

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
GREYSTONE VILLAGE**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("hereinafter referred to as "Declaration") is made this 29th day of May, 2001 by Coronado Development Corporation, an Arizona Corporation (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property located in Hamilton County, Indiana, and more particularly described in Exhibit "A", attached hereto and incorporated herein by reference (the "Property"), and Declarant desires to subject such property to the provisions of this Declaration and to have constructed on the property a residential community to be known as "Greystone Village" (hereinafter the "Development"), and to provide a flexible and reasonable method for the administration and maintenance of the Development.

NOW, THEREFORE, Declarant hereby declares that all of the Property shall be held, transferred, sold, conveyed, leased, occupied and used subject to the easements, restrictions, covenants, charges, liens, and conditions hereinafter set forth, all of which are for the purpose of protecting the value and desirability of the property and which shall touch and concern and run with the title to the real property subjected to this Declaration, and which shall be binding on all parties having any right, title, or interest in the described properties or any portion thereof, and their respective heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each Owner thereof. This Declaration does not and is not intended to create a condominium within the meaning of the Indiana Horizontal Property Law, IND. CODE §32-1-6-1, *et seq.*

Article I

Definitions

Definitions. The following words, when used in this Declaration, unless the context shall prohibit or otherwise require, shall have all the following meanings. All definitions shall be applicable to the singular and plural forms of such terms:

Section 1.1. "Articles of Incorporation" or "Articles" shall mean and refer to the Articles of Incorporation of Greystone Village Property Owners Association, Inc. as filed with the Secretary of State of the State of Indiana.

Section 1.2. "Assessment" shall mean and refer to assessments levied by the Association against each Lot in the Property to fund Common Expenses in the manner herein provided.

Section 1.3. "Association" shall mean and refer to Greystone Village Property Owners Association, Inc. an Indiana not-for-profit corporation, which Declarant has caused or will cause to be incorporated, and its successors or assigns.

Section 1.4. "Board of Director" or "Board" shall mean and refer to the board of directors of the Association.

Section 1.5. "Bylaws" shall mean and refer to the Bylaws of Greystone Village Property Owners Association, Inc., and including any amendments thereto.

Section 1.6. "Class B Control Period" shall mean and refer to the period of time during which the Class B Member is entitled to appoint a majority of the members of the Board of Directors, as provided in Section 4.2(b) hereof.

Section 1.7. "Common Area" shall mean and refer to all portions of the Property shown on the Plat, which are not Lots and which are not dedicated to the public, including all improvements and structures constructed thereon, and which are more particularly described in Exhibit "B".

Section 1.8. "Common Expenses" shall mean and refer to the actual and estimated expenses incurred for Common Areas by the Association for the general benefit of all Lot Owners, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the Bylaws, and the Article of Incorporation of the Association, but shall not include any expenses incurred during the Class B Control Period for initial development, original construction or installation of infrastructure, original capital improvements, or other original construction costs, except for the construction costs of a sanitary sewer lift station, unless approved by Members representing a majority of the total Class A vote of the Association. Common Expenses shall also include any other expenses denominated as such by this Declaration and shall include the costs of maintaining any intangible or tangible property (such as a sanitary sewer lift station, sewer lines, lighting and landscaping) which may not be located in a Common Area but the maintenance of which is in the best interests of the Development as determined by the Declarant (or the Board of Directors) in its sole and absolute discretion.

Section 1.9. "Declarant" shall mean and refer to Coronado Development Corporation, an Arizona corporation, and any successors or assigns who take title to any portion of the Property for the purpose of development and sale, and who are designated as the Declarant hereunder in a recorded instrument executed by the immediately preceding Declarant.

Section 1.10. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for Greystone Village and all amendments thereof filed for record in the Office of the Recorder of Hamilton County, Indiana.

Section 1.11. "Development" shall mean and refer to the Real Estate and all improvements located or constructed thereon.

Section 1.12. "Development Control Committee" or "Committee" shall mean and refer to the committee which shall consist of the Declarant and at least two (2), but no more than four (4)

persons, appointed by the Declarant, and which shall have exclusive jurisdiction over all original construction on any portion of the Development and to approve exterior and structural improvements, additions, and changes within the Development as provided in Article X hereof.

Section 1.13. "Development-Wide Standard" shall mean and refer to the standard of conduct, maintenance, or other activity generally prevailing throughout the Development. Such standard may be more specifically determined by the Board of Directors and the Development Control Committee.

Section 1.14. "Dwelling" shall mean and refer to any improved property designed or intended for use as a residential detached dwelling or as a patio home on a Lot located within the Development.

Section 1.15. "Landscape Easement" shall mean and refer to those areas identified on the Plat as Landscape Easements. The landscaping located within the easement area shall be maintained by the Association and the Association shall have an easement of ingress and egress on and over such areas for the purpose of this maintenance obligation.

Section 1.16. "Lot" shall mean and refer to each plot of land included in the Property identified as a lot on the Plat upon which it is intended that a Dwelling shall be constructed.

Section 1.17. "Member" shall mean and refer to a Person holding membership in the Association, as provided in Article IV below.

Section 1.18. "Owner" shall mean and refer to the record owner, whether one or more Persons, with fee simple title to any Lot, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. The term "Owner" shall include Declarant so long as Declarant shall own any Lot. If a Lot is sold under a recorded contract of sale, and the contract specifically so provides, the purchaser (rather than the fee owner) will be considered the Owner.

Section 1.19. "Person" means a natural person, a corporation, a partnership, a trustee, or any other legal entity.

Section 1.20. "Plat" shall mean and refer to the plat of Greystone Village Subdivision recorded in the Office of the Hamilton County Recorder.

Section 1.21. "Property" shall mean and refer to the real estate described on Exhibit "A" and the Plat together with all improvements thereon.

Article II

Development

Section 2.1 Development of Property. All Lots within the Development shall be and are hereby restricted exclusively to single-family residential use and shall be subject to the standards and restrictions set forth in these Declarations. Declarant shall have the right, but not the obligation, for so long as Declarant owns any Lot to maintain and make improvements, repairs, and changes to all Common Areas and to all Lots owned by Declarant, including, without limitation, (i) installation and maintenance of any improvements in and to the Common Areas, (ii) changes in the location of the

boundaries of any Lots owned by Declarant or of the Common Areas, (iii) installation and maintenance of any water, sewer, and other utility systems and facilities, and (iv) installation of security and/or refuse facilities.

Section 2.2 Subdivision Plat. Declarant reserves the right, in its sole discretion, to record, modify, amend, revise and add to, at any time and from time to time, the Plat, setting forth such information as Declarant may deem necessary with regard to the Development, including, without limitation, the locations and dimensions of the Lots, Common Areas, roads, utility systems, drainage systems, landscape easements, utility easements, drainage easements, access easements, and set-back line restrictions.

Section 2.3. Consent of Declarant. Any provision of this Declaration to the contrary notwithstanding, the provisions set forth in this Article II may not be abrogated, modified, rescinded, supplemented, or amended in whole or in part without the prior written consent of Declarant.

