUTH & BERKLEY
HOMEOWNERS, INC.,**
(Section 4 and Section 5)

and



THE VILLAGES OF COBBLESTONE EAST HOMEOWNERS, INC.

SUBSIDIARY ORGANIZATIONS

These Subsidiary Organizations shall be created for social and other purposes, as well as such other services that may be agreed upon by them, including, but not limited to association fee collection for the umbrella ASSOCIATION. One or more of these Subsidiary Organizations may merge pursuant to the provisions of this Declaration.

The annexation of all or any part of the additional territory contained in Exhibit "A" may be automatically included within this Declaration by a simple Supplemental Declaration as executed and recorded by Declarant, and such action shall require no approvals or other action by either the Owners or Board of Directors of the members of the ASSOCIATION or of any of the Subsidiary Organizations.

WHEREAS, Declarant intends to develop the Properties so that the lawns within Section 2, Cambridge, and Section 3, Stanford, are maintained by a homeowners association.

WHEREAS, Declarant reserves the right to develop Section 3, Stanford,, otherwise known as "STANFORD", with buildings with units separated by party walls capable of separate ownership or alternatively as single-family detached residential units.

WHEREAS, the Properties will contain Common Areas that are owned by the ASSOCIATION to which the Owners of a dwelling within the Properties must belong and pay lien-supported maintenance assessments, and

WHEREAS, at the time of the completed development or at any earlier time in the sole judgment of the Declarant, the Properties described in Exhibit "A", the areas designated as common areas shall be conveyed without cost or charge to the ASSOCIATION.

NOW, THEREFORE, Declarant hereby declares that all of the real estate described in Exhibits "B", "C" and "D" of THE VILLAGES OF COBBLESTONE (subject to certain easements servicing the Properties) 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 estate 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 insure to the benefit of each Owner thereof.

ARTICLE I

All the Recitals aforesaid are incorporated herein by reference as if set out in full.

Definitions

Section 1. "*Declarant*" shall mean and refer to The Villages of Cobblestone, L.P., an Indiana Limited Partnership, its successors and assigns and shall also mean and refer to a successor Declarant(s) by virtue of a written Assignment executed by the successor Declarant and the immediately preceding Declarant as evidenced in such Assignment referring to this Declaration and as recorded with the Office of the Recorder of Marion County, Indiana.

Section 2. "*ASSOCIATION*" shall mean THE VILLAGES OF COBBLESTONE HOMEOWNERS, INC., an Indiana not-for-profit corporation, its successors and assigns.

Section 3. "*THE VILLAGES OF COBBLESTONE-OXFORD HOMEOWNERS, INC.*", shall mean THE VILLAGES OF COBBLESTONE-OXFORD HOMEOWNERS, INC., an Indiana not-for-profit corporation, its successors and assigns.

Section 4. "*THE VILLAGES OF COBBLESTONE-CAMBRIDGE & STANFORD HOMEOWNERS, INC.*," shall mean THE VILLAGES OF COBBLESTONE -CAMBRIDGE & STANFORD HOMEOWNERS, INC., an Indiana not-for-profit corporation, its successors and assigns.

Section 5. "*THE VILLAGES OF COBBLESTONE-DARTMOUTH & BERKLEY HOMEOWNERS, INC.*," shall mean THE VILLAGES OF COBBLESTONE-DARTMOUTH & BERKLEY HOMEOWNERS, INC., an Indiana not-for-profit corporation, its successors and assigns.

Section 6. "*THE VILLAGES OF COBBLESTONE EAST HOMEOWNERS, INC.*" shall mean THE VILLAGES OF COBBLESTONE EAST HOMEOWNERS, INC., an Indiana not-for-profit corporation, its successors and assigns.

Section 7. “*Owner*” shall mean and refer to the record Owner, excluding Declarant, whether one or more persons or entities, of the 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.

Section 8. “*Properties*” shall mean and refer to the certain real estate described on Exhibit 'A' (subject to easements servicing the Properties) and such additions thereto as may hereafter be brought within the jurisdiction of the ASSOCIATION.

Section 9. “*Lot*” or otherwise designated as “unit”, “dwelling unit” in any areas of the Properties where the same may be attached to another dwelling unit shall mean and refer to any plat of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area. Except as otherwise designated, each Lot shall contain a single family residential Dwelling. Each Lot in Parcel “D” which contains an attached dwelling shall include the Lot's side of one-half (½) of any party wall dividing a dwelling structure on a Lot from any other dwelling structure or Lot.

Section 10. “*Dwelling*” shall mean and refer to single family residential unit erected on a Lot within the Properties, whether detached or attached.

Section 11. “*Common Area*” shall mean all the real estate (including improvements thereto) designated as such on the plats for the common use and enjoyment of their Owners, which, unless otherwise leased, shall be owned by the ASSOCIATION (The Villages of Cobblestone Homeowners, Inc.).

Section 12. “*Recreational Common Area*” shall mean any real estate that embodies water filled areas and their connecting out fall structures plus adjacent realty thereto owned by the ASSOCIATION for the use and benefit of all Owners within all of the Properties.

Section 13. “*Aesthetic Common Areas*” shall mean all the real estate whose primary purpose is landscaping or identification signage for the development owned or maintained by the ASSOCIATION for the use and benefit of all owners within all of the Properties and includes any landscape island at any entranceway allowed as an encroachment by the Department of Transportation.

Section 14. “*Phases of Development*” means that Declarant contemplates the subject Declaration to be the first of additional phases within the Properties with the Declarant also contemplating the addition of additional portions of the Properties to be made subject to this Declaration. All phases of development shall be placed of record not later than 10 years from date of recording of the first phases of development.

Section 15. “*Lake/Lakes*” refers to Common Areas designed as Common Area on recorded plats which are to be owned by the ASSOCIATION and designed to contain water with no representation by the DECLARANT as to the water level therein to be maintained. The right to use,

limitations to use and maintenance thereof shall be as determined by the ASSOCIATION as hereinafter detailed.

Section 16. "*Lake Outfalls*" (sometime referred to as Waterfalls) refers to structures that interconnect the Lakes which are owned by the ASSOCIATION. The right to use, limitations to use and maintenance thereof shall be in the ASSOCIATION as hereinafter detailed.

Section 17. "*Perimeter Fence*" shall refer to any fence that may be constructed on the Properties the type, timing and specific locations thereof to be in the sole judgment of DECLARANT. The maintenance and use thereof shall be in the control of the ASSOCIATION.

Section 18. "*Common Expense(s)*". As respects the 'ASSOCIATION' or any of the Subsidiary Organizations, this term shall include the expenses of administration of the particular Corporation involved, its expenses for the upkeep, maintenance and repair and replacement of Common Areas titled in the particular corporation involved, or items specifically reserved for its maintenance and an sums lawfully assessed against the membership of the involved corporation.

ARTICLE II

Property Rights

Section 1. **Owner's Easements of Enjoyment.** Every Owner shall have a right and easement of enjoyment in and to the Common Area 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 and of the applicable Subsidiary Organization to suspend the voting rights and the right to the use of any Recreational Common Area 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 the "ASSOCIATION'S" or the applicable organization's published rules and regulations;
- 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 solely determined by its Board of Directors without any vote of members being required;

Section 2. **Delegation of Use.** Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area to the members of his family, his tenants, guests or contract purchasers who reside on a Lot.

Section 3. **Property Subject to Declaration.** The Properties which are, and may be, held, conveyed, hypothecated or encumbered, sold, rented, used, occupied and improved subject to this Declaration are located in Marion County, State of Indiana, and are more particularly described on Exhibit "A" attached hereto and by this reference made a part hereof.

ARTICLE III

Membership and Voting Rights

Section 1. Membership. Every Owner of a Lot which is subject to assessment shall be a member of the ASSOCIATION and his, her or their respective Subsidiary Organization.

Section 2. Classes of Membership. The ASSOCIATION and the Subsidiary Organizations shall have two (2) classes of membership.

- a. **Class A.** Every person, group of persons or entity, other than Declarant, who is a record owner of a fee interest in any Lot which is or becomes subject, by covenants of record, shall be a member of the ASSOCIATION and his, her or their respective Subsidiary Organization; provided, however, that any such person, group of persons or entity who holds such interest solely as security for the performance of an obligation shall not be a member. A Class A membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. Class A members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. In the event that more than one person, group of persons or entity is the record owner of a fee interest in any Lot, then the vote for the membership appurtenant to such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. In the event agreement is not reached, the vote attributable to such Lot shall not be cast.

- b. **Class B.** The Class B member shall be the Declarant who shall be entitled to three (3) votes for each platted and unplatted Lot owned. For purposes of determining voting rights and duties, it shall be assumed there is a total of not more than four hundred forty-one (441) dwelling units upon all platted and unplatted Lots within the Properties and Declarant shall not have the automatic right to plat and record Lots containing in excess of four hundred forty-one (441) dwelling units without the consent or approval of the ASSOCIATION. The Class B membership shall cease and be converted to a Class A membership on the happening of either of the following events, whichever occurs earlier:
 - (i) Thirty (30) days after the total votes outstanding of Class A membership equal the total votes outstanding in Class B membership, or
 - (ii) The date upon which the written resignation of the Class B member is delivered to the ASSOCIATION with copies to the Subsidiary Organizations.
 - (iii) Ten (10) years after the date of recordation of the plat for Exhibit "C", "D", "E" or "F" (whichever is last) in the event all of the Lots have not be conveyed to the Owners.

Said date of occurrence hereinafter called "APPLICABLE DATE".

DECLARANT SHALL ONLY BE REQUIRED TO PAY TWENTY-FIVE PERCENT (25%) OF THE REGULAR ASSESSMENTS OF THE VILLAGES OF COBBLESTONE HOMEOWNERS, INC. ON THE DEVELOPED LOTS (UNITS) COMMENCING WITH THE DATE OF CONVEYANCE OF THE FIRST UNIT WITHIN ANY PLATTED PARCEL AND CONTINUING UNTIL THE CLASS B MEMBERSHIP CEASES FOR THIS CORPORATION AFTER WHICH DECLARANT SHALL PAY THE FULL REGULAR ASSESSMENT FOR ANY PLATTED LOT (ALL AS MORE FULLY DETAILED IN THE BY-LAWS OF THIS CORPORATION WHICH BY-LAWS ARE INCORPORATED BY REFERENCE.

Section 3. THE VILLAGES OF COBBLESTONE-OXFORD HOMEOWNERS, INC. , *Membership.* Every Owner of a Lot in Section 1 as well as any Owner of a Lot within any further or future portion of the Properties so designated by the Declarant by Supplemental Declaration shall also be a member of THE VILLAGES OF COBBLESTONE-OXFORD HOMEOWNERS, INC. , whose function shall be to manage the affairs of the Owners residing therein. Classes of membership in THE VILLAGES OF COBBLESTONE-OXFORD HOMEOWNERS, INC., shall be held in the same manner as set forth in Section 1 and 2, above.

Section 4. THE VILLAGES OF COBBLESTONE -CAMBRIDGE & STANFORD HOMEOWNERS, INC. Every Owner in of a Lot in Sections 2, Cambridge, and 3, Stanford, of the Properties as well as any Owner of a Lot within any further or future portion of the Properties so designated by the Declarant by Supplemental Declaration shall also be a member of THE VILLAGES OF COBBLESTONE -CAMBRIDGE & STANFORD HOMEOWNERS, INC., whose function shall be to manage the affairs of the Owners residing therein. Classes of membership in THE VILLAGES OF COBBLESTONE -CAMBRIDGE & STANFORD HOMEOWNERS, INC. shall be held in the same manner as set forth in Section 1 and 2, above.

Section 5. THE VILLAGES OF COBBLESTONE-DARTMOUTH & BERKLEY HOMEOWNERS, INC.. Every Owner of a Lot in Sections 4, Dartmouth, and 5, Berkley, of the Properties Properties as well as any Owner of a Lot within any further or future portion of the Properties so designated by the Declarant by Supplemental Declaration shall also be a member of THE VILLAGES OF COBBLESTONE-DARTMOUTH & BERKLEY HOMEOWNERS, INC. whose function shall be to manage the affairs of the Owners residing therein. Classes of membership in THE VILLAGES OF COBBLESTONE-DARTMOUTH & BERKLEY HOMEOWNERS, INC. shall be held in the same manner as set forth in Section 1 and 2, above.

