

BY-LAWS

OF

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WASHINGTON TRAIL HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Name and Location

The name of the Corporation is WASHINGTON TRAILS HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the Corporation shall be located at RR Box 257, New Palestine, Indiana 46163, but meetings of members directors may be held at such places with the State of Indiana, may be designated by the Board of Directors.

ARTICLE II

Definitions

Section 1. "Developer" shall mean and refer to GREENTREE ENTERPRISES, INC., its successor and assigns as a Developer.

Section 2. "Association", shall mean and refer to WASHINGTON TRAIL HOMEOWNERS ASSOCIATION, INC., an Indiana not-for-profit corporation, its successors and assigns.

Section 3. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot in Washington Trail Subdivision, in Marion County, Indiana, including contract sellers but excluding those having such interest merely as security for the performance of an obligation.

Section 4. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions of Washington Trail recorded as Instrument # _____ in the Office of the Recorder of Marion County, Indiana.

Section 5. "Lot" shall mean and refer to any lot shown upon any recorded subdivision map of Washington Trail Subdivision. With respect to any single family dwelling units that may be constructed on a part of more than one of such lots, however, "Lot" shall mean and refer to the real estate conveyed in connection with such dwelling unit.

Section 6. "Dwelling" shall mean and refer to a single family residence erected on a Lot with the Project Real Estate.

Section 7. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

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ARTICLE III

Meeting of Members

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the second Tuesday in March of each year thereafter, at the hour of 7:00 P.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors, or upon written request of the members who are entitled to vote one-tenth (1/10) of all of the votes of the Class A Membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, forty percent (40%) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until quorum as aforesaid shall be presented or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

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ARTICLE IV

Board of Directors: Selection: Term of Office:

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors who shall be members of the Association.

Section 2. Term of Office. At each annual meeting the members shall elect three (3) directors for terms of one (1) year.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without A Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

Nomination and Election of Directors

Section 1. Nomination. Nomination for election of the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

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ARTICLE VI

Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors, after not less than three (3) days' notice to each Director.

ARTICLE VII

Powers and Duties of the Board of Directors

Section 1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon; and to establish penalties for the infraction thereof;
- (b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- (c) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (d) to authorize the officers to enter into one or more management agreements with third parties in order to facilitate efficient operation of the Properties. It shall be the primary purpose of such management agreements to provide for the administration, management, repair and maintenance of the Properties, all improvements included therein and designated as common areas, and the receipt and disbursement of funds as may be authorized by the Board of Directors. The terms of said management agreements shall be as determined by the Board of Directors to be in the best interests of the Corporation, and shall be subject in all respects to the Articles of Incorporation, these By-Laws and the Declaration.

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Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
 - (1) fix the amount of the regular assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
 - (2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - (3) pursue collection of assessments which are not paid within thirty (30) days after due date and/or to bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against any Lot.
- (d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) obtain on behalf of the Association casualty insurance for the Common Areas, liability insurance (including directors' and officers' insurance) and such other insurance as it deems necessary or advisable.
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the Common Area to be maintained.

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ARTICLE VIII

Officers and Their Duties

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, having such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any time later specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Vice-President, Secretary and Treasurer may be held by the same person. No person shall simultaneously hold the offices of president and secretary.

Section 8. Duties. The duties of the officers are as follows:

PRESIDENT

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- (a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of

the Board are carried out; shall sign all contracts, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

VICE-PRESIDENT

- (b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

SECRETARY

- (c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association, if any; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

TREASURER

- (d) Unless delegated by the Board of Directors to a managing agent, the treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the members.

ARTICLE IX

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Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation, the By-Laws and the Management Agreement of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE X

Assessments

As more fully provided in the Declaration, each member is obligated to pay to the Association regular and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due as called for in the Declaration shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the prevailing rate of interest, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his apartment.

ARTICLE XI

Corporate Seal

The Association may (but is not obligated to) have a seal in circular form having within its circumference the words:
WASHINGTON TRAIL HOMEOWNERS ASSOCIATION, INC.

ARTICLE XII

Amendments

Section 1. These By-Laws may be amended, at a regular or special meeting of the Board of Directors, by a vote of a majority.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

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IN WITNESS WHEREOF, we, being all of the Directors of
WASHINGTON TRAIL HOMEOWNERS ASSOCIATION, INC., have hereunto set
our hands this 13th day of May, 1986.