Article III

Property Rights and Easements

Section 3.1. General. Each Lot shall for all purposes constitute real property, which shall be owned in fee simple and which, subject to the provisions of this Declaration, may be conveyed, transferred, and encumbered the same as any other real property. Each Owner shall be entitled to the exclusive ownership and possession of his or her Lot subject to the provisions of this Declaration, including without limitation, the provisions of this Article III. The ownership of each Lot shall include, and there shall pass with each Lot as an appurtenance thereto, whether or not separately described, a non-exclusive right and easement of enjoyment in and to the Common Areas as established hereunder, which shall include, but not be limited to, membership in the Association. Each Owner shall automatically become a member of the Association and shall remain a Member thereof until such time as his or her ownership ceases for any reason, at which time his or her membership in the Association shall automatically pass to the successor-in-title to his or her Lot, and upon such transfer, such former owner shall simultaneously transfer and endorse to his or her successor-in-title any certificates or other evidences of his or her membership in the Association. Lots shall not be subdivided; however, nothing herein shall prohibit the combination of two (2) or more Lots into a larger parcel in order to create a Dwelling site larger than one Lot with the approval of the Committee.

Section 3.2. Owner's Easement of Enjoyment. Every Owner, his or her family, tenants, and guests shall have a non-exclusive right and easement of use and enjoyment in and to the Common Areas, such easement to be appurtenant to and to pass with title to each Lot, subject to the provisions of this Declaration and the rules, regulations, fees, and charges from time to time established by the Board of Directors in accordance with the Bylaws.

Section 3.3. Easements for Declarant. During the period that Declarant owns any Lot, Declarant shall have an easement for access to the Common Areas for the purpose of constructing, installing, maintaining, repairing and replacing structures and other improvements in and to the Lots, provided in no event shall Declarant have the obligation to do any of the foregoing. In addition to the other rights and easements set forth herein and regardless of whether Declarant at that time retains ownership of a Lot, Declarant shall have an alienable, transferable, and perpetual right and easement

to have access, ingress and egress to the Common Areas and improvements thereon for such purposes as Declarant deems appropriate, provided that Declarant shall not exercise such right so as to unreasonably interfere with the rights of owners in the Development to the use of the Common Areas.

Section 3.4. Utility and Public Service Easements. There is hereby reserved for the benefit of Declarant, the Association, and their respective successors and assigns, the perpetual right and easement, as well as the power to grant and accept easements to and from Town of Cicero, or any other public authority or agency, public service district, public or private utility or other person, upon, over, under, and across (i) all of the Common Areas; and (ii) those portions of all Lots as are reasonably necessary for the purpose of installing, replacing, repairing, maintaining, and using master television cable systems, security and similar systems, and all utilities, including, but not limited to, storm sewers, drainage systems, and retention ponds and facilities for the Development or any portion thereof, and electrical, gas, telephone, water, and sewer lines, provided that such easement shall not unreasonably affect the use, developability, marketability, or value of any such Lot. To the extent possible, all utility lines and facilities serving the Development and located therein shall be located underground. By virtue of any such easement and facilities, it shall be expressly permissible for the Declarant or the providing utility company, supplier or servicer, with respect to the portions of the Development so encumbered, (i) to erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities including, but not limited to, a sanitary sewer lift station; (ii) to cut and remove any trees, bushes, or shrubbery; (iii) to grade, excavate, or fill; or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems; provided, however, that such utility company, supplier or servicer shall take reasonable actions to repair any damage caused by such utility company, supplier or servicer during the exercise of any rights conveyed under any easement granted hereunder.

Section 3.5. Drainage Easements. There is hereby reserved an easement for the Declarant, the Association, or its assigns for access to and installation, repair, or removal of a drainage system, either by surface drainage or appropriate underground installations, for the Property and adjoining Property; provided, however, that the Owner of any Lot subject to a drainage easement shall be required to maintain the portion of said drainage easement on his or her Lot in the condition originally provided by Declarant and free from obstructions so that the surface water drainage will be unimpeded. No changes shall be made to said area by Owner without the written consent of the Association; provided, however, that Declarant, in its sole discretion, may make any changes. No permanent structures shall be erected or maintained upon said drainage easements.

Section 3.6. Landscape Easements. Landscape easements, as designated on the Plat of all or any part of the Property, are hereby created and reserved for the use of Declarant and the Association for access to and installation, maintenance, repair and replacement of walls, earth mounds, trees, foliage, landscaping, and other improvements. Except as installed by Declarant or the Association, no improvements or permanent structures, including without limitation, fences, shall be erected or maintained in or upon said Landscape Easements.

Section 3.7. Maintenance Easement. Subject to the terms of Section 5.1 hereof, there is hereby reserved and created for the use of Declarant, the Association and their respective agents, employees, successors, and assigns, a maintenance easement to enter upon any Lot for the purpose of

mowing, removing, clearing, cutting, or pruning underbrush, weeds, stumps, or other unsightly growth and removing trash, so as to maintain a Development-Wide Standard of health, fire safety, and appearance within the Development, provided that such easements shall not impose any duty or obligation upon Declarant or the Association to perform any such actions.

Article IV

Membership and Voting Rights

Section 4.1. Membership. Every Owner, as defined in Section 1.18, shall be deemed to have a membership in the Association.

No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Lot owned. In the event the Owner of a Lot is more than one (1) Person, votes and rights of use and enjoyment shall be exercised as those Persons determine among themselves. The rights and privileges of membership may be exercised by a Member or the Member's spouse, subject to the provisions of this Declaration and the Bylaws. The membership rights of a Lot owned by a corporation or partnership shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association, subject to the provision of this Declaration and the Bylaws.

Section 4.2. Voting. The Association shall have two (2) classes of membership, Class A and Class B, as follows:

(a) **Class A.** Class A membership shall be all Owners with the exception of the Class B Member, if any.

Class A Members shall be entitled to one (1) equal vote for each Lot in which they hold the interest required for membership under Section 4.1 hereof. There shall be only one (1) vote per Lot.

(b) **Class B.** The Class B Member shall be the Declarant. The rights of the Class B Member, including the right to approve actions taken under this Declaration and the Bylaws, are specified elsewhere in the Declaration and the Bylaws. The Class B Member shall be entitled to three (3) votes for each Lot owned and shall be entitled to appoint a majority of the members of the Board of Directors during the Class B Control Period as hereinafter defined. The Class B Control Period shall begin as of the date of this Declaration and extend to the earlier of: (i) the date on which seventy-five percent (75%) of the Lots have been sold or conveyed to persons (other than Declarant) holding title solely for purposes of development or sale; (ii) January 1, 2012; or (iii) on an earlier date on which Declarant determines that the Class B Control Period shall end and notice of such termination is filed by means of an instrument recorded in the Office of the Recorder of Hamilton County, Indiana. The Class B Membership shall terminate and become converted to a Class A Membership upon the termination of the Class B Control Period.

Article V

Maintenance

Section 5.1. Association's Responsibility. The Association shall maintain and keep in good repair the Common Areas and Landscape Easements, such maintenance to be funded as hereinafter

provided. The maintenance shall include, but need not be limited to, maintenance, repair, and replacement, subject to any insurance then in effect, of all trees situated upon the Common Areas.

Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of Common Areas shall be a Common Expense to be allocated among all Lots as part of the Assessment, as hereinafter defined. In the event that the Town of Cicero determines that Declarant or Board of Directors has not discharged its obligations with respect to replacement of trees within thirty (30) days of receipt of notice from the Town of Cicero, the Town of Cicero shall have the right to replace said tree(s) and charge the cost of such replacement to the Association. If such replacement cost is not paid within forty-five (45) days of the Association's receipt thereof, the amount of the unpaid tree replacement charges shall be a continuing lien upon the Common Area and any improvements located thereon, which upon recording of a notice of lien, shall become a perfected lien for unpaid tree replacement charges, or priority and superior to all other liens, except (a) all taxes, bonds, assessments, and other levies, which by law would be superior thereto, and (b) the lien or charge of any first mortgage of record.