Section 6. THE VILLAGES OF COBBLESTONE EAST HOMEOWNERS, INC. Declarant reserves the right to provide for at least one additional Homeowners Association within the Properties to be known as **THE VILLAGES OF COBBLESTONE EAST HOMEOWNERS, INC.** Every Owner of a Lot within any portion of the Properties so designated by the Declarant in a Supplemental Declaration shall also be a member of **THE VILLAGES OF COBBLESTONE EAST HOMEOWNERS, INC.** whose function shall be to manage the affairs of the Owners residing therein. Classes of membership in **THE VILLAGES OF COBBLESTONE EAST HOMEOWNERS, INC.** shall be held in the same manner as set forth in Section 1 and 2, above.

Section 7. Merger of Subsidiary Organizations. Any of the Subsidiary Organizations may merge together. Any such merger must first be approved by the majority of the Owners of the merging Subsidiary Organizations at a meeting duly called for such purpose.

Section 8. Comity of Voting Rights. Membership and voting rights as defined in this ARTICLE shall be the same for all Subsidiary Organizations and their respective Articles of Incorporation and By-Laws shall accordingly so provide.

ARTICLE IV

Board of Directors of the ASSOCIATION, and the Subsidiary Organizations

Section 1. Management The business and affairs of each organization shall be governed and managed by its Board of Directors. No person shall be eligible to serve as a member of the Board of Directors unless he is, or is deemed in accordance with this Declaration to be, an Owner, including a person appointed by Declarant as provided in subparagraph (b) of this Article.

Section 2. Initial Board of Directors. The Initial Board of Directors shall be composed of the persons designated in this Article, to-wit: Lynn Johnstone, Fonda E. Crandall and Ryan G. Thomas (hereinafter referred to as the "Initial Board"), all of whom have been or shall be appointed by Declarant. The Board of Directors of the ASSOCIATION shall consist of the presidents of each of the Subsidiary Organizations. Notwithstanding anything to the contrary contained in, or any other provisions of this Declaration, the organization's Articles or the By-Laws (a) the Initial Board shall hold office until the Applicable Date, and (b) in the event of any vacancy or vacancies occurring in the Initial Board for any reason or cause whatsoever prior to the Applicable Date, determined as provided above, every such vacancy shall be filled by a person appointed by Declarant, who shall thereafter be deemed a member of the Initial Board. Each Owner, by acceptance of a deed to a Lot, or by acquisition of any interest in a Dwelling Unit by any type or juridical acts inter vivos or cause mortis, or otherwise, shall be deemed to have appointed Declarant as such Owner's agent, attorney-in-fact and proxy, which shall be deemed with an interest and irrevocable until the Applicable Date determined as provided above, to exercise all of said Owner's right to vote, and to vote as Declarant determines, on all matters as to which members of the organization are entitled to vote under the Declaration, the organization's Articles, the By-Laws or otherwise; provided, however, this right to vote granted to Declarant shall not extend to votes of Members (if a vote is required) on matters of Special Assessments, mortgaging Common Area or merger/consolidation of the organization with another organization. This appointment of Declarant as such Owner's agent, attorney-in-fact and proxy shall not be affected by incompetence of the Owner granting the same. Each person serving on the Initial Board, whether as an original member thereof or as a member thereof appointed by Declarant to fill a vacancy, shall be deemed a Member of such organization and an Owner solely for the purpose of qualifying to act as a member of the Board of Directors and for no other purpose. No such person serving on the Initial Board shall be deemed or considered a member of the organization nor an Owner of a Lot for any other purpose (unless he is actually the Owner of a Lot and thereby a Member of the organization).

Section 3. Additional Qualifications. Where an Owner consists of more than one person or is a partnership, corporation, trust or other legal entity, then one of the persons constituting the multiple Owner or a partner or an officer or trustee shall be eligible to serve on the Board of Directors, except that no single Lot or Dwelling Unit may be represented on the Board of Directors by more than one person at a time.

Section 4. Term of Office and Vacancy. Subject to the provisions of Section 2 of this Article, one (1) member of the Board of Directors of each Subsidiary Organization shall be elected at each annual meeting. The Initial Board shall be deemed to be elected and re-elected as the Board of Directors at each annual meeting until the Applicable Date provided herein. After the applicable Date, each member of the Board of Directors shall be elected for a term of three (3) years, except that at the first election after the Applicable Date one member of the Board of Directors shall be elected for a three (3) year term; one for a two (2) year terms, and one for a one (1) year term so that the terms of one-third (1/3) of the members of the Board shall expire annually. There shall be separate nominations for the office of each member of the Board to be elected at such first election after the Applicable Date. Each Director shall hold office throughout the term of his election and until his successor is elected and qualified. Subject to the provisions of Section 2 of this Article as to the Initial Board, any vacancy or vacancies occurring in the Board shall be filled by a vote of a majority of the remaining members of the Board or by vote of the Owners if a Director is removed in accordance with Section 5 of this Article. The Director so filling a vacancy shall serve until the next annual meeting of the members and until his successor is elected and qualified. At the first annual meeting following any such vacancy, a Director shall be elected for the balance of the term of the Director so removed or in respect to whom there has otherwise been a vacancy.

Section 5. Removal of Directors. A Director or Directors, except the members of the Initial Board, may be removed with or without cause by vote of a majority of the votes entitled to be cast at a special meeting of the owners duly called and constituted for such purpose. In such case, his successor shall be elected at the same meeting from eligible Owners nominated at the meeting. A Director so elected shall serve until the next annual meeting of the Owners and until his successor is duly elected and qualified.

Section 6. Duties of the Board of Directors. The Board of Directors shall be the governing body of its respective organization representing all of the Owners and responsible for the functions and duties of that organization, including, but not limited to, providing for the administration of its organization, the management, maintenance, repair, upkeep and replacement of the Common Areas owned by the organization as hereinafter delineated (unless the same are otherwise the responsibility or duty of Owners), and the maintenance, repair, upkeep and replacement of the Lots or other exterior portions of any Dwelling Units in Sections 2, Cambridge, and 3, Stanford, as further set forth in this Declaration. The Board may, on behalf of its organization, employ a professional property management agent (herein called the "Managing Agent") upon such terms as the Board shall find, in its discretion, reasonable and customary, provided any such management agreement shall be for a term of three (3) years or less and shall provide that any such agreement may be terminated by either party upon ninety (90) days written notice to the other party. The Managing Agent, if one is employed, shall assist the Board in carrying out its duties, as defined in such management agreement. The Board's duties as to common areas by its organization and other duties include, but are not limited to:

- (i) protection, surveillance and replacement of the Common Area, unless the same are otherwise the responsibility or duty of Owners of Lots; provided, however, that this duty shall not include or be deemed or interpreted as a requirement that the organization, its Board or its Managing Agent must provide any on-site or roving guards, security service or security system for protection or surveillance, and the same need not be furnished;
- (ii) procuring of utilities in connection with the Lots and Dwelling Units, removal of garbage and waste, and snow removal from the Common Area only;
- (iii) landscaping, painting, decorating, furnishing, maintenance and upkeep of the Common Area, and in Section 2, Cambridge, and Section 3, Stanford, of the Properties, lawn maintenance by their respective Subsidiary Organization;
- (iv) landscaping, painting, decorating, furnishing, maintenance and upkeep of the Common Area, and in Section 2, Cambridge, and Section 3, Stanford, of the Properties, the upkeep of the lawn as set forth in this Declaration;
- (v) surfacing, paving and maintaining any off-street parking spaces constituting a part of the Common Area;
- (vi) assessment and collection from the Owners of each Owner's respective share of the Common Expenses which collection shall be the primary right of the ASSOCIATION;
- (vii) preparation of the proposed annual budget, a copy of which will be mailed or delivered to each Owner at the same time as the notice of annual meeting is mailed or delivered;
- (viii) preparing and delivering annually to the Owners a full accounting of all receipts and expenses incurred in the prior year; such accounting shall be delivered to each owner simultaneously with delivery of the proposed annual budget for the current year;
- (ix) keeping a current, accurate and detailed record of receipts and expenditures affecting its Common Area and the business and affairs of the organization, specifying and itemizing the Common Expenses; all records and vouchers (including current copies of the Declaration, Articles of Incorporation, By-Laws and Rules) shall be available for examination by an Owner, Mortgagee, insurer or guarantor of a first mortgage at any time during normal business hours;
- (x) procuring and maintaining for the benefit of the organization and its Board the insurance coverages required under this Declaration and such other insurance coverages as the Board, in its sole discretion, may deem necessary or advisable;
- (xi) paying taxes assessed against and payable with respect to the Common Area and paying any other necessary expenses and costs in connection with the Common Area; and

- (xii) to furnish, upon request of any Mortgagee, insurer or guarantor of first mortgage, a certified financial statement for the immediately preceding fiscal year.

Section 7. Powers of the Board of Directors. The Board of Directors shall have such powers as are reasonable and necessary to accomplish the performance of their duties. These powers include, but are not limited to, the power:

- (i) to employ a Managing Agent to assist the Board in performing its duties;
- (ii) to purchase, lease or otherwise obtain for its organization, such equipment, materials, labor and services as may be necessary in the judgment of the Board of Directors to perform its functions and duties;
- (iii) to purchase, lease or otherwise obtain improvements to the real estate, including, but not limited to club house facilities, signage, street lighting, irrigation systems, landscape lighting, playground equipment and recreational facilities;
- (iv) to employ legal counsel, architects, contractors, accountants and others as in the judgment of the Board of Directors may be necessary or desirable in connection with the business and affairs of the organization;
- (v) to employ, designate, discharge and remove such personnel as in the judgment of the Board of Directors may be necessary for the Board of Directors to perform its duties;
- (vi) to include the costs of all of the above and foregoing as Common Expenses and to pay all of such costs therefrom;
- (vii) to open and maintain a bank account or accounts in the name of the organization;
- (viii) to promulgate, adopt, revise, amend and alter from time to time such additional rules and regulations with respect to use, occupancy, operation and enjoyment of its Common Area (in addition to those set forth in this Declaration) as the Board, in its discretion, deem necessary or advisable; provided, however, that copies of any such additional rules and regulations so adopted by the Board shall be promptly delivered or mailed to all Owners;
- (ix) to grant permits, licenses and easements over its Common Area for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of its jurisdictional area; and
- (x) to enter into long-term written agreements, leases and contracts.

All powers of the Board of Directors are subject to and limited by the requirement that they are not contrary to the (a) 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) any of such agencies or entities who make, purchase, sell, insure or guarantee first mortgages covering Lots and Dwelling Units, (c) any statutory requirements.

Section 8. Further Board Action. After the Applicable Date, the Board of Directors may enter into contracts without obtaining the prior approval of a majority of the Owners, which include but are not limited to the following:

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

Section 9. Compensation. No Director shall receive any compensation for his services as such except to such extent as may be expressly authorized by a majority vote of the Owners. The Managing Agent, if any is employed, shall be entitled to reasonable compensation for its services, the cost of which shall be a Common Expense.

Section 10. Non-Liability of Directors. The Directors shall not be liable to the Owners or any other persons for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith or gross negligence. The applicable organization shall indemnify and hold harmless and defend each of its Directors against any and all liability to any person, firm or corporation arising out of contracts made by the Board on behalf of the organization, unless any such contract shall have been made in bad faith. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Corporation.

Section 11. Additional Indemnity of Directors. The organization shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives, made a party to any action, suit or proceeding by reason of the fact that he is or was a Director of the organization, against the reasonable expenses, including attorney fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except as otherwise specifically provided herein in relating to matters as to which it shall be adjudged in such action, suit or proceeding that such Director is liable for gross negligence or misconduct in the performance of his duties. The organization shall also reimburse to any such Director the reasonable costs of settlement of or judgment rendered in any action, suit or proceeding, if it shall be found by a majority vote of the Owners that such Director was not guilty of gross negligence or misconduct. In making such findings and notwithstanding the adjudication in any action,

suit or proceeding against a Director, no Director shall be considered or deemed to be guilty of or liable for negligence or misconduct in the performance of his duties where, acting in good faith, such Director relied on the books and records of the Corporation or statements or advice made by or prepared by the Managing Agent (if any) or any officer or employee thereof, or any accountant, attorney or other person, firm or corporation employed by the organization to render advice or service unless such Director had actual knowledge of the falsity or incorrectness thereof; nor shall a Director be deemed guilty of or liable for negligence or misconduct by virtue of the fact that he failed or neglected to attend a meeting or meetings of the Board of Directors.

Section 12. Bond. The Board of Directors may provide blanket fidelity bonds for the Managing Agent (if any), the treasurer of the organization, and such other officers or directors of the organization that handle or are responsible for funds indemnifying the organization against larceny, theft, embezzlement, forgery, misappropriation, wrongful abstraction, willful misapplication, and other acts of fraud or dishonesty, in such sums and with such sureties as may be approved by the Board of Directors (provided, however, in no event shall the aggregate amount of the bond be less than a sum equal to three (3) months aggregate assessments on all Dwelling Units, subject to the organization's jurisdiction and any such bond shall specifically include protection for any insurance proceeds received for any reason by the Board. Fidelity bonds shall name the organization as an obligee and shall contain waivers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. Such bonds shall provide that they may not be canceled or substantially modified for any reason without at least ten (10) days prior written notice to the organization. The expense of any such bonds shall be a Common Expense.