Michael Beaty
MICHAEL BEATY

George Reilly
GEORGE REILLY

Nancy Reilly
NANCY REILLY

STATE OF INDIANA)
) SS:
COUNTY OF HANCOCK)

Subscribed and sworn to before me this 13th day of May, 1986

Harold Gibson
Notary Public, Harold Gibson



County of Residence: Hancock
My commission expires: 11/12/89

THIS INSTRUMENT PREPARED BY DEBORAH D. ROBERTSON, ATTORNEY-AT-LAW,
300 SOUTH MADISON AVENUE, SUITE 400, P. O. BOX 405, GREENWOOD,
INDIANA 46142.

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
WASHINGTON TRAIL

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THIS DECLARATION made this 15th day of August, 1985, by Greentree Enterprises, Inc., an Indiana corporation (hereinafter referred to as "Developer"),

WITNESSETH:

WHEREAS, Developer is the owner or contract purchaser of all of the lands contained in the area described in Exhibit A attached hereto and made a part hereof, which lands will be subdivided and known as "Washington Trail" (hereinafter referred to as the "Development"), and will be more particularly described on the plats of the various sections thereof recorded and to be recorded in the Office of the Recorder of Marion County, Indiana; and

WHEREAS, Developer intends to sell and convey the residential lots situated within the platted areas of the Development and before doing so desires to subject to and impose upon all real estate within the platted areas of the Development mutual and beneficial restrictions, covenants, conditions and charges (hereinafter referred to as the "Restrictions") under a general plan or scheme or improvement for the benefit and complement of the lots and lands in the Development and future home owners thereof.

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

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

a. "Committee" shall mean the Washington Trail Development Control Committee, composed of three (3) members appointed by Developer who shall be subject to removal by Developer at any time with or without cause. Any vacancies from time to time existing shall be filled by appointment of Developer until such time as the subdivision is completely developed and sold, at which time the Washington Trail Homeowners Association, Inc. shall appoint from its membership this Committee.

b. "Lot" shall mean any parcel of real estate, whether residential or otherwise, described by one of the plats of the Development which is recorded in the Office of the Recorder of Marion County, Indiana.

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c. Approvals, determinations, permissions or consent required herein shall be deemed given if they are given in writing signed, with respect to Developer thereof, and with respect to the Committee, by two members thereof.

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

e. "Association" shall mean "Washington Trail Homeowners Association, Inc." and shall be created as an Indiana not-for-profit corporation and its membership shall consist of lot owners who pay mandatory assessments for security control, snow removal, liability insurance, landscape easement maintenance, fertilizing and weed control and Common Area facilities' operation and maintenance.

f. "Common Area" shall mean those areas set aside for conveyance to the Association, as shown on the plat.

2. CHARACTER OF THE DEVELOPMENT

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a. In General. Every numbered lot in the Development, unless it is otherwise designated by Developer, is a residential lot and shall be used exclusively for single family residential purposes. No structure shall be erected, placed or permitted to remain upon any of said residential lots except a single family dwelling house and one outbuilding as is usually accessory to a single-family dwelling house. Such outbuilding shall not exceed 120 square feet in size and shall be constructed of materials other than metal and compatible to those of the residence and shall require prior approval of the Committee. All construction shall be completed within a reasonable period of time. All tracts of land located within the Development which have not been designated by numbering as residential building lots in the recorded plats shall be Common Area, designated in a master plan by Developer.

b. Residential Use of Accessory Outbuildings Prohibited. No accessory outbuildings shall be erected on any of the residential lots prior to the erection thereon of a single family dwelling house, and in no event shall any such accessory outbuilding or any temporary structure which may be constructed upon a residential lot under these Restrictions ever be used as a residence or dwelling house or place for human occupancy or habitation.

c. Occupancy or Residential Use of Partially Completed Dwellings House Prohibited. No dwelling house constructed on any of the residential lots shall be occupied or used for residential purposes or human habitation until it shall have been substantially completed for occupancy in accordance with the approved building plan. The determination of whether the house shall have been substantially completed in accordance with the approved building plan shall be made by the Committee and such decision shall be binding on all parties.

d. Other Restrictions. All tracts of ground in the Development shall be subject to the easements, restrictions and limitations of record, and to all governmental zoning authority and regulations affecting the Development, all of which are incorporated herein by reference.