The Association shall not be liable for injury or damage to any person or property (a) caused by the elements or by any Owner or any other Person, (b) resulting from any portion of the Common Areas, or (c) caused by any pipe, plumbing, drain, conduit, appliance, equipment, security system, or utility line or facility, the responsibility for the maintenance of which is that of the Association, becoming out of repair. Nor shall the Association be liable to any Owner for loss or damage, by theft or otherwise, of any property of such Owner, which may be stored in or upon any portion of the Common Areas. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or to perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of improvements or repairs which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay such assessments being a separate and independent covenant on the part of each Owner.

Section 5.2. Owner's Responsibility. Unless specifically identified herein, each Owner shall maintain and repair the interior and exterior of his or her Lot and Dwelling and all structures, parking areas, lawns, landscaping, grounds and other improvements comprising the Lot and Dwelling in a manner consistent with Development-Wide Standards and all applicable covenants.

No Owner shall do any work or otherwise decorate, change or otherwise alter the appearance of any portion of the exterior of a Dwelling which, in the reasonable opinion of the Board of Directors, would jeopardize the soundness and safety of the Development, reduce the value thereof, or impair any easement thereto, without in every such case obtaining the written approval of the Board of Directors.

In the event that Declarant or Board of Directors determines that: (i) any Owner has failed or refused to discharge properly his or her obligations with regard to the maintenance, cleaning, repair, or replacement of items for which is his or her responsibility hereunder, or (ii) that the need for maintenance, cleaning, repair, or replacement, which is the responsibility of the Association hereunder, is caused through the willful or negligent act of an Owner, his or her family, tenants, guests, or invitees, and is not covered or paid for by insurance in whole or in part, then in either

event, Declarant or the Association, except in the event of an emergency situation, may give such Owner written notice of Declarant's or the Association's intent to provide such necessary maintenance, cleaning, repair, or replacement, at the sole cost and expense of such Owner and setting forth with reasonable particularity the maintenance, cleaning, repairs, or replacement deemed necessary. Except in the event of an emergency situation, such Owner shall have fifteen (15) days within which to complete the same, in a good and workmanlike manner, or in the event that such maintenance, cleaning, repair or replacement is not capable of completion within said fifteen (15) day period, to commence said maintenance, cleaning, repair or replacement and diligently proceed to complete the same in a good and workmanlike manner. In the event of emergency situations or the failure of any Owner to comply with the provision hereof after such notice, Declarant or the Association may provide (but shall not have the obligation to so provide) any such maintenance, cleaning, repair or replacement at the sole cost and expense of such Owner and shall become a lien against such Owner's Lots, or shall become a lien against the individual Owner's Lot (with respect to any matter relating to an individual Owner's responsibility) and such cost shall become a part of the costs of the Association (until such time as reimbursement is received from the individual Lot Owner). In the event that Declarant undertakes such maintenance, cleaning, repair or replacement, the Association shall promptly reimburse Declarant for Declarant's costs and expenses, including reasonable attorneys' fees.

Article VI

Insurance and Casualty Losses

Section 6.1. Insurance. The Association, Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain fire and extended coverage insurance for all insurable improvements on the Common Areas in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard.

The Board of Directors shall also obtain a public liability policy covering the Common Areas, the Association and its Members for all damage or injury caused by the negligence of the Association or any of its agents. The public liability policy shall have at a minimum a Five Hundred Thousand Dollar (\$500,000) single person limit as respects to bodily injury and property damage, a Two Hundred Thousand (\$200,000) Dollar limit per occurrence, if reasonably available, and a One Hundred Thousand Dollar (\$100,000) minimum property damage limit.

Premiums for all insurance on the Common Areas shall be Common Expenses of the Association and shall be included in the Assessment, as defined in Section 1.2 and as more particularly described in Section 9.2.

The Association's Board of Directors shall be required to use reasonable efforts to secure insurance policies that will provide a waiver of subrogation by the insurer as to any claims against the Association, the Association's Board of Directors, the Owners and their respective contractors, licensees, agents and guests.

In addition to other insurance required by this Section, the Board of Directors shall obtain, as a Common Expense, worker's compensation insurance, if and to the extent required by law, directors' and officers' liability coverage, if reasonably available, a fidelity bond or bonds on

directors, officers, employees, and other Persons handling or responsible for the Association's funds, if reasonably available, and flood insurance, if required.

Section 6.2. Individual Insurance. By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry fire and extended coverage insurance on the Lot(s) and structures constructed thereon meeting the same requirements as set forth in Section 6.1 of this Article VI for insurance on the Common Areas, except Owners may have reduced limits on the coverage. The Board of Directors may require all Owners to furnish copies or certificates thereof to the Association. Each Owner further covenants and agrees that in the event of a partial loss or damage resulting in less than total destruction of structures comprising his or her Lot, the Owners shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article X of this Declaration and all applicable zoning, building and other governmental regulations. The Owner shall pay any costs of repair or reconstruction which are not covered by insurance proceeds. In the event that the structure is totally destroyed, the Owner may decide not to rebuild or to reconstruct, in which case the Owner shall clear the Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction and thereafter the Owner shall continue to maintain the Lot in a neat, safe, and attractive condition consistent with the Development-Wide Standard.

Section 6.3. Damage and Destruction. Any damage or destruction to the Common Areas shall be repaired or reconstructed unless the Board of Directors decide unanimously within sixty (60) days after the casualty not to repair or reconstruct.

Section 6.4. Disbursement of Proceeds. If the damage or destruction for which the proceeds of insurance policies are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed for payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repair or reconstruction to the Common Areas shall be retained by and for the benefit of the Association and placed in a capital improvements account. In the event no repair or reconstruction is made, any proceeds remaining after making such settlement as is necessary and appropriate with the affected Owner(s) and their Mortgagee(s) as their interests may appear, shall be retained by and for the benefit of the Association and placed in a capital improvements account. This is a covenant for the benefit of any Mortgagee of a Lot and may be enforced by such Mortgagee.

Section 6.5. Repair and Reconstruction. If the damage or destruction to the Common Areas for which insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall levy a special assessment against all Owners on the same basis as provided for Assessments.

Article VII

Condemnation

Section 7.1. Condemnation of Common Areas. Whenever all or any part of the Common Area shall be taken by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof and the award made for such taking shall be payable to the Association, who shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefore, in accordance with plans approved by the Board of Directors. If such improvements are to be repaired or restored, the above provisions in Section 6.4 hereof regarding the disbursement of funds, in respect to casualty damage or destruction which is to be repaired, shall apply.

Section 7.2. Condemnation of Lots. In the event that all or any part of a Lot is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof, and in the further event that the Owner of such Lot responsible for the maintenance and repair of such Lot as the case may be, elects not to restore the remainder of the Lot, then such Owner making such election shall promptly clear away any remaining improvements damaged or destroyed by such taking or conveyance and shall leave such Lot and any remaining undamaged improvements thereon in a clean, orderly, safe and slightly condition. In addition, if the size or configuration of such Lot remaining after such taking or conveyance is insufficient to permit the restoration of the remaining improvements thereon or therein to the condition prior to such taking or conveyance in compliance with all applicable standards, restrictions, and provisions of this Declaration and all applicable zoning, subdivision, building, and other governmental regulations, then such Owner shall have the option, after clearing away all remaining improvements or portions thereof and placing the remainder in a clean, orderly, safe and slightly condition referred to above, of deeding the remaining portion of the Lot to the Association (at no cost to the Association) as a part of the Common Areas, and thereafter any such Owner shall not have any further voting rights or membership rights or privileges in the Association or with respect to the Development and shall not be subject to any further assessments imposed by the Association and payable after the date of such deeding.