ARTICLE V

Assessments Re: ASSOCIATION and Subsidiary Organizations

Section 1. Creation of the Lien and Personal Obligation Assessments. Each Owner, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the ASSOCIATION and the applicable Subsidiary Organization, according to where his Lot is located: (1) annual assessments or charges and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. ASSOCIATION assessments shall be equal as to all Owners. Each Owner within a Subsidiary Organization shall pay the same amount to it except for such Owners who are required or who have volunteered to pay an additional amount for additional services offered by a Subsidiary Organization.

Section 2. Annual Accounting. Beginning the calendar year after Class "B" membership ceases and is converted to Class "A" membership, annually, after the close of each fiscal year of an organization and prior to the date of the annual meeting of said organization next following the end of such fiscal year, its Board shall cause to be prepared and furnished to each member Owner a financial statement prepared by a certified public accountant or firm of certified public accountants then servicing the organization, which statement shall show all receipts and expenses received, incurred and paid during the preceding fiscal year.

Section 3. Proposed Annual Budget. Annually, before the date of the annual meeting of an organization, its Board of Directors shall cause to be prepared a proposed annual budget for the current fiscal year estimating the total amount of its Common Expenses for the current fiscal year and shall furnish a copy of such proposed budget to each Owner at or prior to the time the notice of such annual meeting is mailed or delivered to such Owners. The annual budget shall be submitted to the Owners at the annual meeting of the organization for adoption, and, if so adopted, shall be the basis for the Regular Assessments (hereinafter defined) for that organization for the current fiscal year. At the annual meeting of the Owners, the budget may be approved in whole or in part or may be amended in whole or in part by a majority vote of the Owners; provided, however, that in no event shall the annual meeting of the Owners be adjourned until an annual budget is approved and adopted at such meeting. The annual budget, the Regular Assessments and all sums assessed by the organization shall be established by using generally accepted accounting principles applied on a consistent basis.

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

The failure or delay of the Board of Directors to prepare a proposed annual budget and to furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner of the obligations of the Owners to pay the Common Expenses as herein provided, whenever determined. Whenever, whether before or after the annual meeting of an organization, there is no annual budget approved by the Owners as herein provided for such current fiscal year, the Owners shall continue to pay Regular Assessments based upon the last approved budget or, at the option of the Board, based upon one hundred and ten percent (110%) of such last approved budget, as a temporary budget.

The budget for annual and special assessments applicable to a Subsidiary Organization, respectively, shall be established for each Subsidiary Organization, and the sole responsibility of the ASSOCIATION shall be the billing, collection and enforcement of such assessments. Budgeting for the ASSOCIATION for the Common Area mutually shared by the owners within the Properties but owned by the ASSOCIATION shall follow the same procedure. For these purposes the ASSOCIATION shall maintain separate books of account of the financial affairs of the Subsidiary Organizations with the sole right to designate applicable expenses to the organization involved.

Section 4. Regular Assessments. The annual budget as adopted by the Owners shall, based on the estimated cash requirement for the Common Expenses in the current fiscal year as set forth in said budget, contain a proposed assessment against each Lot, which shall be the same amount for each Lot. Immediately following the adoption of the annual budget, each Owner shall be given written notice of such assessment against his respective Lot (herein called the "Regular Assessment"). In the event the Regular Assessment for a particular fiscal year is initially based upon a temporary budget, such Regular Assessment shall be revised, within fifteen (15) days following adoption of the final

annual budget by the Owners, to reflect the assessment against each Lot based upon such annual budget as finally adopted by the Owners. The aggregate amount of the Regular Assessments shall be equal to the total amount of expenses provided and included in the final annual budget, including reserve funds as herein above provided. The Regular Assessment against each Lot shall be paid monthly, quarterly or annually as determined at the time of adoption of the annual budget, in advance commencing on the first day of the first month of each fiscal year.

It is the intent of this Article that the ASSOCIATION and each Subsidiary Organization shall each establish their respective budgets, but the ASSOCIATION shall collect same and enforce the lien of assessments as to each of the Subsidiary Organizations. In so doing, the ASSOCIATION shall designate that portion of the assessment applicable to the ASSOCIATION and that portion which is applicable to each Subsidiary Organization, according to which Owner holds title to a Lot. Notwithstanding the above, the ASSOCIATION in its sole judgment, shall determine the practicability of legal proceedings and if it chooses not to pursue the legal remedy to enforce collection of assessment owed the ASSOCIATION may delegate the pursuit thereof to the applicable homeowner's corporation involved. The ASSOCIATION in its sole judgment may negotiate settlements for outstanding assessments and allocate partial payments deduction expenses for collection in proportion to amounts allocable to the ASSOCIATION and the other involved homeowner's corporation.

Provided, however, Owners may elect to pay assessments semiannually or annually, in advance. In the event the Regular Assessment for a particular fiscal year of the Corporation was initially based upon a temporary budget.

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

Provided, however, that if an Owner had paid his Regular Assessment either semiannually or annually in advance, then the adjustments set forth under (i) or (ii) above shall be made by a cash payment by, or refund to, the Owner of the first day of the second quarterly period following the determination of the Regular Assessment based upon the annual budget finally adopted by the Owners.

The Regular Assessment for the current fiscal year of the Corporation shall become a lien on each separate Lot as of the First day of each fiscal year of the organization, even though the final determination of the amount of such Regular Assessment may not have been made by that date. The fact that an Owner has paid his Regular Assessment for the current fiscal year in whole or in part

based upon a temporary budget and thereafter, before the annual budget and Regular Assessment are finally determined, approved and adjusted as herein provided, sells, conveys or transfers his Lot or any interest therein, shall not relieve or release such Owner or his successor as Owner of such Lot from payment of the Regular Assessment for such Lot as finally determined, and such Owner and his successor as Owner of such Lot shall be jointly and severally liable for the Regular Assessment as finally determined. Any statement of unpaid assessments furnished by the organization prior to the final determination and adoption of the annual budget and Regular Assessment for the year in which such statement is made shall state that the matters set forth therein are subject to adjustment upon determination and adoption of the final budget and Regular Assessment for such year, and all parties to whom any such statement may be delivered or who may rely thereon shall be bound by such final determinations. Installments of Regular Assessments shall be due and payable automatically on their respective due dates without any notice from the Board or a given organization and neither the Board nor the organization shall be responsible for providing any notice or statements to Owners for the same.

Section 5. Special Assessments. From time to time Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time and provided that such assessment shall have the assent of two-thirds (2/3rds) of the votes of EACH CLASS OF MEMBERS who are voting in person or by proxy at a meeting duly called for this purpose, and further provided that the Declarant shall not be any Owner's agent, attorney-in-fact or proxy in this vote heretofore described in this Declaration, the Board of Directors shall have the full right, power and authority to make special assessments which, upon resolution of the Board, shall become a lien on each Lot, prorated in equal shares (herein called "*Special Assessment*"). Without limiting the generality of the foregoing provisions, Special Assessments may be made by the Board of Directors from time to time to pay for capital expenditures and to pay for the cost of any repair or reconstruction of damage caused by fire or other casualty or disaster to the extent insurance proceeds are insufficient therefor under the circumstances described in this Declaration.

Section 6. Regular Assessments Prior to the Applicable Date. During the period that Declarant is constructing Dwelling Units within the Properties, it is difficult to accurately allocate the Common Expenses to the individual Lots. The purpose of this section is to provide the method for the payment of the Common Expenses during the period prior to the Applicable Date to enable the applicable organization to perform its duties and functions. Accordingly, and notwithstanding any other provision contained in the Declaration, the organization's Articles or the By-Laws or otherwise, prior to the Applicable Date, the annual budget and all Regular Assessments and Special Assessments shall be established by the Initial Board without any meeting or concurrence of the Owners; provided, however, the Regular Assessments shall be determined in accordance with the provisions contained in this Article.

Declarant shall guarantee that until one (1) year after the date of execution of this DECLARATION the Quarterly Regular Assessment, ON AN ANNUALIZED BASIS shall not exceed:

\$250.00 per year for the ASSOCIATION from all Owners in all sections.

\$900 per year for the Owners in Section 1, Oxford, to THE VILLAGES OF COBBLESTONE-OXFORD HOMEOWNERS, INC.,

♦
\$700 per year for the Owners in Section 2, Cambridge, to THE VILLAGES OF COBBLESTONE -CAMBRIDGE & STANFORD HOMEOWNERS, INC.,

♦
\$540.00 per year for the Owners in Section 3, Stanford, to THE VILLAGES OF COBBLESTONE -CAMBRIDGE & STANFORD HOMEOWNERS, INC.,

♦
\$0.00 per year for the Owners in Section 4, Dartmouth, to THE VILLAGES OF COBBLESTONE-DARTMOUTH & BERKLEY HOMEOWNERS, INC., and

♦
\$1.00 per year for the Owners in Section 5, Berkley, to THE VILLAGES OF COBBLESTONE-DARTMOUTH & BERKLEY HOMEOWNERS, INC.,

(the "Guaranteed Charge"). After this date Declarant guarantees that the yearly Regular Assessment shall not exceed the amount of the Guaranteed Quarterly Charge plus a maximum of a twenty percent (20%) increase in the Guaranteed charge for each year. Such adjustments to the Guaranteed Charge (up to a twenty percent (20%) increase as determined by the Board) shall be made annually on January 1 of each year. Such yearly charge shall during such guaranteed period entirely defray the Owner's obligation for his share of Common Expenses or shall be the Owners entire Regular Assessment. Declarant shall be responsible for any deficit during such guarantee period; provided, however, that this guarantee is not intended to include, and does not include, major physical alterations or other unusual expenditures not ordinarily anticipated in normal maintenance operations. Such expenditures would be covered through Special Assessments, or, if sufficient the replacement reserve fund, if any such fund exists.

That portion of the Regular Assessment collected by Declarant prior to the Applicable Date applied to any replacement reserve created shall be held by the Initial Board and if required, applied to the replacement of Common Areas or those portions of Dwelling Units obligated to be repaired and replaced by the applicable organization. To the extent that any such replacement reserve is not so applied, the balance thereof shall be retained by the organization at the Applicable Date.

Payment of Regular Assessment prior to the Applicable Date with respect to each Dwelling Unit (that is not owned by Declarant) shall commence on the date of conveyance by Declarant to such new owner. The first payment shall be payable on the date of conveyance prorated to the first payment date next ensuing. FOR EACH LOT OR UNIT DECLARANT OWNS DECLARANT SHALL PAY THE PORTION OF ANY REGULAR ASSESSMENT AS DETAILED IN ARTICLE III HEREOF.

Declarant, however, shall not be required to pay assessments on Lots until such time as these Lots are platted, Dwellings erected thereon and the Common Area within such plats

is conveyed to the applicable homeowners corporation or said Corporation assumes the obligation of taxes, insurance and maintenance of the common as are designated to be owned by a given homeowners corporation.

Section 7. Initial Capital Contribution. On the date a Dwelling Unit on a Lot is first possessed by an Owner upon the completion of construction thereof, there shall be due and payable to the Declarant by the Owner of such Lot the sum of Two Hundred-Fifty and no/100ths Dollars (\$250.00).

Section 8. Failure of Owner to Pay Assessments. No Owner may exempt himself from paying an Initial Capital Contribution, Regular Assessments and Special Assessments or from contributing toward the Common Expense or toward any other expense lawfully agreed upon by waiver of the use or enjoyment of the Common Area or by abandonment of the Lot belonging to him. Each Owner shall be personally liable for the payment of the Initial Capital Contribution and all Regular and Special Assessments. Where the Owner constitutes more than one person the liability of such person shall be joint and several. If any Owner shall fail, refuse or neglect to make any payment of the Initial Capital Contribution or any Regular Assessment or Special Assessment when due, the lien for such assessment or Initial Capital Contribution on the Owner's Lot and Dwelling Unit may be filed and foreclosed by the applicable Board of Directors for and on behalf of the organization as a mortgage on real property or as otherwise provided by law. Upon the failure of the owner to make timely payments of the Initial Capital Contribution or any Regular Assessment or Special Assessment when due such applicable Board may in its discretion accelerate the entire balance of unpaid amounts the Owner and any occupant of the Lot and Dwelling Unit shall be jointly and severally liable for the payment of reasonable rental for such Lot and Dwelling Unit and the Board shall be entitled to the appointment of a receiver for the purpose of preserving the Lot and Dwelling Unit and to collect the rentals and other profits therefrom for the benefit of the organization to be applied to the unpaid Initial Capital Contribution, Regular Assessments or Special Assessments. The Board may at its option bring suit to recover a money judgment for any unpaid Initial Capital Contribution, Regular Assessment or Special Assessment without foreclosing or waiving the lien securing the same. Any action to recover an Initial Capital Contribution, Regular Assessment or Special Assessment whether by foreclosure or otherwise, the Board for and on behalf of the organization shall be entitled to recover from the Owner of the respective Lot and Dwelling Unit costs and expenses of such action incurred (including but not limited to, reasonable attorney's fees) and interest from the date such assessments were due until paid at the rate equal to the maximum interest rate provided for judgments by IC 24-4.6-1-101 as the same may be amended or superseded by other statute from time to time. The lien of the Initial Capital Contribution and any assessments provided for herein shall be subordinate to the lien of any first mortgage.