3. RESTRICTIONS CONCERNING SIZE, PLACEMENT AND MAINTENANCE OF DWELLING HOUSES AND OTHER STRUCTURES

A. Minimum Living Space Areas. The minimum square footage of living space of dwellings constructed on various residential lots in the Development, exclusive of porches, terraces, garages, carports, accessory buildings, or basements, shall be designated on the recorded plats of the sections, within the Development, but no dwelling shall

contain less than 1200 square feet of living area for a one-story structure or 900 square feet of minimum main floor area if higher than one-story, provided higher than one story structures shall have a minimum of 1200 square feet, and each dwelling shall have a two-car garage and paved drive.

B. Residential Setback Requirements

(i) In General. Unless otherwise provided in these restrictions or on the recorded plat, no dwelling or above grade structure shall be constructed or placed on any residential lot in the Development except as provided herein.

(ii) Definitions. "Side line" means a lot boundary line that extends from the road on which a lot abuts to the rear line of said lot. "Rear line" means the lot boundary line that is farthest from, and substantially parallel to, the road on which the lot abuts, except that on corner lots, it may be determined from either abutting road.

(iii) Front Yards. The front building setback lines shall be all as set forth upon the plats of the Development.

(iv) Cul-de-sacs. If the particular lot abuts a cul-de-sac, the front building setback line shall be as shown on the plat of that lot.

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(v) Side Yards. The side yards on any lot shall contain an aggregate distance of not less than ten feet (10') between any dwelling or other structure and the side lines, provided, however, that no such dwelling or other structure shall be located less than four feet (4') from a side line.

(vi) Rear Yards. The rear setback line shall be as set forth on the plats of the Development, and if not designated on the plat the rear yard setback lines shall maintain a minimum distance between buildings of not less than ten feet (10').

C. Fences, Light Fixtures, Mailboxes. In order to preserve the natural quality and aesthetic appearance of the existing geographic areas within the Development, any fence, light fixture or mailbox must be approved by the Committee as to size, location, height and composition before it may be installed. Fencing shall not exceed six feet (6') in height, and no fence may be placed closer to the front lot line than the front building setback line.

D. Prohibition of Used Structures and Modular Homes. All structures constructed or placed on any numbered lot in the Development shall be constructed with substantially all new materials, and no used structures shall be relocated or placed on any such lot, nor shall modular constructed structures be placed on any lot.

E. Maintenance of Lots and Improvements. The Owner of any lot in the Development shall at all times maintain the lot and any improvements situated thereon in such a manner as to prevent the lot or improvements from becoming unsightly; and, specifically, such Owner shall:

(i) Mow the lot at such times as may be reasonably required in order to prevent the unsightly growth of vegetation and noxious weeds.

(ii) Remove all debris or rubbish.

(iii) Prevent the existence of any other condition that reasonably tends to detract from or diminish the aesthetic appearance of the Development.

(iv) Cut down and remove dead trees.

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

F. Developer's Right to Perform Certain Maintenance. In the event that the Owner of any lot in the Development shall fail to maintain his lot and any improvements situated thereon in accordance with the provisions of these restrictions, Developer shall have the right, but not the obligation, by and through its agents and employees or contractors, to enter upon said lot and repair, mow, clean or perform such other acts as may be reasonably necessary to make such lot and improvements thereon, if any, conform to the requirements of these Restrictions. The cost therefor to Developer shall be collected in any reasonable manner from Owner. Neither Developer nor any of its agents, employees or contractors shall be liable for any damage which may result from any maintenance work performed hereunder. At the time dwellings are constructed upon all lots, Washington Trail Homeowners Association, Inc. shall succeed to the rights of Developer therein.

4. ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

A. Membership. Every owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

B. Classes of Membership. The Association shall have two classes of voting membership:

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

Class B. The Class B member(s) shall be the Developer, who shall be entitled to three (3) votes for each Lot owned and the first Board of Directors during their respective terms, who shall have no voting rights. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B memberships; or

(b) On January 1, 1991. **860340551**

C. Board of Directors. The Members shall elect a Board of Directors of the Association as prescribed by the Association's By-Laws. The Board of Directors shall manage the affairs of the Association.

D. Professional Management. No contract or agreement for professional management of the Association nor any other contract with Developer shall be for a term in excess of three (3) years. Any such agreement or contract shall provide for termination by either party with or without cause without any termination fee by written notice of ninety (90) days or less.