In the event that any part of a Lot is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof, and if the Owner of such Lot responsible for the maintenance and repair of such Lot, as the case may be, elects to restore the remainder of the Lot, such Owner making such election shall restore such remainder of such Lot as nearly as practicable to the same condition it was in prior to such taking or conveyance and in accordance with all applicable standards, restrictions, and provisions of the Declaration and all applicable zoning, subdivision, building, and other governmental regulations. All such work or restoration shall be commenced promptly following such taking or conveyance and shall be carried through diligently to conclusion.

Article VIII

Rights and Obligations of the Association

Section 8.1. Common Areas. The Association, subject to the rights of the Declarant and to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Areas and other improvements thereon (including, common landscape areas) and shall keep it in good, clean, attractive, and sanitary condition, order and repair,

pursuant to the terms and conditions hereof and consistent with the Development-Wide Standard. Except to the extent otherwise provided by federal, state or local laws, the power herein or otherwise granted to the Association may be exercised by the Board of Directors, acting through the officers of the Association, without any further action on the part of Owners.

Section 8.2. Duties and Powers. The duties and powers of the Association shall be those set forth in the provisions of the Indiana Code relating to not-for-profit corporations, this Declaration, the Bylaws, and the Articles of Incorporation, together with those rights and privileges reasonably implied to effect the purposes of the Association. Such power of the Association shall include, but shall not be limited to, the power to purchase one or more Lots and to hold, lease, mortgage, sell, and convey the same. Such duties may include, but shall not be limited to, arranging with the governmental agencies, public service districts, public and private utilities or others, as a Common Expense or by billing directly to Lots, to furnish trash collections, water, sewer (including the construction, maintenance, repair, and operation of a sanitary sewer lift station), snow removal and/or security service for the Common Areas and/or the Lots. The Association shall have the right to own (as a common property) any drainage system, piping, sewer equipment or materials (including a sanitary sewer lift station), or any other utility equipment which Declarant or the Association deems to be in the best interests of the Development.

Section 8.3. Agreements. Subject to the prior approval of Declarant for so long as Declarant owns any Lot, all agreements and determinations lawfully authorized by the Board of Directors shall be binding upon all Owners, their heirs, legal representatives, successors, and assigns, and all others having an interest in the Development or the privilege of possession and enjoyment of any part of the Development; and in performing its responsibilities hereunder, the Association, through its Board of Directors, shall have the authority to delegate to persons of its choice such duties of the Association as may be determined by the Board of Directors. In furtherance of the foregoing and no limitation thereof, the Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall deem necessary or desirable for the proper operation of the Development, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. All costs and expenses incident to the employment of a manager shall be a Common Expense. Notwithstanding the foregoing, no management agreement shall have a term greater than three (3) years; and the management agreement must be terminable by either party upon thirty (30) days written notice.

Section 8.4. Rules and Regulations. The Association, as provided in Article XII hereof, through its Board of Directors, may make and enforce reasonable rules and regulations necessary to govern the use and enjoyment of the Common Areas, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Sanctions may include suspension of the right to vote and the right to use any recreational facilities on the Common Area. The Board of Directors shall, in addition, have the power to seek relief in any court for violations or to abate nuisances. Imposition of sanctions shall be as provided in the Bylaws of the Association.

Article IX

Assessments

Section 9.1. Purpose of Assessments. The assessments for Common Expenses provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of the Development, and maintaining the Development and improvements therein, including common landscaping areas, all as may be more specifically authorized from time to time by the Board of Directors.

Section 9.2. Creation of Assessments. There are hereby created assessments for Association expenses as may from time to time specifically be authorized by the Board of Directors to be commenced at the time and in the manner set forth in Section 9.8 of this Article. There shall be two (2) types of assessments: (a) Assessments to fund Common Expenses for the benefit of all Owners, to be collected semi-annually as provided herein and (b) Special Assessments as described in Section 9.5 below. Each Owner, by acceptance of a deed or recorded contract of sale for any portion of the Property, is deemed to covenant and agree to pay these assessments.

Assessments shall be levied equally on all Lots, including those owned by the Declarant.

All assessments, together with interest at a rate of twelve percent (12%) as computed from the date the delinquency first occurs, late charges, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Lot, which shall also be the personal obligation of the Person who was the Owner of such Lot at the time the assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, the lien for unpaid assessments shall not apply to the holder of any first priority institutional Mortgage or to the holder of any Mortgage securing a loan made by Declarant, its affiliates, successors, or assigns, who takes title to a Lot through foreclosure, or to any purchaser of such Lot at such foreclosure sale. In the event of co-ownership of any Lot all of such co-owners shall be jointly and severally liable for the entire amount of such assessments.

The Association shall, upon demand at any time, furnish to any Owner liable for any type of assessments a certificate in writing signed by an officer of the Association setting forth whether such assessment has been paid as to any particular Lot. Such certification shall be conclusive evidence of payment to the Association of such assessment therein stated to have been paid. The Association may require the advance payment of a processing fee not to exceed Twenty-Five Dollars (\$25.00) for the issuance of such certificate.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors. All assessments shall be pro rated from the date of closing for each Owner. Each Owner by acceptance of a deed to his or her Lot, acknowledges that all assessments levied hereunder are semi-annual assessments due and payable on such dates as may be fixed by the Board of Directors.

Section 9.3. Computation of Assessment. The Assessment to be levied against each Lot for the coming year shall be set at a level which is reasonably expected to produce total income to the Association equal to the total budgeted Common Expenses, as determined and budgeted by the Board of Directors at least forty five (45) days before the beginning of each fiscal year, including reserves. Notwithstanding the foregoing the amount of an assessment may not increase more than three percent (3%) above the assessment amount for the previous year (exclusive of any special

assessments) without the affirmative vote of Members representing sixty-seven percent (67%) of the Members other than Declarant.

The total semi-annual assessments shall be divided among the Lots equally so that each Lot shall be subject to equal semi-annual assessments.

The Board of Directors shall cause a copy of the Common Expense budget and notice of the amount of the Assessment to be levied against each Lot for the following year to be delivered to each Owner at least thirty (30) days prior to the beginning of the fiscal year. The Common Expenses to be funded by the semi-annual assessments may include, but shall not necessarily be limited to, the following:

- (i) management fees and expenses of administration, including legal and accounting fees;
- (ii) utility charges for utilities serving the Common Areas and charges for other common services for the Development, including trash collection, snow removal, security service, if any such services or charges are provided or paid by the Association;
- (iii) the cost of any policies of insurance purchased for the benefit of all Owners and the Association as required or permitted by this Declaration, including fire, flood, and other hazard coverage, public liability coverage and such other insurance coverage as the Board of Directors determines to be in the interests of the Association and the Owners;
- (iv) the expenses of maintenance, operation, and repair of any improvements, including common landscaped areas and the Common Area;
- (v) the expenses of construction, maintenance, operation, repair and monitoring of a sanitary sewer lift station, and of other amenities and facilities servicing the Development, the maintenance, operation, and repair of which the Board of Directors from time to time determines to be in the best interest of the Association;
- (vi) the expenses of the Development Control Committee which are not defrayed by plan review charges;
- (vii) ad valorem real and personal property taxes assessed and levied against the Common Areas; and
- (viii) such other expenses as may be determined from time to time by the Board of Directors of the Association.