Section 8. Subordination of the Initial Capital Contribution and Assessment Lien to Mortgage. Notwithstanding anything contained in this Declaration, the organization's Articles or the By-Laws, any sale or transfer of a Lot to a mortgagee pursuant to a

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

Section 9. Real Estate Taxes. Real estate taxes are to be separately taxed to each Lot. Real estate taxes upon Common Area and Limited Common Area shall be paid by Declarant until such time as they are transferred in title to the respective organization which thereafter shall pay such taxes.

Section 10. Utilities. Each Owner shall pay his own utilities which are separately metered Utilities which are not separately metered shall be treated as and paid as part of the Common Expense, of the applicable organization unless otherwise determined by the organization.

ARTICLE VI

Party Walls In Section 3, Stanford. ONLY

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of any Dwelling Unit upon the Properties and which connects two Dwelling Units shall constitute a party wall and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligent or intentional or willful acts of omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall, proportionately.

Section 3. Destruction by Fire or other Casualty. If any party wall is destroyed or damaged by fire or other casualty, then, to the extent that such damage is not covered by insurance maintained by any of the Owners who make use of such party wall, and repaired out of the proceeds of same, any Owner who has used the wall may restore it, and if the other

Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in equal proportions without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent, intentional or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, to the extent that such damage is not covered and paid by the insurance provided for herein, an Owner by whose negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right of Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner' successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose on, additional arbitrator, and the decision shall be by a majority of all the arbitrators. (Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor from another party, the Board of Directors of the Association shall select an arbitrator for the refusing party.) The cost of the arbitrators shall be borne equally by the parties.

ARTICLE VII

Maintenance Responsibility and Right to Limit Use of Common Areas

Section 1. Common Areas Including, but Not Limited to Any Aesthetic Common Areas, Lake(s), Lake Outfalls, Retainer Walls, Landscape Island and Perimeter Fence. Commencing with the title transfer for the Common Area here described to the ASSOCIATION, the ASSOCIATION shall have the responsibility of maintenance described and the right to govern by published Rules and Regulations the use thereof. Access, Control and Maintenance Easements (A.C.&M.) as shown and designated on recorded plats for the single family detached residential Lots or any lots containing attached dwellings for the benefit of the ASSOCIATION and the Department of Public Works of Marion County, Indiana, to access the designated areas for maintenance and/or inspection and to also control what by way of improvements, landscaping and/or aesthetic treatment may occur in these areas which also represent the shoreline of the Lakes.

If any of the Lot lines of the platted Lots in the single family detached residential areas of the Properties extend into a Lake, the use of the Lakes into which such extension take place shall be LIMITED TO THE LAKE OWNERS whose detached single family Lots

extend into a given Lake. Enforceable means to deny Lot Owners intrusion into the single family detached Lot Owners property lines located in the Lake is not practical consequently the ASSOCIATION cannot enforce but will render its assistance to the extent ASSOCIATION thinks appropriate.

Section 2. Lawn Maintenance Of Dwellings in Section 2, Cambridge, and Section 3, Stanford, of The Villages of Cobblestone. The Board of Directors of the Subsidiary Organization(s) governing Section 2, Cambridge, and Section 3, Stanford, shall have the power and discretion to offer additional services to voluntarily participating Owners as the Board deems reasonable and beneficial to reflect the varied wishes of elderly empty nesters, professional empty nesters and other interested owners within said Sections at an additional expense determined by its Board of Directors. The lawns in Section 2, Cambridge, of and Section 3, Stanford, however shall be maintained by the Subsidiary Organization(s) governing Section 2, Cambridge, and Section 3, Stanford. Any additional services shall be charged solely to subscribing owners of a unit within said parcel on a consistent and equal basis. Each Owner shall otherwise be responsible for maintaining and keeping his Lot and all improvements thereon in a good, clean and sanitary condition and shall do all work thereon which is not otherwise performed by the Subsidiary Organization(s) governing said Section.

Section 3. Willful, Intentional or Negligent Acts or Omissions. Notwithstanding any obligation or agreement of any Subsidiary Organization to repair or maintain any Lot within said parcel, if, due to the willful, intentional or negligent acts or omissions of an Owner or of a member of his family or of a guest, tenant, invites or other occupant or visitor of such Owner, damage shall be caused, or if maintenance, repairs or replacements shall be required thereby which would otherwise be a Common Expense, then such Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the applicable Subsidiary Organization, unless such loss is covered by its insurance with such policy having a waiver of subrogation clause. If not paid by such Owner upon demand by the applicable Subsidiary Organization the cost of repairing such damage shall be added to and become a party of the assessment to which such Owner's lot is subject.

If any Owner herein described shall fail so to maintain and keep his property or any part thereof in a good, clean and sanitary condition, the ASSOCIATION or the applicable Subsidiary Organization may perform any work necessary to do so and charge the Owner thereof for such cost, which cost shall be added to and become, a part of the Owner's assessment, and such cost shall be immediately due, and shall be secured by a lien on the Owner's property.

Section 4. Blanket Easement So long as an Owner's Lot in the development is subject to this Declaration each Owner, by his acceptance of a deed to any Lot, irrevocably grants to the ASSOCIATION and all Subsidiary Organizations, its agents and employees, the right to enter upon, across and over such a Lot owned by such Owner under such conditions

as are reasonably necessary to effect any maintenance, cleaning, repair or other work required or contemplated herein.

ARTICLE VIII

Insurance

Section 1. Casualty Insurance. Each Owner shall be solely responsible for loss or damage to the contents of his Dwelling Unit however caused (including, but not limited to, all floor, ceiling and wall covers as originally installed or if not available equivalent thereto, and fixtures, betterments and improvements installed by him). Each Owner shall be solely responsible for obtaining his own insurance to cover any such loss and risk. Each Owner shall have the right to purchase such additional insurance at his own expense as he may deem necessary.

Section 2. Public Liability Insurance (Subsidiary Organizations & ASSOCIATION). Unless otherwise maintained by the Association for the benefit of all Subsidiary Organizations, each Corporation shall also purchase a master comprehensive public liability insurance policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time but not less than \$1,000,000 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Such comprehensive public liability insurance policy shall cover the applicable Corporation, its Board of Directors, any committee or organ of said Corporation or Board, any managing Agent appointed or employed by said Corporation, all persons acting or who may come to act as agents or employees of any of the foregoing, all Owners of Lots within the jurisdiction of the Corporation and all other persons entitled to occupy any Lot or Dwelling Unit therein. Such public liability insurance policy shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the applicable Corporation or other Owners. Such public liability insurance policy shall contain a provision that such policy shall not be canceled or substantially modified without at least ten (10) days written notice to the applicable Corporation.

Section 3. Other Insurance (Subsidiary Organizations & ASSOCIATION). Unless otherwise maintained by the Association for the benefit of all Subsidiary Organizations, each Corporation shall also obtain any other Insurance required by law to be maintained, including but not limited to, workmen's compensation and occupational disease Insurance, and such other insurance as its Board of Directors shall from time to time deemed necessary, advisable or appropriate, including, but not limited to, liability insurance on vehicles owned or leased by the Corporation and officers' and directors' liability policies. Such Insurance coverage shall also provide for and cover cross liability claim of one insured party against another insured party. Such insurance shall inure to the benefit of each Owner, the applicable

Corporation, its Board of Directors and any managing Agent acting on behalf of the Corporation. Each Owner shall be deemed to have delegated to its Board of Directors his right to adjust with the insurance companies all losses under the policies purchased by the Board of Directors the proceeds of which are payable to the Board or the applicable Corporation.

Section 4. General Provisions (Subsidiary Organizations & ASSOCIATION). The premiums for all insurance herein above described shall be paid by the applicable Corporation as part of the Common Expenses. When any such policy of insurance herein above described has been obtained by or on behalf of a given Corporation, written notice of the obtainment 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 applicable Corporation who is required to send notice of meeting of said Corporation.

In no event shall any distribution of insurance proceeds be made by the Board of Directors directly to an Owner where there is a mortgagee endorsement on the certificate of insurance or insurance policy as it applies to such Owner's share of such proceeds. In such event any remittances shall be to the Owner and his Mortgagee jointly. The same method of distribution shall also apply to the distribution of any condemnation awards in connection with any taking of any of the Common Area. In the event of condemnation of all or any part of the Common Area the ASSOCIATION, shall represent the Owners in any negotiation or settlement regarding such condemnation. No Owners or any other party shall have priority over any rights of any mortgagee pursuant to its mortgage in the case of distribution to such Owners of insurance proceeds or condemnation awards for losses to or a taking of Common Area. Notwithstanding the foregoing, under no circumstances shall any distribution of insurance proceeds or condemnation awards be made by the referenced Corporation to any Owners or Mortgagees if to do so would be in violation of the Indiana Not-For-Profit Corporation Act or if the same would constitute a distribution of earnings, profits or pecuniary pin to the members of said Corporation; in any such event, any such insurance proceeds or condemnation awards shall be retained by said Corporation for use in the payment of its expenses of operation.

Section 5. Insurance by Owners. Each Owner shall have the right to purchase such additional insurance at his own expense as he may deem necessary.

Section 6. Condemnation Awards. All proceeds payable as a result of condemnation shall be paid to the applicable Corporation who shall act as trustee and hold such proceeds for the benefit of the individual Owners and Mortgagees. Such proceeds shall be distributed as provided above.

ARTICLE IX

Casualty of Dwelling Units/Common Areas

Section 1. Restoration of Common Area. In the event of damage to or destruction of any of the Common Area due to fire or any other casualty or disaster, the ASSOCIATION shall promptly cause the same to be repaired and reconstructed. The proceeds of insurance carried by the applicable Corporation, if any, shall be applied to the cost of such repair and reconstruction.

In the event the insurance proceeds, if any, received by the ASSOCIATION as a result of any such fire or any other casualty or disaster are not adequate to cover the cost of repair and reconstruction of the Common Area, or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing the Common Area so damaged or destroyed (or the costs thereof in excess of insurance proceeds received, if any) shall be assessed by the ASSOCIATIONS against all of the owners in equal shares. Any such amounts assessed against the Owners shall be assessed as part of the Common Expenses and shall constitute a lien from the time of assessment as provided herein.

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

ARTICLE X

Mortgagees' Rights

Section 1. Notice of Rights of Mortgagee of a Lot. Upon written request by a mortgagee to the ASSOCIATION or the applicable Subsidiary Organization, mortgagee of a Lot shall be entitled to receive written notification of any default, not cured within sixty (60) days after its occurrence, by the Owner of any obligation of the Owner under the Declaration, the By-Laws of the applicable organization or the Articles of Incorporation of said organization. The request for notification can be made by any mortgagee of a Lot, its successors or assigns. The notification shall be sent not later than the sixty-fifth (65th) day after the occurrence of an uncured default.

Section 2. Rights of Mortgagee. Unless at least sixty-six and two-thirds percent (66-2/3rds%) of the first mortgagees (based upon one vote for each first mortgage owned) and the Class A members have given their prior written approval the said organizations shall not:

- a. By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Properties or Common Area or improvements located thereon which are owned directly or indirectly by the applicable organization for the benefit of the Lots. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Properties by the applicable organization shall not be deemed a transfer within the meaning of this clause.
- b. Change the method of determining the obligations, assessments, dues or other charges which may be levied against a Lot or Owner.
- c. By act or omission change, waive or abandon any scheme of regulation or enforcement pertaining to the architectural design or exterior appearance of the Dwellings, the exterior maintenance of the Dwellings, the maintenance of party walls or common fences, driveways or the upkeep of lawns and plantings in the Properties.
- d. Fail to maintain fire and extended coverage insurance on insurable common property on current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost);
- e. Use hazard insurance proceeds for losses to any common property improvements for other than the repair, replacement or reconstruction of such improvements.