E. Responsibilities of the Association

(i) The Association shall maintain and repair the Common Areas shown on the plat(s) including improvements thereon.

(ii) The Association shall procure and maintain casualty insurance for the Common Areas, liability insurance (including directors' and officers' insurance) and such other insurance as it deems necessary or advisable.

(iii) The Association may contract for such services as management, snow removal, security control, trash removal, and such other services as the Association deems necessary or advisable.

5. COVENANT FOR MAINTENANCE ASSESSMENTS

A. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot, other than the Developer, 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: (1) monthly assessments or charges; and (2) special assessments for capital improvements and operating deficits; such assessments to be established and collected as hereinafter provided. The monthly and special assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

B. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area and the landscape easements on the Development and other purposes as specifically provided herein.

C. Maximum Monthly Assessments

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(i) Until January 1, 1986, the maximum monthly assessment on any lot conveyed by Developer shall not exceed \$35.00 per lot.

(ii) From and after January 1, 1986, the maximum monthly assessment may be increased effective January 1 of each year without a vote of the membership by no more than 15%.

(iii) From and after January 1, 1986, the maximum monthly assessment may be increased by more than the amount specified in subsection (ii) above by a vote of a majority of the members who are voting in person or by proxy, at a meeting duly called for this purpose.

(iv) The Board of Directors may fix the monthly assessment at an amount not in excess of the maximum.

(v) A portion of such monthly assessments shall be set aside or otherwise allocated in a reserve fund for the purpose of providing repair and replacement of the Common Areas or of any capital improvement which the Association is required to maintain.

D. Special Assessments for Capital Improvements and Operating Deficits. In addition to the monthly assessments authorized above, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement which the Association is required to maintain or for operating deficits which the Association may from time to time incur, provided that any such assessment shall

have the assent of a majority of the votes of the members who are voting in person or by proxy at a meeting duly called for this purpose.

E. Notice and Quorum for Any Action Authorized Under Sections C and D. Written notice of any meeting called for the purpose of taking any action authorized under Section C or D shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

F. Date of Commencement of Monthly Assessments: Due Dates. The monthly assessment provided for herein shall commence for each Lot on the date of conveyance to an Owner by the Developer. The Board of Directors shall fix any increase in the amount of the monthly assessment at least thirty (30) days in advance of the effective date of such increase. Written notice of special assessments and such other assessment notices as the Board of Directors shall deem appropriate shall be sent to every Owner subject thereto. The due dates for all assessments shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate in recordable form signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate from the Association regarding the status of assessments for any Lot shall be binding upon the Association as of the date of its issuance.

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G. Effect of Nonpayment of Assessments: Remedies of the Association. If any assessment (or monthly installment of such assessment, if applicable) is not paid on the date when due, then the entire unpaid assessment shall become delinquent and shall become, together with such interest thereon and cost of collection thereof as hereinafter provided, a continuing lien on such Lot, binding upon the then Owner, his heirs, devisees, successors and assigns. The personal obligation of the then Owner to pay such assessments, however, shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of 12% per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, or both, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action; and in the event a judgment is obtained such judgment shall include interest on the assessment as above provided, and a reasonable attorneys' fee to be fixed by the court, together with the costs of the action in favor of the prevailing party.

No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his Lot or by non-use of the Common Areas.

H. Subordination of the Lien to Mortgages, Transfer. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. Provided, however, the sale or transfer of any Lot

pursuant to the foreclosure of any first mortgage on such Lot (without the necessity of joining the Association in any such foreclosure action) or any proceedings or deed in lieu thereof shall extinguish the lien of all assessments becoming due prior to the date of such sale or transfer.

6. PROVISIONS RESPECTING DISPOSAL OF SANITARY WASTE

A. Nuisances. No outside toilets shall be permitted on any lot in the Development (except during a period of construction and then only with the consent of the Committee) and no sanitary waste or other wastes shall be permitted to enter the storm drainage system. No discharge from any floor drain shall be permitted to enter into the storm drainage system. By purchase of a lot, each Owner agrees that any violation of this paragraph constitutes a nuisance which may be abated by Developer, Washington Trail Homeowners Association, Inc., and any home owner in Washington Trail in any manner provided at law or in equity. The cost or expense of abatement, including court costs and attorneys' fees shall become a charge or lien upon the lot, and may be collected in any manner provided by law or in equity for collection of a liquidated debt.