Section 9.4. Special Assessments.

(a) **Entire Membership.** The Association may levy Special Assessments from time to time, provided any such assessment receives the affirmative vote or written consent of the Members or their alternates representing a majority of the total Class A votes in the Association and the affirmative vote or written consent of the Class B Member, if such exists.

(b) **Less Than All Members.** The Association may levy a Special Assessment against any Member individually and against such Member's Lot to reimburse the Association for costs incurred in bringing a Member and his or her Lot into compliance with the provisions of the

Declaration, and amendments thereto, the Articles, the Bylaws, or the Association rules, which Special Assessment may be levied upon the vote of the Board of Directors after notice to the Member and an opportunity for a hearing.

Section 9.5. Lien for Assessments. Upon recording of a notice of lien on any Lot, there shall exist a perfected lien for unpaid assessments of priority and superior to all other liens, except (a) all taxes, bonds, assessments, and other levies, which by law would be superior thereto, and (b) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value.

Such lien, when delinquent, may be enforced by suit, judgment, and foreclosure.

Section 9.6. Date of Commencement of Semi-Annual Assessments. The Assessments provided for herein shall commence as to each Lot on the day on which such Lot is conveyed to a person other than Declarant and shall be due and payable semi-annually in such manner and on such schedule as the Board of Directors may provide. Assessments and any outstanding Special Assessments shall be adjusted on a pro rata basis for such Lot according to the number of months then remaining in the then fiscal year of the Association and the number of days then remaining in the month in which such Lot is first conveyed.

Section 9.7. Subordination of the Lien to First Mortgages. The lien of assessments, including interest, late charges (subject to the limitations of Indiana law), and costs (including reasonable attorneys' fees) provided for herein, shall be subordinate to the lien of any first Mortgage upon any Lot. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due.

Article X

Architectural Standards

Section 10.1. Purpose. In order to preserve the natural setting and beauty of the Development, to establish and preserve a harmonious and aesthetically pleasing design for the Development, and to protect and promote the value of the Property, the Lots and all improvements located therein or thereon shall be subject to the restrictions set forth in Articles X and XI. Every grantee of any interest in the Property, by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of Article X and XI.

Nothing shall be erected on any Lot, and no construction, which term shall include within its definition staking, clearing, excavation, grading, and other site work, no exterior alteration or modification of existing improvements and no plantings or removal of plants, trees, or shrubs shall take place except in strict compliance with this Article, until the requirements below have been fully met, and until the approval of the Development Control Committee has been obtained pursuant to Section 10.2 and 10.3 below. The Board of Directors may establish reasonable fees to be charged by the committees on behalf of the Association for reviewing of applications hereunder and may require such fees to be paid in full prior to review of any application.

This Article shall not apply to the activities of the Declarant, nor to construction or improvements or modifications to the Common Areas by or on behalf of the Association.

The Board of Directors shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the Development Control Committee. This Article may not be amended without the Declarant's written consent so long as the Declarant owns any land subject to this Declaration or subject to annexation to this Declaration.

Section 10.2. Development Control Committee. The Development Control Committee ("Committee") shall consist of a least three (3), but no more than five (5), persons and shall have exclusive jurisdiction over all original construction on any portion of the Lots ("Original Construction"). The Declarant retains the right to appoint all members of the Committee, who shall serve at the discretion of the Declarant. There shall be no surrender of this right prior to that time except in a written instrument in recordable form executed by Declarant. Upon the expiration of such right, the Board of Directors shall appoint the members of the Committee who shall serve and may be removed at the discretion of the Board of Directors.

The Committee shall prepare and, on behalf of the Board of Directors, shall promulgate design and development guidelines, variance rules and regulations, and application and review procedures and shall make them available to Owners, builders, and developers who seek to engage in development of, or construction upon, all or any portion of the Development and such Owners, builders and developers shall conduct their operations strictly in accordance therewith, and the other regulations and restrictions herein. In the event that the Committee fails to approve or disapprove plans submitted to it, or to request additional information reasonably required, within thirty (30) days after submission of completed plans, and any additional information having been requested by the Committee, the plans shall be deemed approved.

Following the approval of the plans for and, the commencement of, the final Original Construction, the Committee shall be disbanded upon notice of the same to each Committee member.

Section 10.3. Other Construction. The Board of Directors shall have exclusive jurisdiction over modifications, additions, or alterations made on or to existing Lots or structures on existing Lots, including but not limited to decks and patios, and the open space, if any, appurtenant thereto. Notwithstanding the above, the Board of Directors shall not take any action or approve any plans inconsistent with the guidelines promulgated by the Committee, while the Committee is in existence. The Board of Directors shall promulgate detailed standards or procedures governing its areas of responsibility and practice, consistent with those of the Committee. In addition thereto, the following shall apply: plans and specifications showing the nature, kind, shape, color, sizes, materials, and location of such modifications, additions, or alterations shall be submitted to the Board of Directors for approval as to quality of workmanship and design and as to harmony of external design with existing structures and location in relation to surrounding, topography, and finish grade elevation. In the event that the Board of Directors fails to approve or to disapprove such plans or to request additional information within thirty (30) days after submission of completed plans, proposals, specifications or drawings and any additional information having been requested by the Board of Directors, the plans shall be deemed approved.

Section 10.4. Variance. The Committee may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions,

hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations set forth by the Committee.

Section 10.4. Compliance with Guidelines. Any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of the guidelines and procedures promulgated by the Committee or the Board of Directors may be excluded by the Board of Directors from the Development without liability to any person, subject to the notice and hearing procedures contained in Section 3.21 of the Bylaws.

Section 10.5. Construction of Improvements.

(a) Dwellings may not be temporarily or permanently occupied until the exteriors thereof have been completed and a certificate of occupancy for such Dwelling has been issued.

(b) No temporary house, shack, tent, barn, or other outbuilding shall be permitted on any Lot at any time, except for temporary structures for social functions as may be permitted by rules and regulations promulgated by the Board of Directors, not shall any stable, poultry house or yard, rabbit hut, or other similar yard structure be constructed or allowed to remain on any Lot.

Section 10.6. Responsibilities During Construction.

(a) Construction of a Dwelling on a Lot must be completed within six (6) months from the date construction is commenced.

(b) No track vehicles or heavy equipment vehicles shall be operated or unloaded on any street.

(c) During the construction period, the Lot shall be maintained in a clean and orderly manner at all times. All loose shingles, lumber, bricks, block, drywall, insulation, or other building material which can blow onto adjacent lots shall not be left lying around. Construction trash shall be contained in a trash fence and shall be removed from the Lot once per week or contained in a dump site provided by a trash disposal service which will empty the container as needed.

(d) The Lot Owner shall be responsible for removal of dirt, mud or debris or other foreign material of any kind which may be deposited upon the road or easements from construction on the Lot. If such deposits occur, then the Lot Owner shall make provisions to remove such deposits within five (5) days or the Committee may remove such deposits and charge the Lot Owner.

(e) No outside toilets shall be permitted on any lot during construction without prior approval of the Committee.