Section 3. Right to Examine Books and Records. Mortgagees, their successors or assigns, shall have the right to examine the books and records of the applicable organization at its offices during normal business hours after reasonable prior notice.

Section 4. Taxes and Other Charges. First mortgagees of Dwellings may, jointly or singly, pay taxes or other charges which are In default and which may or have become a charge against any Common Area or any Limited Common Area and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such Common and any Limited Common Areas and first mortgagees making such payments shall be owed immediate reimbursement therefor from the applicable organization. Entitlement to such reimbursement shall be reflected in an agreement in favor of all first mortgagees duly executed by such organization and an original or certified copy of such agreement shall be possessed by the Owner.

Section 5. Insurance Proceeds and Condemnation Award. No provision of the constituent documents shall give a Lot or Owner or any other party priority over any rights of first mortgagees of Dwellings within the Properties pursuant to their mortgages in the case

of a distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of Common Area or Limited Common Area.

ARTICLE XI

Architectural Control - Subsidiary Organizations

Section 1. *The Architectural Review Board.* As a standing committee of each of the Subsidiary Organizations and the ASSOCIATION, there shall be, and hereby is, established an Architectural Review Board consisting of three (3) or more persons as may, from time to time, be provided in the By-Laws of the organization. Until the Applicable Date, the Architectural Review Board shall be the Initial Board of Directors. After the Applicable Date, the Architectural Review Board shall be appointed by the Board of Directors of the applicable organization.

Section 2. *Purpose.* The Architectural Review Board shall regulate the external design, appearance, use, location and maintenance of the Real Estate and of improvements thereon in such manner as to preserve and enhance values and to maintain a harmonious relationship among structures, improvements and the natural vegetation and topography.

Section 3. *Conditions.* No improvements, alterations, repairs, change of colors, excavation, changes in grade or other work which in any way alters the exterior of any Lot or the improvements located thereon from its natural or improved state existing on the date such Lot was first conveyed in fee by the Declarant to any Owner shall be made or done without the prior approval of the Architectural Review Board, except as otherwise expressly provided in this Declaration. No building, fence, wall, Dwelling Unit, or other structure shall be commenced, erected, maintained, improved, altered, made or done on any Lot without the prior written approval of the Architectural Review Board.

Section 4. *Procedures.* In the event the Architectural Review Board fails to approve, modify or disapprove in writing an application within thirty (30) days after such application (and an plans, drawings, specifications and other items required to be submitted to it in accordance with such rules as it may adopt) have been given to it, approval will be deemed granted by the Architectural Review Board. A decision of the Architectural Review Board may be appealed to the Board of Directors which may reverse or modify such decision by a sixty-six and two-thirds percent (66 -2/3rds%) vote of the Directors of said organization then serving. The Architectural Review Board may establish committees consisting of two (2) or more of its members, which committees shall exercise such powers of the Board as may be delegated to them.

Section 5. *Maintenance of Architectural Control.* The Subsidiary Organizations may not waive or abandon the procedure for enforcing the architectural design without the prior written approval of all Owners and all Mortgagees whose mortgage interests have been made

known to the Board of Directors in accordance with the provisions of this Declaration.

ARTICLE XII

Covenants and Restrictions (All Residential Areas and Common Areas)

Section 1. Preface. The following covenants and restrictions on the use and enjoyment of the Lots, Dwelling Units and Common Area shall be in addition to any other covenants or restrictions contained herein and in the Final Plat, 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 Corporation.

Section 2. Covenants, Conditions and Restrictions. These covenants and restrictions are

- (a) **Land Use.** The Properties shall be developed and used only for single family attached or detached residential uses and for the use and maintenance of noncommercial recreational facilities constructed as an amenity to and owned in common by the Owners of single family Dwellings thereon.
- (c) **Owner's Liability for Increased Insurance Rates.** Nothing shall be done or kept in any Dwelling Unit, or on any Lot or on the Common Area which will cause an increase in the rate of insurance on any Dwelling Unit or the contents thereof or on any Common Area. No Owner shall permit anything to be done or kept in his Dwelling Unit or on his Lot or on any of the Common Area which will result in a cancellation of insurance on any Dwelling Unit or any part of Common Area, or which would be in violation of any law or ordinance or the requirements of any insurance underwriting or rating bureau.
- (c) **Nuisance.** No noxious or offensive trade or activity shall be carried on upon any Lot, within any Dwelling situated upon a Lot, nor shall anything be done therein or thereon which may be or become an annoyance or nuisance to the neighborhood or the other Owners. The applicable organizations Board of Directors where the alleged nuisance occurs shall determine what is a nuisance and their determination will be conclusive.
- (d) **Animals.** No animals, livestock or poultry of any kind shall be raised, bred or kept in any dwelling Unit or on any Lot or any of the Common Area, except that pet dogs, cats or customary household pets may be kept in a Dwelling Unit, provided that such pet is not kept, bred or maintained for any commercial purpose, and does not create a nuisance. Pets shall be taken outdoors only

under leash or other restraint and while attended by its owner and an Owner shall be fully liable for any injury or damage to persons or property, including the Common Area, caused by his pet. The tethering of pets in any area outside an Owner's fenced patio does not constitute "attended". The Board may adopt such other rules and regulations regarding pets as it may deem necessary from time to time. Any pet which, in the judgment of the Board, is causing or creating a nuisance or unreasonable disturbance or noise, shall be permanently removed from the Properties within ten (10) days after written notice from the Board to the respective Owner to do so.

- (e) *Signs.* No Owner shall cause or permit anything to be hung or displayed on the outside of the windows of his Dwelling Unit or placed on the outside walls of any building, and no sign, awning, canopy, shutter or radio or television antenna or other attachment or thing shall be affixed to or placed upon the exterior walls or roofs or any other parts of any building without the prior consent of the applicable organization's Board of Directors.

No "realtor", "for sale", "for rent" or "for lease" signs, or other signs, or other window or advertising display shall be maintained or permitted on any part of the Properties, any Lot or any Dwelling Unit without the prior consent of the applicable Board; provided, however, that the right is reserved by the Declarant and the Board to place or allow to be placed "for sale" or for lease signs on or about the Properties in connection with any unsold or unoccupied Lots and Dwelling Units.

- (f) *Outside Display, Trash, etc.* All clotheslines, equipment, garbage cans, service yards, woodpiles or storage piles shall be kept from view of neighboring homes and streets. All rubbish, trash or garbage shall be stored in closed sanitary containers in areas designated by the applicable Corporation, shall be regularly removed from the premises, and shall not be allowed to accumulate on any part of the Properties. Trash may be stored in enclosed containers provided by the Corporation for that purpose. All clotheslines shall be confined to patio areas and shall be below the height of the patio fence. No clothes, sheets, blankets, rugs, laundry or other things shall be hung out or exposed on, or so as to be visible from, any part of the Common Area. The Common area shall be kept free and clear of rubbish, debris and other unsightly materials.

Except as hereinafter elsewhere provided, no junk, unlicensed or disabled vehicle, motorcycle, commercial vehicle, trailer, truck, camper or camp truck, house-trailer, boat or the like, shall be kept upon the Properties (except in enclosed garages) nor (except for bona fide emergencies) shall the repair or extraordinary maintenance of automobiles or other vehicles be carried out

thereon.

- (g) **Garage Door.** The Board of Directors may require that garage doors and the doors of any other storage room or the like shall be maintained in a closed position. This provision is not to be interpreted to allow mini-barns or similar outside storage units.
- (h) **Boats, Campers, etc.** No boats, campers, trailers of any kind, buses, mobile homes, recreational vehicles, trucks (larger than 3/4 ton), motorcycles, mini-bikes, or mopeds shall be permitted, parked or stored anywhere within the Common Areas or on any Lot other than in the garage, unless otherwise specifically permitted by the Board. No repair work shall be done except within the confines of a closed garage.
- (i) **Promulgated Rules and Regulations.** There shall be no violation of any rules for the Common Area which may, from time to time, be adopted by the Board of Directors of the ASSOCIATION, or promulgated among the membership by them in writing, and the Board of Directors are hereby and elsewhere in the By-Laws, authorized to adopt such rules. These Rules and Regulations shall include but not be limited to the use of the Lakes for swimming, boating and/or fishing from any shorelines of the Lake.
- (j) **Limitations on Renting.** No Owner may rent or lease his Dwelling Unit for transient or hotel purposes.
- (k) **Requirement for Lease Provision.** Any Owner who leases a Dwelling Unit shall lease the entire Dwelling Unit and shall have a written lease which shall provide that the lease is subject to the provisions of the Declaration and any failure of the lessee to comply with the terms of the Declaration, shall be a default under the lease.
- (l) **Separate Lots.** Each Dwelling Unit shall be separately platted in such a manner as will permit it to be individually sold as a part of a permanent home community.

Section 3. Declarant's Rights. Notwithstanding anything to the contrary contained herein or in the Articles or By-Laws, including, but not limited to, any covenants and restrictions set forth herein or otherwise, Declarant shall have the right to use and maintain any Lots and Dwelling Units owned by Declarant and other portions of the Properties (other than individual Dwelling Units and Lots owned by Persons other than Declarant), all of such number and size and at such locations as Declarant in its sole discretion may determine, as Declarant may deem advisable or necessary in its sole discretion to aid in the construction of Dwelling Units and the sale of Lots and Dwelling Units or for the conducting of any

business or activity attendant thereto, including, but not limited to, model Dwelling Units, storage areas, construction yards, signs, construction offices, sales offices, management offices and business offices. Declarant shall have the right to relocate any or all of the same from time to time as it desires. At no time shall any of such facilities so used or maintained by Declarant be or become part of the Common Area, unless so designated by Declarant, and Declarant shall have the right to remove the same from the Properties at any time.

Section 4. *Right of the ASSOCIATION and Subsidiary Organizations to Remove or Correct Violations of this ARTICLE.* The applicable organization may, in the interest of the general welfare of all the Owners in the applicable area of the organization and after reasonable notice to the Owner, enter upon a Lot or the exterior of any Dwelling at reasonable hours on any day for the purpose of removing or correcting any violations or breach of any attempted violation of any of the covenants and restrictions contained in this ARTICLE, or for the purpose of abating anything herein defined as a prohibited use or nuisance; provided, however, that no such action shall be taken without a resolution of the Board of Directors of the applicable organization.

Section 5. *Perpetual Easement for Encroachments - Attached Dwellings Only.* If any Lot or any improvement, building, overhead, fixture or other structure or improvements of whatever type shall for any reason encroach upon any other Lot as a result of the construction of the building or improvements in said area, a valid, perpetual easement for the encroachment and for its maintenance is retained by Declarant for its benefit and for the benefit of the such organization and any Owner whose Lot is affected thereby and shall exist perpetually. In the event the building or the improvement shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings in said area, and then rebuilt, any resulting encroachment shall be permitted, and a valid easement of such encroachment is hereby reserved by Declarant for its benefit and for the benefit of such organization and any Owner whose Lot is affected thereby and shall exist perpetually.

Section 6. *Additional Restrictions Upon The Single Family Detached Residential Portion of the Properties Only.* In order to afford adequate protection to all present and future Owners of Lots in this single family detached portion of the development area, the following protective covenants are established, each and all inuring to the benefit of each and every Owner therein, their heirs, successors and assigns, and shall be binding upon each grantor, his heirs, successors and assigns.

- a. ***Land Use.*** No portion of any Lot may be sold or subdivided whereby a greater number of Dwellings may be erected thereon which could exceed the total number of Lots platted. No mini-barns or outside storage units (portable or permanent) may be placed or constructed upon any lot.
- b. ***Building Location.*** No building may be erected between the building line

shown on the recorded plat and the front Lot line; and no structure or part thereof may be built or erected nearer to any side yard line than specified under applicable zoning ordinances. Before construction commences, said grade line shall be physically checked on the Lot and certified by a licensed professional engineer or a licensed land surveyor.

- c. **Limitation on Time To Build.** Any party other than the Declarant who secures title to a lot in the single family detached residence portions of the overall development agree to complete construction of any residence on or before one (1) year from the date such construction commences on said Lot. Failure to honor this condition/restriction shall establish an Option to Purchase said lot and improvements thereon for cash at an appraised price as hereinafter detailed, exercisable by written notice from the ASSOCIATION to the owners of said lot within sixty (60) days of the expiration of the aforesaid one (1) year period.