Neither Developer, any officer, agent, employee or contractor thereof, Washington Trail Homeowners Association, Inc. or any homeowner shall be liable for any damage which may result from enforcement of this paragraph.

B. Construction of Sewage Lines. All sanitary sewage lines on the residential building lots shall be designed and constructed in accordance with the provisions and requirements of the Metropolitan Department of Public Works. Copies of all permits, plans and designs relating to the construction of a sanitary sewer service shall be submitted in duplicate to the Committee at the time of the submission of all other plans or documents required for the obtaining from said Committee of a permit to build.

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7. GENERAL PROHIBITIONS

A. In General. No noxious or offensive activities shall be carried on on any lot in the Development, nor shall anything be done on any of said lots that shall become or be an unreasonable annoyance or nuisance to any Owner of another lot in the Development.

B. Signs. No signs or advertisements shall be displayed or placed on any lot or structures in the Development without the prior written approval of the Committee. Garage sale and real estate "for sale" signs shall require approval of the Committee and shall be limited to wall signs attached to the primary structure on the lot.

C. Animals. No animals shall be kept or maintained on any lot in the Development except the usual household pets, and, in such case, such household pets shall be kept reasonably contained so as not to become a nuisance.

D. Vehicle Parking. No campers, trailers, recreational vehicles, boats, school buses, semi-tractors or trailers or similar vehicles shall be parked on any street or lot in the Development.

E. Garbage, Trash and Other Refuse. No Owner of a lot in the Development shall burn or permit the burning out-of-doors of garbage or other refuse, nor shall any such Owner accumulate or permit the accumulation out-of-doors of such refuse on his lot except as may be

permitted in Subparagraph F below. All dwellings built in the Development shall be equipped with a garbage disposal unit.

F. Fuel Storage Tanks and Trash Receptacles. Every tank for the storage of fuel that is installed outside any building in the Development shall be buried below the surface of the ground. No receptacle for trash, rubbish, or garbage shall be stored outside at any time, except at the times when refuse collections are being made.

G. Model Homes. No Owner of any lot in the Development other than Developer shall build or permit the building upon said lot any dwelling that is to be used as a model home or exhibit house.

H. Temporary Structure. No temporary house, trailer, tent, garage or other outbuilding shall be placed or erected on any lot, nor shall any overnight camping be permitted on any lot.

I. Ditches and Swales. It shall be the duty of every Owner of every lot in the Development on which any part of an open storm drainage ditch or swale is situated to keep such portion thereof as may be situated upon his lot continuously unobstructed and in good repair and to provide for the installation of such culverts upon said lot as may be reasonably necessary to accomplish the purposes of this subsection. All Owners, if necessary, shall install dry culverts between the road rights-of-way and their lots in conformity with specifications and recommendations of the Committee.

J. Utility Services. No utility services shall be installed under finished streets except by jacking, drilling or boring unless specifically approved by Developer.

K. Wells and Septic Tanks. No water wells shall be drilled on any of the lots in the Development without the approval of the Committee. No septic tanks shall be installed on any of the lots.

L. Antennas. Exposed antennas shall require approval by the homeowners association. Height shall not exceed five (5) feet above roof peak. No visible satellite receiver dishes or apparatus shall be allowed on any lot.

M. Solar Heat Panels. No solar heat panels shall be allowed on roofs. All such panels must be enclosed within a fenced area so as not to be visible from outside the lot and located to the rear of the dwelling, and shall be subject to approval of the Committee.

8. WASHINGTON TRAIL DEVELOPMENT CONTROL COMMITTEE

A. Powers of Committee

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(i) In General. No dwelling, building structure, improvement, exterior alteration or change of original color or material shall be constructed, placed or performed on any lot in the Development without the prior approval of the Committee. Such approval shall be obtained only after written application has been made to the Committee by the Owner of the lot requesting authorization from the Committee. Such written application shall be in the manner and form prescribed from time to time by the Committee, and shall be accompanied by two (2) complete sets of plans and specifications for any such proposed construction, improvement or alteration. Such plans shall include plot plans where applicable showing the location of all improvements existing under or upon the lot and the location of the improvement proposed to be constructed or placed upon the lot, each properly and clearly designated. Such plans and specification shall set forth the color and composition of all exterior materials proposed to be used and any proposed landscaping, together with any other material or information

which the Committee may require. All plans and drawings required to be submitted to the Committee shall be drawn to a scale of 1" equals 10' or to such other scale as the Committee may require. There shall also be submitted, where applicable, the permits or reports required under Paragraph 3 of these Restrictions. All such plot plans shall be prepared by either a registered land surveyor, engineer or architect. Plot plans submitted for Improvement Location Permit shall bear the stamp or signature of the Committee acknowledging the approval thereof.