(f) Upon completion of construction, such Owner shall cause its contractors to immediately remove all equipment, tools, and construction material and debris from the Lot on which such construction has been completed.

Section 10.7. Architectural Approval. To preserve the architectural and aesthetical appearance of the Development, no construction of improvements of any nature whatsoever shall be commenced or maintained by an Owner, other than Declarant, with respect to construction affecting the exterior appearance of any Dwelling or with respect to any other portion of the Development, including, without limitation, the construction or installation of sidewalks, driveways, parking lots,

mail boxes, decks, patios, courtyards, swimming pools, tennis courts, greenhouses, playhouses, awnings, walls, fences, exterior lights, garages, or other outbuildings, nor shall any exterior addition to or exterior change or alteration be made (including, but not limited to, additions to, or changes or alterations affecting, the roofing, siding, fascia and trim) unless and until three (3) copies of the plans and specifications and related data (including, if required by the Committee or Board of Directors, as the case may be, a survey showing the location of trees of twelve (12) caliper at a point five (5) feet above the tree's natural base and other significant vegetation on such Lot) showing the nature, color, type, shape, height, materials, and location of the same, shall have been submitted to and approved in writing by the Committee or Board as the case may be. All plans shall be drawn to a scale of 1"=30' or to such other scale as the Committee shall require. One copy of such plans, specifications, and related data so submitted shall be retained in the records of the Committee or Board, and the other copy shall be returned to the Owner marked "approved", "approved as noted", or "disapproved".

The committees may establish a fee sufficient to cover the expense of reviewing plans and related data and to compensate any consulting architects, landscape architects, urban designer, inspectors, or attorneys retained in accordance with the terms hereof. The committees shall have the sole discretion to determine whether plans and specifications submitted for approval are acceptable to the Association.

Section 10.8. Landscaping Approval. To preserve the aesthetic appearance of the Development, no landscaping, grading, excavation, or filling of any nature whatsoever shall be implemented and installed by an Owner, other than Declarant, unless and until the plans therefore have been submitted to and approved in writing by the Committee or the Board of Directors. Within sixty (60) days following completion of a Dwelling on a Lot the Owner shall landscape the Lot, weather permitting.

Section 10.9. Approval Not a Guarantee. No approval of plans and specifications and no publication of standards shall be construed as representing or implying that such plans, specifications, or standards will, if followed, result in properly designed improvements. Such approvals and standards shall in no event be construed as representing or guaranteeing that any Dwelling or other improvement built in accordance therewith will be built in a good and workmanlike manner. Neither Declarant, the Association, nor the Committee or the Board of Directors shall be responsible or liable for any defect in any plans or specifications submitted, revised, or approved pursuant to the terms of this Article X, no loss or damages to any person arising out of the approval or disapproval of any plans or specifications, any loss or damage arising from the noncompliance of such plans and specifications with any governmental ordinances and regulations, nor any defects in construction undertaken pursuant to such plans and specifications.

Section 10.10. Building Restrictions. All Dwellings and other structures shall be constructed in compliance with any and all applicable state, county and municipal zoning and building restrictions. Prior to any such grading, clearing, construction of impervious surface, building, or other construction activity, the Owner of any Lot which is subject to such rules, regulations, guidelines or restriction shall make such filings, including, without limitation, the filing of a site plan with the Town of Cicero, and if necessary, the Town of Cicero Plan Commission, and obtain such authorizations and permits as are required thereunder, and further, shall receive the prior written approval of the appropriate body (the Committee or the Board). Any Owner that performs any grading, clearing, construction of impervious surface, or other construction activity in violation

of the above or the rules, regulations, guidelines, or restrictions of the Town of Cicero, or otherwise violates the rules, regulations, guidelines, or restrictions of this Declaration, shall be liable to Declarant for any damages incurred by Declarant arising out of such violation and Declarant hereby expressly reserves the right to sue any such Owner for monetary damages and for specific performance of the above covenants and restrictions. Twenty One (21) homes within the development will have a brick veneer on the front, sides and rear of the residence for the first story. Brick shall be installed in a manner that is acceptable to the Developer and/or the Architectural Review Committee. Brick may not be placed on exterior elevation "bump-outs" such as, but not limited to, bay windows, direct vent fireplace structures, attached screened porches or similar elevation bump outs where an adequate support structure for brick may not be feasible.

Section 10.11. Street Signage. All street signage shall be custom-made pursuant to guidelines promulgated by the Developer; except for those street signs required by the Town of Cicero, which may have a standard design.

Article XI

Use Restrictions

The Property shall be used only for residential, recreational, and related purposes.

The Association, acting through its Board of Directors, shall have authority to make and to enforce standards and restrictions governing the use of the Property, in addition to those contained herein, and to impose reasonable user fees for use of any Common Area facilities.

Section 11.1. Exterior Appearances. No chain link fences shall be permitted within the Development except those fences erected by the Declarant. All fences must be approved by the Committee or the Board of Directors. All Owners are permitted to change the exterior color(s) of their Dwelling, without first obtaining the approval of the Committee or Board of Directors as provided in Section 10.7, however all Owners agree that the color(s) (including the color(s) of the gutters, downspouts, garage doors, exterior doors, trim and windows) to be used on the exterior of their Dwelling shall be selected to maintain consistency and quality appearance and shall compliment the neutral exterior colors of the Dwelling.

Section 11.2. Parkway Trees. All Lots along designated streets shall require the installation and maintenance of at least two (2) trees growing upon it in the front yard by the time of the completion of the Dwelling thereon and be in compliance with any other applicable ordinance related to the installation and maintenance of trees. In the event an Owner fails to comply with this Section, the Association shall have the right to locate or replace said trees and charge the cost of such to the Owner.

Section 11.3. Signs. No signs of any kind shall be erected within the Property, or permitted within any windows, without the written consent of the Board of Directors, except standard real estate "for sale" signs.

Section 11.4. Parking and Prohibited Vehicles. Commercial vehicles, vehicles with commercial writing on their exteriors, vehicles primarily used or designed for commercial purpose, tractors, mobile homes, recreational vehicles, trucks weighing in excess of one (1) ton, trailer (either with or without wheels) campers, camper trailers, boats and other watercraft, and boat trailers shall

be parked only in enclosed garages or areas, if any, designated by the Board of Directors. Notwithstanding the foregoing, service and delivery vehicles may be parked in the Development during daylight hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Lot or the Common Areas. Any vehicles parked in violation of this Section or parking rules promulgated by the Board of Directors may be towed in accordance with the Bylaws.

Section 11.5. Occupants Bound. All provisions of the Declaration, Bylaws and of any rules and regulations or use restrictions promulgated pursuant thereto which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all occupants, guests and invitees of any Lot.

Section 11.6. Animals and Pets. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any portion of the Property, except that dogs, cats or other usual and common household pets not to exceed a total of four (4) may be permitted in a Lot, subject to rules and regulations adopted by the Board of Directors. No pets shall be kept, bred, or maintained for any commercial purpose. Dogs shall at all times whenever they are outside a Lot, including all Common Areas, be confined on a leash held by a responsible person. No pet shall be permitted to leave its excrement on any portion of the Common Areas, and the Owner of such pet shall immediately remove the same.

Section 11.7. Unsightly or Unkempt Conditions. No portion of the Property shall be used, in whole or in part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any portion of the Property that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort or serenity of the occupants of the surrounding property. No noxious, illegal, or offensive activity shall be carried on upon any portion of the Property. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Property. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted within the Property. No electric insect killers may be used. The Declarant, or the Association, may order the relocation of any wood piles which are unsightly. No basketball goals shall be attached to any Dwelling and backboards shall be made only of transparent materials.