The appraised price shall be agreed upon within ten (10) days of the Lot Owners receipt of the above-written notice and if that is not possible the lot owner and the ASSOCIATION agree to submit the question of appraised value to appraisal and be bound by same as follows:

- (i) Each party shall select an appraiser and the two appraisers shall select a third, and this third appraiser shall proceed to determine the value of the Lot and improvements. Both parties agree to name their respective appraiser within fifteen (15) days of the date of the aforesaid written notice.
 - (ii) The appraisal shall be made within twenty-five (25) days of the date of the aforesaid notice and the appraiser shall make his report in writing and furnish a copy thereof to each of the parties within five (5) days thereafter.
 - (iii) Each party shall pay one-half (1/2) of the cost of this appraiser and shall be conclusively bound by the appraisers' determination.
- e. **Driveways.** All Dwelling driveways shall be constructed of concrete with a dust-free all-weather surface.
- f. **Fencing.** No fence, wall, hedge or shrub planting higher than eighteen (18) inches shall be permitted between the front property line and the front building setback line except where such planting is part of the Dwelling landscaping and the prime root thereof is within four (4) feet of the Dwelling. In any case, no fence shall be erected on or along any Lot line, nor on any Lot, the purpose or result of which will be to obstruct reasonable vision, light or air; and all

fences shall be kept in good repair and erected so as to enclose the Lot or decorate the same without hindrance or obstruction of any other Lot. Unless otherwise specifically approved by the Board of Directors of a Subsidiary Organization, no fence shall be erected upon any Lot whose maintenance is performed by a Subsidiary Organization.

- g. *Vegetation.* Owners shall not permit the growth of weeds and volunteer trees and bushes, and shall keep their Lots reasonably clear from unsightly growth at all times. Failure to comply shall warrant any Owner to cut weeds and clear the Lot of such growth at the expense of the Owner, and such Owner shall have a lien against said Lot for the expense thereof.
- h. *Satellite Dishes and Storage Tanks.* The type, use and location of any satellite dish used in connection with a Lot shall be subject to the written approval of the Architectural Control Board of the Subsidiary Organization which has jurisdiction, subject to any regulations or guidelines established the ASSOCIATION.

ARTICLE XIII

Amendment of Declaration (ASSOCIATION)

Section 1. 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 of the ASSOCIATION of 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 a majority in the aggregate of the votes of all Owners. In the event any Lot or Dwelling Unit is subject to a first mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the same manner as an Owner if the Mortgagee has given prior notice of its mortgage interest to the ASSOCIATION's Board of Directors in accordance

- a. The phase described in each Supplemental Declaration shall be governed in all respects by the provisions of this Declaration.
- b. Common Area (including Recreation and/or Aesthetic Common Areas) and any Limited Common Area shall automatically be conveyed to the ASSOCIATION as hereinbefore provided.
- c. The recording of a Supplemental Declaration shall not alter the amount of the lien for Common Expenses assessed to a Lot prior to such recording.
- d. Each Owner, by acceptance of the deed conveying his Lot, agrees for himself and all those claiming under him, including mortgagees, that this Declaration and each Supplemental Declaration is and shall be deemed to be in accordance with the Law, and for the purposes of this Declaration and the Act, any changes in the conveyance of additional Common Area and Limited Common Area to the ASSOCIATION resulting from any Supplemental Declaration and additional platting shall be deemed to be made by agreement of all Owners.
- e. Each Owner agrees to execute and deliver such documents as are necessary or desirable to cause the provisions of this paragraph to comply with the law as it may be amended from time to time.

In the event Declarant does not annex to the Properties the additional area or any particular phase thereof, as permitted by this paragraph, Declarant shall file a Supplemental Declaration which shall permanently remove that part of the additional area from any right to be made a part of the Properties; provided, however, any phase for which a Supplemental Declaration has not been filed within ten (10) years from date of recordation of the plat of Exhibit "B", "C", and "D" hereof, (whichever is first) shall automatically be removed from the possibility of becoming a part of the Properties.

ARTICLE XV

Enforcement of Covenants and Restriction

The right to enforce each of the foregoing restrictions by injunction, together with the right to cause the removal by due process of law of structures erected or maintained in violation thereof, is reserved to the Declarant, the Owners, their heirs, successors and assigns, who are entitled to such relief without being required to show any damage of any kind, by or through any such violation or attempted violation. The right of enforcement of the covenants is hereby also granted to the Department of Metropolitan Development of Marion County, Indiana, its successors or assigns. In the event of a judgment for violation of any covenant or restriction, the plaintiff shall be entitled to recover his costs laid out and expended together with reasonable attorneys' fees.

ARTICLE XVI

Miscellaneous

Section 1. Severability. Invalidation of any of these covenants and restrictions or any part thereof by judgment or court order shall not affect or render the remainder of said covenants and restrictions invalid or inoperative.

Section 2. Pronouns. Any reference to the masculine, feminine or neuter gender herein shall, unless the context clearly requires to the contrary, be deemed to refer to and include genders. The singular shall also include and refer to the plural and vice versa as appropriate.

Section 3. Interpretation. The captions and titles of the various articles, section, subsection a, paragraphs and subparagraphs of this Declaration are inserted herein for ease and convenience of reference only and shall not be used as an aid in interpreting or construing this Declaration or any provision hereof.

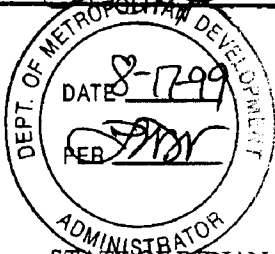
IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 3rd day of August, 1999.

APPROVED THIS 10th
DAY OF August 1999.
PERRY TOWNSHIP ASSESSOR
[Signature] DRAFTSMAN

The Villages of Cobblestone, L.P.
(an Indiana Limited Partnership)

By: [Signature]
Signature/Authority

Fonda E. Crandall, Member
Printed Name



STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Fonda E. Crandall, Member, who acknowledged the execution of the foregoing and who, having been duly sworn, under the penalties of perjury, stated that the facts and matters therein set forth are true and correct.

Witness my hand and notarial seal this 3rd day of August, 1999.

My County of Residence: _____

Marion



Amanda Y. McCoy-Collins
Signature

My Commission Expires: _____

5/13/01

Amanda Y. McCoy-Collins

Printed Name

Prepared By:

John W. Tousley

CAPLIN PEHLER PARK & TOUSLEY,
A PROFESSIONAL CORPORATION

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Indianapolis, IN 46204-2485

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Voice Mail: (317) 290-5386

E-Mail: jtousley@ix.netcom.com

Atty. No. 870-49

RETURN TO: _____

rev. 6-02-99
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EXHIBIT "A"

Cobblestone

The West Half of the Northwest Quarter of Section 14, and a part of the Northeast Quarter of Section 15, all in Township 14 North, Range 3 East of the Second Principal Meridian, Marion County, Indiana, being more particularly described as follows:

BEGINNING at the Northwest corner of said West Half, also being the Northeast corner of said Northeast Quarter, said corner also being in the approximate center of Southport Road; thence North 88 degrees 52 minutes 48 seconds East (assumed basis of bearings) along the North line of said West Half and said approximate center of Southport Road 1340.04 feet to the Northeast corner of said West Half, said corner also being the Northwest corner of Springbrook – First Section (Plat Book 30, Page 221, Office of the Marion County Recorder); thence South 00 degrees 37 minutes 45 seconds West along the East line of said West Half and the West line of said Springbrook – First Section and Spring Brook – Second Section (Plat Book 32, Page 345, Office of the Marion County Recorder) 2646.56 feet to the Southwest corner of said Springbrook – Second Section, said corner also being the Northeast corner of Southern Oaks – Section III (Instrument #79-18511, Office of the Marion County Recorder); thence South 88 degrees 55 minutes 23 seconds West along the South line of said West half and the North line of said Southern Oaks – Section III and Southern Oaks – Section II (Instrument #78014303, Office of the Marion County Recorder) 1335.35 feet to the Southwest corner of said West Half, also being the Southeast corner of said Northeast Quarter; thence South 88 degrees 37 minutes 23 seconds West along the South line of said Northeast Quarter and the North line of said Southern Oaks – Section II a distance of 484.20 feet to the East right-of-way line of the Indianapolis Southern Railway; thence North 10 degrees 39 minutes 28 seconds West along said East right-of-way line 1787.18 feet to a point of curvature of a curve concave easterly and whose radius point bears North 79 degrees 20 minutes 32 seconds East 2814.79 feet; thence Northerly along said curve and said East right-of-way line 890.25 feet to the North line of said Northeast Quarter, said point also being in the approximate center of Southport Road; thence North 89 degrees 02 minutes 44 seconds East along said North line and said approximate center 863.82 feet to the POINT OF BEGINNING, containing 125.55 acres, more or less. Subject to all rights-of-way, easements and restrictions.

METES/30024OVR
May 29, 1998

Exhibit "A"

The Villages of Cobblestone
DECLARE 77

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EXHIBIT "B"

Section 1 "Oxford"

The Villages of Cobblestone, Section 1

A part of the Northeast Quarter of Section 15, Township 14 North, Range 3 East of the Second Principal Meridian, Marion County, Indiana being more particularly described as follows:

Commencing at the Northeast corner of said Quarter Section; thence South 89 degrees 02 minutes 44 seconds West (assumed bearing) along the North line of said Quarter Section 98.00 feet to the POINT OF BEGINNING of this description; thence South 00 degrees 57 minutes 15 seconds East 200.00 feet to the point of a curvature of a curve concave Westerly, the radius point being South 89 degrees 02 minutes 45 seconds West 535.00 feet from said point; thence southerly 176.98 feet along said curve to the point of tangency of said curve, the radius point being North 72 degrees 00 minutes 00 seconds West 535.00 feet from said point; thence South 18 degrees 00 minutes 00 seconds West 38.31 feet; thence North 72 degrees 00 minutes 00 seconds West 70.00 feet; thence South 18 degrees 00 minutes 00 seconds West 186.42 feet to the point of curvature of a curve concave southeasterly, the radius point being South 72 degrees 00 minutes 00 seconds East 535.00 feet from said point; thence southerly 162.20 feet along said curve to the point of tangency of said curve, the radius point being South 89 degrees 22 minutes 15 seconds East 535.00 feet from said point; thence South 00 degrees 37 minutes 45 seconds West 59.85 feet to a point of curvature of a curve concave northwesterly, the radius point being North 89 degrees 22 minutes 15 seconds West 10.00 feet from said point; thence southerly along said curve 11.49 feet to the point of tangency of said curve, the radius point being North 23 degrees 31 minutes 07 seconds West 10.00 feet from said point, said point also being the point of curvature of a curve concave southeasterly, the radius point being South 23 degrees 31 minutes 07 seconds East 100.00 feet from said point; thence southerly 82.55 feet along said curve to the point of tangency of said curve, the radius point being South 70 degrees 49 minutes 04 seconds East 100.00 feet from said point, said point also being the point of curvature of a curve concave northwesterly, the radius point being North 70 degrees 49 minutes 04 seconds West 10.00 feet from said point; thence southwesterly along said curve 12.47 feet to the point of tangency of said curve, the radius point being North 00 degrees 37 minutes 45 seconds East 10.00 feet from said point; thence North 89 degrees 22 minutes 15 seconds West 22.54 feet; thence North 00 degrees 37 minutes 45 seconds East 125.00 feet; thence North 89 degrees 22 minutes 15 seconds West 180.00 feet; thence North 70 degrees 58 minutes 22 seconds West 94.85 feet; thence North 89 degrees 28 minutes 16 seconds West 224.60 feet to the East right-of-way of the Indiana Rail Road Company, said point also being on a curve concave Easterly, the radius point being North 83 degrees 26 minutes 21 seconds East 2814.79 feet from said point; thence northerly 688.98 feet along said curve and said right-of-way to a point on the aforesaid North line, the radius point being South 82 degrees 32 minutes 11 seconds East from said point; thence North 89 degrees 02 minutes 44 seconds East along said North line 765.82 feet to the place of beginning, containing 11.846 acres, more or less.