(ii) Power of Disapproval. The Committee may refuse to grant permission to construct, place or make the requested improvement, when:

(aa) The plans, specifications, drawings or other material submitted are themselves inadequate or incomplete, or show the proposed improvement to be in violation of these Restrictions;

(bb) The design or color scheme of a proposed improvement is not in harmony with the general surroundings of the lot or with adjacent buildings or structures;

(cc) The proposed improvement, or any part thereof, would in the opinion of the Committee, be contrary to the interests, welfare or rights of all or any part of the other Owners.

B. Duties of Committees. The Committee shall approve or disapprove proposed improvements within fifteen (15) days after all required information shall have been submitted to it. One copy of submitted material shall be retained by the Committee for its permanent files. All notifications to applicants shall be in writing, and, in the event that such notification is one of disapproval, it shall specify the reason or reasons.

C. Liability of Committee. Neither the Committee nor any agent thereof, nor Developer, shall be responsible in any way for any defects in any plans, specifications or other materials submitted to it, nor for any defects in any work done according thereto.

D. Inspection. The Committee may inspect work being performed with its permission to assure compliance with these Restrictions and applicable regulations.

9. RULES GOVERNING BUILDING ON SEVERAL CONTIGUOUS LOTS HAVING ONE OWNER

Whenever two or more contiguous lots in the Development shall be owned by the same person, and such Owner shall desire to use two or more of said lots as a site for a single dwelling, he shall apply in writing to the Committee for permission to so use said lots. If permission for such a use shall be granted, the lots constituting the site for such single dwelling shall be treated as a single lot for the purpose of applying these Restrictions to said lots, so long as the lots remain improved with one single dwelling.

10. REMEDIES

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A. In General. Any part to whose benefit these Restrictions inure, including Developer, Washington Trail Homeowners Association, Inc. and any homeowner within Washington Trail may proceed at law or in equity to prevent the occurrence of continuation of any violation of these Restrictions, but neither Developer nor Washington Trail Homeowners Association, Inc. shall be liable for damages of any kind to any person for failing either to abide by, enforce or carry out any of these Restrictions.

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

11. EFFECT OF BECOMING AN OWNER

The Owners of any lot subject to these Restrictions, by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Developer or a subsequent Owner of such lot, shall accept such deed and execute such contract subject to each and every Restriction and agreement herein contained. By acceptance of such deed or execution of such contract the Owner acknowledges the rights and powers of Developer with respect to these Restrictions, and also, for themselves, their heirs, personal representatives, successors and assigns, such Owners covenant and agree and consent to and with Developer and to and with the Owner and subsequent Owners of each of the lots affected by these Restrictions to keep, observe, comply with and perform such Restrictions and agreements.

12. TITLES

The underlined titles preceding the various paragraphs and subparagraphs of the Restrictions are for the convenience of reference only, and none of them shall be used as an aid to the construction of any provisions of the Restrictions. Wherever and whenever applicable, the singular form of any words shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or to the neuter.

13. DURATION

The foregoing covenants, conditions and restrictions are to run with the land and shall be binding on all parties and all persons claiming under them until January 1, 2015, at which time said covenants conditions, and restrictions shall be automatically extended for successive periods of ten (10) years, unless changes in whole or in part by vote of those persons who are then the Owners of a majority of the numbered lots in the Development.

14. SEVERABILITY

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Every one of the Restrictions is hereby declared to be independent of, and severable from, the rest of the Restrictions and of and from every other one of the Restrictions, and of and from every combination of the Restrictions.

Therefore, if any of the Restrictions shall be held to be invalid or to be unenforceable, or to lack the quality of running with the land, that holding shall be without effect upon the validity, enforceability or "running" quality of any other one of the Restrictions.

IN WITNESS WHEREOF, witness the signature of Developer this 15th day of August, 1985.