Section 11.8. Prohibited Activities. The pursuit of hobbies or other activities, specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Property. Nothing which could cause embarrassment, discomfort, annoyance or nuisance to the occupants of other portions of the Development or which result in a cancellation of any insurance for any portion of the Development, or which would be in violation of any law or governmental code or regulation shall be pursued or undertaken on the Property. Without limiting the generality of the foregoing provisions, no horns, whistles, bells or other sound devices, except security and fire alarm devices used exclusively for such purposes, shall be located, used, or placed within the Development.

Section 11.9. Antennas. Unless entirely contained within the interior of a building, no exterior antennas, aerials, satellite dishes in excess of eighteen inches (18") in diameter, or other

apparatus for the transmission of television, radio, satellite or other signals of any kind shall be placed, allowed, or maintained upon any portion of the Property, including any Lot, without the prior written consent of the Board of Directors.

Section 11.10. Tanks, Garbage Cans, Trash Disposal. No storage tanks of any kind shall be allowed upon a Lot. No rubbish, trash or garbage containers shall be stored or maintained outdoors except for such temporary storage necessary for immediate pick up of the trash and, in that event, trash shall be stored in appropriate containers. Any Owner, or his or her family, tenants, guests, invitees, servants, or agents, who dumps or places any trash or debris upon any portion of the Development shall be liable to the Association for the actual costs of removal thereof or the sum of One Hundred Fifty Dollars (\$150.00), whichever is greater, and such sum shall be added to and become a part of that portion of any assessment, next becoming due, to which such Owner and his or her Lot are subject.

Section 11.11. Firearms and Bows. The discharge of firearms within the Development is prohibited. The term "firearms" includes "B-B" guns, pellet guns and other firearms of all types, regardless of size. The use of bows and arrows inside the Development is also prohibited. Notwithstanding anything to the contrary contained herein or in the Bylaws, the Association shall not be obligated to take action to enforce this Section.

Section 11.12. Pools. No above ground swimming pools shall be erected, constructed or installed on any Lot; provided, nothing herein shall preclude installation and use of the ground pools, hot tubs or spas with prior approval pursuant to Article X of this Declaration.

Section 11.13. Tents, Trailers and Temporary Structures. Except as may be permitted by the Declarant or the Committee during initial construction within the Property, no tent, utility shed, shack, trailer or other structure of a temporary nature shall be placed upon a Lot or the Common Areas. Notwithstanding the above, party tents or similar temporary structures may be erected for special events with prior written approval of the Board of Directors, or the Declarant.

Section 11.14. Drainage, Water Wells and Septic Systems. Catch basins and drainage areas (including drainage ditches and swales) are for the purpose of the natural flow of water only. No obstructions or debris shall be placed in these areas. No Person other than Declarant may obstruct or rechannel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains. Declarant hereby reserves for itself and the Association a perpetual easement across the properties for the purpose of altering drainage and water flow in accordance with specifications and recommendations of the Town of Cicero. No private water wells may be drilled or maintained and no septic tanks or similar sewerage facilities may be installed or maintained on any Lot.

Section 11.15. Tree Removal. No trees shall be removed except for diseased or dead trees and trees needing to be removed to promote growth of other trees or for safety reasons, unless approved in accordance with Article X of this Declaration. In the event of an intentional or unintentional violation of this Section, the violator may be required by the committee having jurisdiction to replace the removed tree with one (1) or more trees of such size and number, and in such locations, as such committee may determine in its sole discretion.

Section 11.16. Traffic Regulation and Sight Distance at Intersections. All property located at street intersections shall be landscaped so as to permit safe sight across the street corners.

Section 11.17. Utility Lines. No overhead utility lines, including lines for cable television, shall be permitted within the Property, except for temporary lines as required during construction and high voltage lines if required by law for safety purposes.

Section 11.18. Lighting. Except for seasonal Christmas decorative lights, which may be displayed between December 1 and January 10 only, all exterior lights must be approved in accordance with Article X of this Declaration; provided, however, each Owner must continually maintain at its own expense dusk to dawn photo cell lighting on the exterior of its Dwelling of a design established by the Declarant or the Board of Directors.

Section 11.19. Business Uses. No garage sale, moving sale, rummage sale or similar activity shall be conducted by an Owner within the Property without approval of the Board. No trade or business may be conducted in or from any Lot, except that an Owner or occupant residing in a Dwelling may conduct business activities within the Dwelling so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Dwelling; (b) the business activity conforms to all zoning requirements for the Property; (c) the business activity does not involve persons coming onto the Property, who do not reside in the Property, or door-to-door solicitation of residents of the Property; and (d) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Property, as may be determined in the sole discretion of the Board of Directors.

Section 11.20. On-Site Fuel Storage. No on-site storage of gasoline, heating or other fuels shall be permitted on any part of the Property except that up to five (5) gallons of fuel may be stored on each Lot for emergency purposes and operation of lawn mowers and similar tools or equipment.

Section 11.21. Mailboxes. If an Owner desires to change its mailbox, the new mailbox must be of the standardized design used for all Dwellings.

Section 11.22. Driveways; Use of Gravel and Stone. If an Owner desires to modify or extend its driveway, the modification or extension must use asphalt or concrete; no gravel or loose stone may be used for this purposes, nor shall gravel and loose stone be permitted to be on a Lot for any purpose.

Article XII

Rulemaking

Section 12.1. Rules and Regulations. Subject to the provisions hereof, the Board of Directors may establish reasonable rules and regulations concerning the use of Lots and Dwellings, and the Common Areas and facilities located thereon. Copies of such rules and regulations and amendments thereto shall be furnished by the Association to all Owners prior to the effective date of such rules and regulations and amendments thereto.

Section 12.2. Authority and Enforcement.

(a) Upon the violation of this Declaration, the Bylaws, or any rules and regulations duly adopted hereunder, including, without limitation, the failure to timely pay any assessments, the

Board shall have the power, after fifteen (15) days written notice to Owner or Occupant of said violation, and failure by said Owner or Occupant to cure the violation:

(i) to cause the Association to correct the violation at its own cost and expense, which said cost and expense shall constitute a continuing lien upon the Lot of the Owner or Occupant who has committed such violation;

(ii) to suspend an Owner's right to vote in the Association; and

(iii) to suspend an Owner or Occupant's right (and the right of his or her family, guests, and tenants) to use any of the Common Areas.

(b) Notwithstanding subsection (a) above, a violation or threatened violation of any of the covenants and restrictions contained in this Declaration and the provisions contained in the Articles of Incorporation and Bylaws of the Association, or any rules and regulations adopted hereunder, shall be grounds for an action at law or equity instituted by Declarant, the Association, or any Owner against any person violating or threatening to violate any such covenant, restriction, rule, or regulation. Available relief in any such action shall include: the recovery of damages; injunctive relief, either to restrain the violation or threatened violation or to compel compliance with the covenants, restrictions, rules or regulations; declaratory relief; the enforcement of any lien created by these covenants, restrictions, rules or regulations; and the recovery of costs and attorneys' fees incurred by any party successfully enforcing such covenants, restrictions, rules, or regulations. Failure by the Declarant, the Association, or any Owner to enforce any covenant, restriction, rule, or regulation shall in no event be deemed a waiver of the right to do so thereafter; provided, however, that no action shall be brought against either the Declarant or the Association for failing to enforce or carry out any such covenants, restrictions, rules, or regulations.