Exhibit "B"

EXHIBIT "C"

**Section 2 "Cambridge" and Section 3 "Stanford"
Low Maintenance**

Legal Description to be supplied by Developer

SEE PAGES 41A AND 41B

EXHIBIT "C"

The Villages of Cobblestone, Section 2

A part of the West half of the Northwest Quarter of Section 14, and part of the Northeast Quarter of Section 15, all in Township 14 North, Range 3 East of the Second Principal Meridian, Marion County, Indiana being more particularly described as follows:

Commencing at the Northeast corner of said Northeast Quarter of Section 15; thence South 89 degrees 02 minutes 44 seconds West (assumed bearing) along the North line of said Quarter Section 98.00 feet; thence South 00 degrees 57 minutes 15 seconds East 200.00 feet to the point of curvature of a curve concave westerly, the radius point being South 89 degrees 02 minutes 45 seconds West 535.00 feet; thence southerly 176.98 feet along said curve to the point of tangency of said curve, the radius point being North 72 degrees 00 minutes 00 seconds West 535.00 feet from said point; thence South 18 degrees 00 minutes 00 seconds West 38.31 feet to the POINT OF BEGINNING of this description; thence North 89 degrees 02 minutes 44 seconds East 763.43 feet; thence South 00 degrees 37 minutes 45 seconds West 563.24 feet; thence North 38 degrees 56 minutes 24 seconds West 142.54 feet; thence South 45 degrees 33 minutes 13 seconds West 100.00 feet to a point on a curve concave southwesterly, the radius point being South 45 degrees 33 minutes 13 seconds West 175.00 feet from said point; thence westerly along said curve 137.21 feet to the point of tangency of said curve, the radius point being South 00 degrees 37 minutes 45 seconds West from said point; thence North 89 degrees 22 minutes 15 seconds West 463.18 feet; thence South 00 degrees 37 minutes 45 seconds West 141.82 feet; thence North 89 degrees 22 minutes 15 seconds West 253.65 feet; thence North 00 degrees 37 minutes 45 seconds East 141.82 feet; thence South 89 degrees 22 minutes 15 seconds East 22.54 feet to a point of curvature of a curve concave northwesterly, the radius point being North 00 degrees 37 minutes 45 seconds East 10.00 feet from said point; thence northeasterly along said curve 12.47 feet to the point of tangency of said curve, the radius point being North 70 degrees 49 minutes 04 seconds West 10.00 feet from said point, said point also being the point of curvature of a curve concave southeasterly, the radius point being South 70 degrees 49 minutes 04 seconds East 100.00 feet from said point; thence northeasterly 82.55 feet along said curve to a point on said curve, the radius point being South 23 degrees 31 minutes 07 seconds East 100.00 feet from said point, said point also being the point of curvature of a curve concave northwesterly, the radius point being North 23 degrees 31 minutes 07 seconds West 10.00 feet from said point; thence northerly along said curve 11.49 feet to the point of tangency of said curve, the radius point being North 89 degrees 22 minutes 15 seconds West 10.00 feet from said point; thence North 00 degrees 37 minutes 45 seconds East 59.85 feet to the point of curvature of a curve concave southeasterly, the radius point being South 89 degrees 22 minutes 15 seconds East 535.00 feet from said point; thence northerly 162.20 feet along said curve to a point of tangency of said curve, the radius point being South 72 degrees 00 minutes 00 seconds East 535.00 feet from said point; thence North 18 degrees 00 minutes 00 seconds East 186.42 feet; thence South 72 degrees 00 minutes 00 seconds East 70.00 feet to the place of beginning, containing 10.473 acres, more or less.

The Villages of Cobblestone, Section 3

A part of the Northeast Quarter of Section 15, Township 14 North, Range 3 East of the Second Principal Meridian, Marion County, Indiana, being more particularly described as follows:

Commencing at the Northeast corner of said Quarter Section; thence South 89 degrees 02 minutes 44 seconds West (assumed bearing) along the North line of said Quarter Section 863.82 feet to a point on the East right-of-way line of the Indiana Rail Road Company, said point also being on a curve concave easterly, the radius point being South 82 degrees 32 minutes 11 seconds East 2814.79 feet from said point; thence southerly 688.98 feet along said curve to a point on said curve, the radius point being North 83 degrees 26 minutes 21 seconds East 2814.79 feet from said point, said point also being the POINT OF BEGINNING of this description; thence South 89 degrees 28 minutes 16 seconds East 224.60 feet; thence South 70 degrees 58 minutes 22 seconds East 94.85 feet; thence South 89 degrees 22 minutes 15 seconds East 180.00 feet; thence South 00 degrees 37 minutes 45 seconds West 266.82 feet; thence South 45 degrees 37 minutes 45 seconds West 25.70 feet; thence South 00 degrees 37 minutes 45 seconds West 842.70 feet; thence North 89 degrees 22 minutes 15 seconds West 252.79 feet to a point on the aforesaid East right-of-way line; thence North 10 degrees 39 minutes 28 seconds West along said right-of-way line 977.53 feet to the point of curvature of a curve concave easterly, the radius point being North 79 degrees 20 minutes 32 seconds East 2814.79 feet from said point; thence northerly 201.28 feet along said curve and along said right-of-way line also being the place of beginning, the radius point being North 83 degrees 26 minutes 21 seconds East 2814.79 feet from said point, containing 9.748 acres, more or less.

EXHIBIT "D"

Section 4 "Dartmouth" and Section 5 "Berkley"

Legal Description to be supplied by Developer

SEE PAGES 42A AND 42B

EXHIBIT "D"

The Villages of Cobblestone, Section 4

Part of the Northeast Quarter of Section 15, Township 14 North, Range 3 East of the Second Principal Meridian, Marion County, Indiana, being more particularly described as follows:

Commencing at the Northeast corner of said Quarter Section; thence South 89 degrees 02 minutes 44 seconds West (assumed bearing) along the North line of said Quarter Section 98.00 feet; thence South 00 degrees 57 minutes 15 seconds East 200.00 feet to the point of curvature of a curve concave northwesterly, the radius point being South 89 degrees 02 minutes 45 seconds West 535.00 feet from said point; thence southerly 176.98 feet along said curve to the point of tangency, the radius point being North 72 degrees 00 minutes 00 seconds West 535.00 feet from said point; thence South 18 degrees 00 minutes 00 seconds West 38.30 feet; thence North 72 degrees 00 minutes 00 seconds West 70.00 feet; thence South 18 degrees 00 minutes 00 seconds West 186.42 feet to the point of curvature of a curve concave southeasterly, the radius point being South 72 degrees 00 minutes 00 seconds East 535.00 feet from said point; thence easterly 162.20 feet along said curve to the point of tangency, the radius point being South 89 degrees 22 minutes 15 seconds East 535.00 feet from said point; thence South 00 degrees 37 minutes 45 seconds West 59.85 feet to a point of curvature of a curve concave northwesterly, the radius point being North 89 degrees 22 minutes 15 seconds West 10.00 feet from said point; thence southerly along said curve 11.49 feet to the point of tangency of said curve, the radius point being North 23 degrees 31 minutes 07 seconds West 10.00 feet from said point, said point also being the point of curvature of a curve, the radius point being South 19 degrees 51 minutes 29 seconds East 100.00 feet from said point; thence southerly 96.05 feet along said curve to a point on said curve, the radius point being South 74 degrees 53 minutes 36 seconds East 100.00 feet from said point, said point also being the point of curvature of a curve concave northwesterly, the radius point being North 70 degrees 49 minutes 04 seconds West 10.00 feet from said point; thence southwesterly along said curve 12.47 feet to the point of tangency of said curve, the radius point being North 00 degrees 37 minutes 45 seconds East 10.00 feet from said point; thence North 89 degrees 22 minutes 15 seconds West 22.54 feet; thence South 00 degrees 37 minutes 45 seconds East 141.82 feet to the POINT OF BEGINNING of this description; thence South 89 degrees 22 minutes 15 seconds East 253.65 feet; thence South 32 degrees 11 minutes 46 seconds East 33.53 feet; thence South 00 degrees 37 minutes 45 seconds West 950.00 feet; thence South 89 degrees 22 minutes 15 seconds East 20.00 feet; thence South 00 degrees 37 minutes 45 seconds West 196.56 feet; thence South 68 degrees 02 minutes 53 seconds West 55.98 feet; thence North 21 degrees 57 minutes 07 seconds West 51.87 feet; thence South 68 degrees 02 minutes 53 seconds West 50.00 feet; thence South 74 degrees 12 minutes 19 seconds West 90.25 feet; thence North 15 degrees 47 minutes 41 seconds West 170.00 feet to a point of curvature of a curve concave southerly, the radius point being North 15 degrees 10 minutes 25 seconds West 60.00 feet from said point; thence westerly 5.55 feet along said curve to a point on said curve, the radius point being North 09 degrees 52 minutes 30 seconds West 60.00 feet from said point; thence North 15 degrees 47 minutes 41 seconds West 151.56 feet; thence North 89 degrees 22 minutes 15 seconds West 9.34 feet; thence North 00 degrees 37 minutes 45 seconds East 842.70 feet; thence North 45 degrees 37 minutes 45 seconds East 25.70 feet to the place of beginning, containing 7.377 acres, more or less.

Cobblestone, Section 5

A part of the Northwest Quarter Section 14 and part of the Northeast Quarter of Section 15 in Township 14 North, Range 3 East of the Second Principal Meridian, Marion County, Indiana, being more particularly described as follows:

Commencing at the Northeast corner of said Northeast Quarter of Section 15; thence South 89 degrees 02 minutes 44 seconds West (assumed bearing) along the North line of said Quarter Section 98.00 feet; thence South 00 degrees 57 minutes 15 seconds East 200.00 feet to the point of curvature of a curve concave northwesterly, the radius point being South 89 degrees 02 minutes 45 seconds West 535.00 feet from said point; thence southerly along said curve 176.98 feet to the point of tangency of said curve, the radius point being North 72 degrees 00 minutes 00 seconds West 535.00 feet from said point; thence South 18 degrees 00 minutes 00 seconds West 38.31 feet; thence North 89 degrees 02 minutes 44 seconds East 763.43 feet; thence South 00 degrees 37 minutes 45 seconds West 563.24 feet to the POINT OF BEGINNING of this description; thence continuing South 00 degrees 37 minutes 45 seconds West 276.71 feet; thence North 89 degrees 22 minutes 15 seconds West 160.00 feet; thence North 00 degrees 37 minutes 45 seconds East 15.98 feet; thence North 89 degrees 22 minutes 15 seconds West 100.00 feet; thence South 00 degrees 37 minutes 45 seconds West 26.96 feet; thence South 63 degrees 18 minutes 04 seconds West 247.64 feet; thence North 00 degrees 37 minutes 45 seconds East 99.06 feet; thence North 89 degrees 22 minutes 15 seconds West 100.00 feet; thence South 00 degrees 37 minutes 45 seconds West 27.50 feet; thence North 89 degrees 22 minutes 15 seconds West 150.00 feet; thence North 00 degrees 37 minutes 45 seconds East 250.00 feet; thence North 32 degrees 11 minutes 46 seconds West 33.53 feet; thence North 00 degrees 37 minutes 45 seconds East 141.82 feet; thence South 89 degrees 22 minutes 15 seconds East 463.18 feet to the point of curvature of a curve concave southwestwardly, the radius point being South 00 degrees 37 minutes 45 seconds West 175.00 feet from said point; thence westerly 137.21 feet along said curve to a point on said curve, the radius point being South 45 degrees 33 minutes 13 seconds West 175.00 feet from said point; thence North 45 degrees 33 minutes 13 seconds East 100.00 feet; thence South 38 degrees 56 minutes 24 seconds East 142.54 feet to the place of beginning, containing 6.617 acres, more or less.

Metes30024S5
May 29, 1998
Rev June 16, 1998
Rev May 27, 1999

5

DECLARATION OF MAINTENANCE OBLIGATION

**THIS DECLARATION made this 20 day of August, 1999,
by The Villages of Cobblestone, L.P.
("Declarant").**

Address (Office) 25 West Ninth St.

(Site) 1151 1/2 West Southport Road

WITNESSETH

1152 1/2 W SOUTHPORT Rd } TWO
MCHA TAPS

WHEREAS, the following facts are true.

A. Declarant is the owner of fee simple title to certain real estate located in Marion County, Indiana, more particularly described in Exhibit A attached hereto and made a part hereof (hereinafter referred to as the "Real Estate").

B. Declarant has installed or plans to install in the right-of-way known as 1151 West Southport Road Street, Indianapolis, Indiana (hereinafter referred to as the "Right-of-Way") adjacent to the Real Estate the equipment described in Exhibit B attached hereto (hereinafter referred to as the "Water Equipment"). which Declarant desires to connect to the water line of the Indianapolis Water Company ("Water Company").

C. The Water Company is objecting to the installation of the Water Equipment pursuant to Rule 7(A) of its Rules and Regulations on file with and approved by the Indiana Utility Regulatory Commission governing its provision of water utility service because it is concerned that in the future the Water Company might be requested to maintain, repair or replace (hereinafter "maintain") the Water Equipment because of its location in the Right-of-Way.

D. Declarant deems it desirable that the owner of the Real Estate be responsible for maintaining the Water Equipment and that the Water Company have no obligation to maintain the Water Equipment.