GREENVIEW ENTERPRISES, INC.


BY:

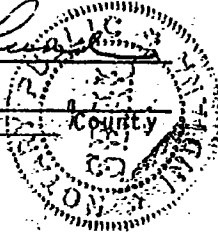
George R. Reilly
GEORGE R. REILLY, President

STATE OF INDIANA)
COUNTY OF HANCOCK) SS:

Before me, a Notary Public in and for said County and State, personally appeared George R. Reilly, the President of Greentree Enterprises, Inc., who acknowledged execution of the foregoing Declaration of Covenants, Conditions and Restrictions for and on behalf of Developer, and who, having been duly sworn, stated that the representations therein contained are true.

WITNESS my hand and Notarial Seal this 15th day of August, 1985.


Notary Public
Printed Margaret Ellen Lund
Resident of Hancock County



My commission expires:

2-8-87

This Instrument Prepared By
Deborah D. Robertson
VAN VALER & WILLIAMS
300 South Madison Avenue, Suite 420
P. O. Box 405
Greenwood, IN 46142
(317) 888-1121

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CROSS REFERENCE
6.50
(2)

FIRST AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF
WASHINGTON TRAIL

This First Amendment made this 21st day of Feb,
1986, by Greentree Enterprises, Inc., an Indiana Corporation
(hereinafter referred to as "Developer").

WITNESSETH:

WHEREAS, Developer filed its Declaration of Covenants,
Conditions and Restrictions of Washington Trails on May 15,
1986 as Instrument Number 86-40551 in the Office of
the Recorder of Marion County, Indiana (the "Declaration"); and,

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RECORDER OF MARION COUNTY
INDIANA
George H. M...
CLERK

WHEREAS, prior to the conveyance of the first residential lot
within the subdivision Developer desires to amend certain
provisions of the Declaration.

NOW THEREFORE, Developer hereby amends the Declaration as
follows:

1. Section 1(e) is hereby amended to read as follows:

e. "Association" shall mean "Washington Trail
Homeowners Association, Inc." and shall be created as an
Indiana not-for-profit corporation and its membership shall
consist of lot owners who pay mandatory assessments for
security control, snow removal, liability insurance,
landscape easement maintenance, fertilizing and weed control,
Common Area facilities' operation and maintenance and
reflecting pool maintenance.

2. Section 3(b)(ii) is hereby amended to read as follows:

(ii) Definitions. "Side line" means a lot boundary
line that extends from the road on which a lot abuts to the
rear line of said lot. "Rear line" means the lot boundary
line that is farthest from, and substantially parallel to,
the road on which the lot abuts, except that on corner lots,
it may be determined from either abutting road.

3. All references in Section 5 to "monthly" assessments are
hereby amended to "annual" assessments.

4. Section 5 (c) (i) is amended to read as follows:

(i) Until January 1, 1987, the maximum annual
assessment on any lot conveyed by the developer shall not
exceed One Hundred Fifty Dollars (\$150.00) per lot which
assessment shall be due annually on or before January 1 of
each year. Annual assessments will be prorated from the date
of closing by the Developer through the end of the calendar
year.

5. Section 7 (i) is hereby amended to read as follows:

(i) Ditches and Swales. It shall be the duty of every
Owner of every lot in the Development on which any part of an
open storm drainage ditch or swale is situated to keep such
portion thereof as may be situated upon his lot continuously

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unobstructed and in good repair and to provide for the installation of such culverts upon said lot as may be reasonably necessary to accomplish the purposes of this subsection.

6. In all respects not amended hereby, the Declaration shall remain in effect as originally recorded.

IN WITNESS WHEREOF, the Developer has executed this First Amendment on the date and year first above written.

GREENTREE ENTERPRISES, INC.

BY: Michael K. Benny
~~Michael~~ K BENNY

STATE OF INDIANA }
COUNTY OF } SS:

Subscribed and sworn to before me this 13 day of MAY, 1986.

Christy L. Hamlin
Notary Public, Christy L. Hamlin
Resident of Hancock County, IN

My Commission Expires:

MAY 13, 1989

THIS INSTRUMENT PREPARED BY DEBORAH D. ROBERTSON, ATTORNEY-AT-LAW,
300 SOUTH MADISON AVENUE, SUITE 400, P.O. BOX 405, GREENWOOD,
INDIANA 46142.

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