Article XIII

General Provisions

Section 13.1. Control by Declarant. NOTWITHSTANDING ANY OTHER LANGUAGE OR PROVISION TO THE CONTRARY IN THIS DECLARATION, IN THE ARTICLES OF INCORPORATION, OR IN THE BYLAWS OF THE ASSOCIATION, Declarant hereby retains the right to appoint and remove any member or members of the Board of Directors of the Association as provided by Article III of the Bylaws. Every grantee of any interest in the Development, by acceptance of a deed or other conveyance of such interest, agrees that Declarant shall have the authority to appoint and remove directors of the Association in accordance with these provisions.

Section 13.2. Term. The covenants and restrictions of this Declaration shall run with and bind the Development, and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any property subject to this Declaration, their respective legal representative, heirs, successors, and assigns, for a term of eighty (80) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by more than seventy-five percent (75%) of the then-Owners has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change said covenants and restrictions, in whole or in part, or to terminate the same.

Section 13.3. Amendment. Prior to the conveyance of the first Lot, Declarant may unilaterally amend this Declaration. After such conveyance, the Declarant may unilaterally amend this Declaration at any time and from time to time if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statutes, rule or regulation.

Thereafter and otherwise, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Members representing sixty-seven percent (67%) of the total Class A votes in the Association, including sixty-seven percent (67%) of the Class A votes held by Members other than the Declarant, and the consent of the Class B Member, so long as such membership exists.

Section 13.4. Indemnification. The Association shall indemnify every officer, director and Committee member against any and all expenses, including counsel fees, reasonably incurred by or imposed upon such officer, director, or Committee member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director or Committee member. The officers, directors, and Committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misconduct, or bad faith. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

Section 13.5. Easements for Utilities. There is hereby reserved unto Declarant, so long as the Declarant owns any property described on the Plat, the Association, and the designees of each (which may include, without limitation, Town of Cicero, and any utility), blanket easements upon, across, over and under all of the Property as more specifically set forth in Section 3.4 of this Declaration.

Section 13.6. Right of Entry. The Association shall have the right, but not the obligation, to enter onto any Lot for emergency, security, and safety reasons, and to inspect for the purpose of ensuring compliance with this Declaration, the Bylaws, and the Association rules, which right may be exercised by employees, managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to Owner or Occupant directly affected thereby.

Section 13.7. Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue on until twenty one (21) years after the death of the last survivor of the now living descendants of George W. Bush, President of the United States of America.

Section 13.8. Litigation. No judicial or administrative proceedings shall be commenced or prosecuted by the Association unless approved by a vote of seventy-five percent (75%) of the Members, except in a situation involving the following: (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided in Article IX hereof, (c) proceedings

involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it.

Section 13.9. Cumulative Effect; Conflict. The covenants, restrictions, and provisions of this Declaration shall be cumulative and the Association may, but shall not be required to, enforce the latter; provided, however, in the event of conflict between or among such covenants and restrictions, and provisions of any articles of incorporation, by-laws, rules and regulations, policies, or practices adopted or carried out pursuant thereto, shall be subject and subordinate to those of the Association. The foregoing priorities shall apply but not be limited to, the liens of assessments created in favor of the Association.

Section 13.10. Notice of Sale or Transfer of Title. In the event that any Owner desires to sell or otherwise transfer title to his or her Lot, such Owner shall give the Board of Directors at least seven (7) days prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board of Directors may reasonably require. Until such written notice is received by the Board of Directors, the transferor shall continue to be jointly and severally responsible for all obligations of the Owner of the Lot hereunder, including payment of assessments, notwithstanding the transfer of title to the Lot.

In the event an Owner sells, leases, mortgages or otherwise disposes of any Lot or Dwelling, the Owner must promptly furnish to the Association in writing the name and address of such purchaser, lessee, mortgagee, or transferee.

Section 13.11. Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of the Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end the provisions of this Declaration are declared to be severable.

Section 13.12. Notices. Notices required hereunder shall be in writing and shall be hand delivered or sent by United States Mail, postage prepaid. All notices to Owners shall be sent or delivered to such addresses as have been designated in writing to the Association, or if no address has been so designated, at the addresses of such Owners' respective Lots or Dwellings. All notices to the Association shall be delivered or sent in care of Declarant at the following address:

Greystone Village Homeowners Association, Inc.
c/o Coronado Development Corporation
1350 East 151st Street
Carmel, IN 46032

or to such other address as the Association may from time to time notify the Owners. All notices to Declarant shall be delivered or sent to Declarant at the above address or such other address as Declarant may from time to time notify the Association.

Article XIV

Declarant's Rights

Any or all of the special rights and obligations of the Declarant may be transferred to other Persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the public records of Hamilton County, Indiana; provided, however, Declarant may assign any and all of its rights to the Association upon the end of the Class B Control Period.

Notwithstanding any provisions contained in the Declaration to the contrary, so long as construction and initial sale of Lots shall continue, it shall be expressly permissible for Declarant to maintain and carry on upon portions of the Common Area such facilities and activities as, convenient, or incidental to the construction or sale of such Lots, including, but not limited to, business offices, signs, model units, and sales offices, and the Declarant shall have an easement for access to and use of such facilities. The right to maintain and carry on such facilities and activities shall include specifically, without limitation, the right to use Lots owned by the Declarant and any clubhouse or community center which may be owned by the Association, as models and sales offices, respectively.

So long as Declarant continues to have rights under this paragraph, no Person shall record any declaration of covenants, conditions and restrictions, or similar instrument affecting any portion of the Property without Declarant's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Declarant.

IN WITNESS WHEREOF, duly authorized officers of the undersigned Declarant has executed this Declaration this 29th day of May, 2001.

CORONADO DEVELOPMENT CORPORATION

By: Martin Short
Martin Short, Vice President

STATE OF INDIANA)
) SS:
COUNTY OF HAMILTON)

Before me, a Notary Public in and for the State of Indiana, on this 29th day of May, 2001, appeared Coronado Development Corporation, represented by its Vice President, Martin Short, and acknowledged the execution of the foregoing instrument on behalf of said corporation.

Given under my hand and official seal this 29th day of May, 2001.

John Garrison
Notary Public

John Garrison
Printed



County of Residence: Marion

My Commission Expires: April 27, 2008

This instrument prepared by: Michael T. Crowley, Esq., Paul G. Reis, Esq., LLC, 12358 Hancock Street, Carmel, IN 46032-5807

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EXHIBIT "A"

LEGAL DESCRIPTION
(Quoted from Inst. # 98-11554)

The west half of the southwest quarter of Section Twelve (12), Township Nineteen (19) North, Range Four (4) East; except forty-seven acres off the north end of said tract, containing (33 acres, more or less in Hamilton County, Indiana.

Assumed 1/2 right-of-way of 216th Street

16.5 feet by parallel lines off of the entire North side of the West Half of the Northwest Quarter of Section 13, Township 19 North, Range 4 East in Noblesville Township, Hamilton County, Indiana

Exhibit "B"

Legal Description of Common Areas

Blocks A, B, C, D, E, F as shown on The "Greystone Village - Section One" Secondary Plat recorded on May 23rd, 2001 in the office of the Hamilton County Recorder as Instrument No. 200100030082.