NOW, THEREFORE, Declarant declares that the Real Estate and the Water Equipment be held, transferred, sold, conveyed, encumbered, leased, rented, used and occupied subject to the provisions, agreements, covenants and restriction hereinafter set forth:

1. Declaration. Declarant hereby expressly declares (1) that the Water Company shall have no obligation to maintain in any manner the Water Equipment; (2) that the Water Company shall not be responsible for any damage that might occur to the Water Equipment regardless of the cause; and (3) that the maintenance of the Water Equipment, if such is to be maintained, shall be the obligation of the owners of the Real Estate. No person shall have any right to require that the Water Company expend any funds toward the maintenance of the Water Equipment or any right to impose an obligation on the Water Company to maintain the Water Equipment, and if Declarant or any other person would allegedly have such right pursuant to any rule or regulation, the Declarant for itself and its successors and assigns hereby expressly waives that right.

2. Acceptance and Ratification. All present and future owners, mortgagees, tenants and occupants of the Real Estate and the Water Equipment, shall be subject to and comply with the provisions of the Declaration and all such provisions shall be covenants running with the land and shall be binding on any persons having at any time any interest or estate in the Real Estate or the Water Equipment as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage and lease thereof. This Declaration shall remain in effect for so long as the Water Equipment is connected to the water line of the Water Company. All persons, corporations, partnerships, trust and other legal entities which may own, occupy, use, enjoy or control any of the Real Estate or the Water Equipment shall be subject to this Declaration.

3. Maintenance of the Water Equipment. The obligation to maintain the Water Equipment shall rest with the owners of the Real Estate for so long as the Water Equipment is connected to the water line of the Water Company. If the owners of the Real Estate fail to maintain the Water Equipment, such failure shall not put any obligation on the Water Company or on any other entity to provide maintenance.

IN WITNESS WHEREOF, Declarant has executed this Declaration on this day and year first hereinabove set forth.

Villages of Cobblestone L.P.
25 W. 9th St. Indianapolis 46204

By: *Fonda E. Crandall*
Signature
Fonda E. Crandall
Printed Name
Member
Title

STATE OF INDIANA)
)SS:
COUNTY OF Marion

Before me, a Notary Public in and for said County and State, personally appeared Fonda E. Crandall, by me known to be the Member of Villages of Cobblestone, L.P. who acknowledged the execution of the foregoing "Declaration of Maintenance Obligation" on behalf of said corporation.

WITNESS my hand and Notarial Seal this 9th day of September, 1999.

Amanda Y. McCoy-Collins
Notary Public Amanda Y. McCoy-Collins

Amanda Y. McCoy-Collins
Printed Signature



My Commission Expires:
May 13, 2001
My County of Residence:
Marion

EXHIBIT A

(Legal Description of the Real Estate owned by Declarant adjacent to right-of-way.)

The West Half of the Northwest Quarter of Section 14, and a part of the Northeast Quarter of Section 15, all in Township 14 North, Range 3 East of the Second Principal Meridian, Marion County, Indiana, being more particularly described as follows:

Commencing at the Northwest corner of said West Half, also being the Northeast corner of said Northeast Quarter, said corner also being in the approximate center of Southport Road; thence South 89 degrees 02 minutes 44 seconds West along the North line of said Northeast Quarter 98.00 feet to POINT OF BEGINNING of this described parcel; thence South 00 degree 57 minutes 15 seconds East 200.00' to the point of curvature of a tangent curve to the right having a central angle of 18 degrees 57 minutes 15 seconds the radius point of said curve bears South 89 degrees 02 minutes 45 seconds West 535.00 feet; thence Southerly along said curve 176.99 feet; thence South 18 degrees 00 minute 00 second West 38.30 feet; thence North 89 degrees 02 minutes 44 seconds East parallel with the North line of said Northeast Quarter 763.44 feet; thence South 00 degree 37 minutes 45 seconds West parallel with the East line of said West Half and the West line of said Springbrook - First Section (Plat Book 30, Page 221, Office of the Marion County Recorder) and Springbrook - Second Section (Plat Book 32, Page 345, Office of the Marion County Recorder) 1964.42 feet; thence South 19 degrees 24 minutes 56 seconds West 287.70 feet to the South line of said West Half and the North line of Southern Oaks - Section III and Southern Oaks - Section II (Instrument #78014303, Office of the Marion County Recorder); thence South 88 degrees 55 minutes 23 seconds West along said South line of said West Half and said North line of said Southern Oaks - Section III and Section II 538.01 feet to the Southwest corner of said West Half, also being the Southeast corner of said Northeast Quarter; thence South 88 degrees 37 minutes 23 seconds West along the South line of said Northeast Quarter and the North line of said Southern Oaks - Section II 484.20 feet to the East Right-of-Way line of the Indianapolis Southern Railway; thence North 10 degrees 39 minutes 28 seconds West along said East Right-of-Way line 1787.18 feet to the point of curvature of a tangent curve to the right having a central angle of 18 degrees 07 minutes 17 seconds, the radius point of said curve bears North 79 degrees 20 minutes 32 seconds East 2814.79 feet; thence Northerly along said curve and said East Right-of-Way line 890.25 feet to the North line of said Northeast Quarter, said point also being in the approximate center of Southport Road; thence North 89 degrees 02 minutes 44 seconds East along said North line and said approximate center 765.82 feet to the POINT OF BEGINNING, containing 75.55 acres, more or less.

Subject to all rights-of-way, easements and restrictions.

EXHIBIT B

(Description of Water Equipment located in right-of-way.)

ESTIMATE FOR IRRIGATION SYSTEM
(THE VILLAGES OF COBBLESTONE)

- 180 ** HUNTER PGP SERIES ROTOR HEADS
- 81 ** RAIN BIRD 1804 SERIES SPRAY HEADS
- 22 ** RAIN BIRD 1.5" PGA ELECTRONIC CONTROL VALVES
- 2 ** BACKFLOW DEVICES
- 2 ** RAIN BIRD ESP SERIES CONTROLLERS

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Cross Reference: Instrument No. 99-155469, Recorded August 17, 1999

**FIRST AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS OF THE VILLAGES OF COBBLESTONE SUBDIVISION**

THE VILLAGES OF COBBLESTONE, L.P., is the Declarant with respect to a certain Declaration of Covenants, Conditions and Restrictions of The Villages of Cobblestone Subdivision dated August 17, 1999, and recorded in the Office of the Recorder of Marion County, Indiana on August 17, 1999, as Instrument No. 99-155469 ("Declaration").

WHEREAS, the Declaration by its terms pertains to Section 2 of The Villages of Cobblestone Subdivision; and

WHEREAS, the Declarant continues to own lots in The Villages of Cobblestone Subdivision as platted in Marion County, Indiana, as per plat thereof recorded August 3, 1999 as Instrument No. 99-146944; and

WHEREAS, the Declarant owns certain property which is a strip of ground 13 feet in width by parallel lines immediately adjoining the north boundary lines of Lots 24 through 36 of said Section 2 ("13 Foot Strip") on which a privacy fence is located; and

WHEREAS, the Declarant intends for the terms and conditions of the Declaration to apply to the 13-Foot Strip;

NOW, THEREFORE, pursuant to Article XIV of the Declaration, Declarant hereby amends the Declaration to annex the 13-Foot Strip, as described on **Exhibit A** hereto an incorporated herein by reference, as part of the real estate defined and subject to the terms and provisions of the Declaration.

IN WITNESS WHEREOF, the Declarant has executed this First Amendment to the Declaration of Covenants and Restrictions of The Villages of Cobblestone Subdivision this 9th day of August, 2002.

THE VILLAGES OF COBBLESTONE, L.P.
By: OAKLAND DEVELOPMENT, LLC,
General Partner

**Auditors Stamp Missing At Time
of Recording**

MCR

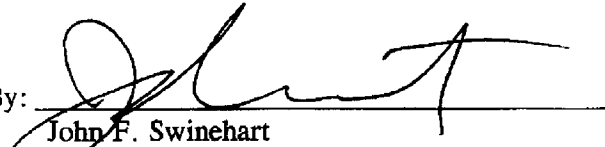
By: 
John F. Swinehart

Exhibit "A"

A part of the West half of the Northwest Quarter of Section 14, and part of the Northeast Quarter of Section 15, all in Township 14 North, Range 3 East of the Second Principal Meridian, Marion County, Indiana being more particularly described as follows:

Commencing at the Northeast corner of said Northeast Quarter of Section 15; thence South 89 degrees 02 minutes 44 seconds West (assumed bearing) along the North line of said Quarter Section 98.00 feet; thence South 00 degrees 57 minutes 15 seconds East 200.00 feet to the point of curvature of a curve concave westerly, the radius point being South 89 degrees 02 minutes 45 seconds West 535.00 feet; thence southerly 176.98 feet along said curve to the point of tangency of said curve, the radius point being North 72 degrees 00 minutes 00 seconds West 535.00 feet from said point; thence South 18 degrees 00 minutes 00 seconds West 24.56 feet to the POINT OF BEGINNING of this description; thence continuing South 18 degrees 00 minutes 00 seconds West 13.75 feet; thence North 89 degrees 02 minutes 44 seconds East parallel with the aforesaid North line 763.43 feet; thence North 00 degrees 57 minutes 16 seconds West 13.00 feet; thence South 89 degrees 02 minutes 44 seconds West parallel with the aforesaid North line 758.96 feet to the place of beginning, containing 0.227 acres, more or less.

S/30024s2/exhibit 13' strip
May 3, 2002

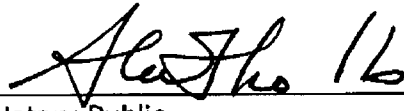
STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared John F. Swinehart, General Partner of Oakland Development, LLC, who acknowledged the execution of the foregoing document.

Witness my hand and Notarial Seal this 9th day of August, 2002.

My Commission Expires:

9-7-2006



Notary Public

ALAN F. KOLB
MARION COUNTY RESIDENT
MY COMMISSION EXPIRES: 9-7-2006

This instrument prepared by Clark L. Snyder
HENDERSON DAILY WITHROW & DEVOE
One Indiana Square, Suite 2600
Indianapolis, Indiana 46204
(317) 639-4121

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**FIRST AMENDMENT TO MASTER DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**

This **FIRST AMENDMENT TO MASTER DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS** ("Amendment") is made as of this 8th day of
December, 2003, by and between GSL & C, LLC, an Indiana limited liability company, the
successor in interest to The Villages of Cobblestone, L.P., an Indiana limited partnership
("Declarant").

Recitals:

A. Declarant has executed and recorded that certain Master Declaration of
Covenants, Conditions and Restrictions dated August 3, 1999 and recorded August 17, 1999 in
the Office of the Recorder of Marion County, Indiana as Instrument No. 1999-0155469
("Declaration").

B. Declarant intends to amend the Declaration as to Section 4A and 4B of the
Villages of Cobblestone to include a storm drainage provision required by the Department of
Metropolitan Development.

Terms:

NOW, THEREFORE, Declarant is hereby entering to this Amendment as follows:

1. Article XII, Covenants and Restrictions, shall be amended to add a new
subsection 7 which shall be applicable to only to Sections 4A and 4B of the
Village of Cobblestone and shall read as follows:

Section 7. Storm Drainage. This subdivision has been designed to include a
stormwater quality best management practice (BMP(s)) that must be maintained
by the BMP(s) owner. Said BMP(s) is currently maintained by the Developer;
however, upon the activation of the Homeowners Association, the Operations and
Maintenance Manual for such BMP(s) shall become the responsibility of said
Association subject to all fees and other city requirements.

2. Except as specifically modified by this Amendment, the Declaration remains in
full force and effect and is hereby ratified and affirmed by Declarant.

12/08/03 02:36PM MANDA MARTIN MARION CITY RECORDER JCG 12.00 PAGES: 2

Inst # 2003-0260004

MARION COUNTY
02503 000-50
FOR TRANSFER



IN WITNESS WHEREOF, Declarant has executed this Amendment as of the date and year first written above.

GSL & C, LLC, an Indiana limited liability company, successor in interest to The Villages of Cobblestone, L.P., an Indiana limited partnership

By:

[Signature]
John Swinehart, Managing Member

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared John Swinehart, the Managing Member of GSL & C, LLC, an Indiana limited liability company, successor in interest to The Villages of Cobblestone, L.P., an Indiana limited partnership, who acknowledged the execution of the foregoing First Amendment to Master Declaration of Covenants, Conditions and Restrictions, acting for and behalf of the limited liability company.

Witness my hand and Notarial Seal this 8th day of December, 2003.

[Signature]

, Notary Public

My Commission Expires:
June 17, 2011

County of Residence:
Marion

This instrument prepared by: Stephen A. Backer, Esq., BACKER & BACKER, P.C., 8710 North Meridian Street, Indianapolis, Indiana 46260.

APPROVED THIS 8th
DAY OF December 20 03
PERRY TOWNSHIP ASSESSOR
[Signature] GIS MANAGER