

RULES AND REGULATIONS
OF THE HIDDEN BAY MOBILE HOME PARK

TO WHOM IT MAY CONCERN:

We of the Building and Grounds Committee, appointed by the Board of Directors have been asked to oversee the rules and regulations of the park, rules and regulations which we all accepted when we purchased our lots. Below is a summary of the rules, designed to keep the kind of quality community we expected when we purchased our lots, and the kind of community that will not only be a good place in which to live, but one that will enhance the value of our property.

The purpose of this committee is to serve you and the Board of Directors in keeping these rules in effect. If you have questions about anything in the park relative to the rules and regulations, please contact a member of the committee.

The rules and regulations referred to herein were recorded in the office of the Hamilton County Recorder on October 15, 1979, in Book 158, Page 797. In an effort to assist you in becoming familiar with these rules and regulations, the following is a summary of the restrictions contained in the recorded document.

CHARACTER OF THE DEVELOPMENT

- (1) Every lot in the development shall be designated as a residential lot and shall be used exclusively for single family residential purposes. No structures shall be erected, placed or permitted to remain upon any of said residential lots except a single family dwelling house.
- (2) No accessory out building shall be erected on any of the residential lots prior to the erection thereof any single family dwelling, and in no event shall any said accessory building or any temporary structure ever be used as a residence or a dwelling house.
- (3) No dwelling, out building, building structure or improvement of any type or kind shall be constructed or placed on any lot in the development without the prior approval from the Hidden Bay Development Control Committee. Such approval shall be obtained only after written application has been made to the Committee by the owner of the lot.

GENERAL PROHIBITIONS

- (1) No noxious or offensive activities shall be carried on, on any lot in the development, nor shall anything be done on any of the said lots that shall become or be an unreasonable annoyance or nuisance to any owner of another lot in the development.
- (2) No signs or advertisement shall be displayed or placed on any lot or structures in the development without the prior written approval of the Control Committee except for real estate sale signs.

GENERAL PROHIBITIONS (Cont'd.)

- (3) No animal shall be kept or maintained on any lot in the development except the usual house-hold pets, and, in such case, such house-hold pet shall be kept reasonably confined so as not to become a nuisance. Any property owner when walking their pet, allows said pet to void at a location other than a designed area shall clean up after pet.
- (4) No truck, one-ton or larger in size, or boat or trailer or trailer campers with hitch shall be parked for overnight or longer storage on any lot in the development, unless the same shall be screened in such a manner that it is not openly visible to the occupants of other lots in the development, the users of any street in the development, or to persons upon Morse Reservoir. The owner of a lot shall be entitled to the use of two (2) parking spaces per lot and the location and size of the parking space will be subject to regulations by the Hidden Bay Property Owners Association. No outside storage under deck shall be permitted unless deck is enclosed.
- (5) No owner of 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 the following paragraph. All houses built or located in the development shall be equipped with a garbage disposal unit.
- (6) Every tank for the storage of fuel that is installed outside of any building in the development shall be buried below the surface of the ground or screened in such a way that it is not visible from any street or lot in the development. Any receptacle for ashes, trash, rubbish or garbage shall be so placed and kept as not to be visible from any street or lot within the development that at any time, except at the times when refuse collections are being made. Trash for pick-up shall not be placed in pick-up area before 8:00 PM the day before collection.
- (7) No temporary house, tent, garage or other out building shall be placed or erected on any lot nor shall any overnight camping be permitted on any lot.
- (8) It shall be duty of the owner of every lot in the development on which any part of an open storm drainage ditch or swale is situated to keep said portion thereof as may be situated upon the lot continuously unobstructed and in good repair, and to provide the installation of such culverts upon said lot as may reasonably be necessary to accomplish the purpose of this subsection.
- (9) All yards and areas surrounding the mobile home must be kept mowed and trimmed.
- (10) No Laundry shall be hung out to dry by any means other than that as approved by the Building and Grounds Committee.

REMEDIES

- (1) The Hidden Bay Property Owners Association is empowered under the recorded restrictions to file a lien against your real estate in the event that you fail to pay the monthly Twenty-Five Dollar (\$25.00) assessment to the Association.
- (2) In the event that a lot owner fails or refuses to keep his grass mowed, his shrubbery trimmed, or fails to keep his property in neat condition, the Association is empowered to have the work done and to file a lien against the real estate for the cost thereof.
- (3) Any violation of the rules contained in the recorded restrictions can result in the suspension of privileges of membership in the Association which would prevent the usage of the common areas maintained by the Association as well as the Clubhouse and docks. If this has no affect on violator of the rules and regulations, the Building and Grounds Committee shall have the power to assess a monetary penalty on the property owner and in the event that you fail to pay the penalty, a lien will be filed against your property.
- (4) Addition to the foregoing, the Association or any party to who's benefit the restrictions inure may proceed in law or in equity in a court of law to prevent the occurance or continuation of any violation.

AFFECT OF BECOMING AN OWNER

- (1) The Owners of any lot in the Hidden Bay Development is subject to the restrictions referred to above. By acceptance of a deed or the execution of a real estate contract, the Owner acknowledges the rights and powers of the developer, the Committee and of the Association with respect to the rules and regulations. Also, subsequent owners of each of the lots shall keep, observe, comply with and perform such restrictions and agreement as contained in the recorded instrument.

ADDITIONAL RULES AND REGULATIONS

- (1) In addition to the rules and regulations contained in the Declaration of Restrictions and which are briefly set out above, you are a resident of the Town of Cicero, Indiana, and are therefore under the jurisdiction of Cicero's ordinances. These ordinances regulate and set the speed limits within the development, and regulate such activities as the discharging of firearms, pellet and B-B guns within the corporate boundaries of the Town of Cicero.

RULES AND REGULATIONS
GOVERNING DOCKS AND PIERS

Pursuant to Section 6, Paragraph L of the Declaration of Restrictions for the Hidden Bay development project, which were recorded in Book 158, Page 797, in the Office of the Recorder of Hamilton County, Indiana, the Hidden Bay Control Committee hereby promulgates the following rules, regulations and specifications:

1. No pier, dock or other structure may be constructed in such a manner that any portion thereof extends more than 25 feet from the shore into Morse Reservoir.
2. All docks must be floating and secured to avoid release by flood waters.
3. No metal material such as barrels may be used as a floatation devise for the dock. All floatation devises shall be made of styrofoam or of similar matter which will not cause pollutants to enter Morse Reservoir, and all docks and the underlying floating devises shall be in conformance with the overall aesthetic appearance of the area.
4. There shall be no covered boat docks.
5. All docks shall be white, gray, blue or natural in color.
6. Anchoring devises must be hidden.
7. Plans for all boat docks must be submitted to the Hidden Bay Control Committee for approval before installation is made.
8. There shall be no individual launch sites or ramps constructed on any residential lot.
9. Any boathouse constructed upon a lot may not protrude into the Reservoir, but must be constructed and excavated back into the lot. The plans for any boathouse must be approved by the Committee.
10. In all instances of the above recited installations such construction shall conform to the requirements of the Indiana Department of Natual Resources and the requirements, if any, of the Town of Cicero, Indiana. The foregoing Rules and Regulations are effective as of the 18th day of October, 1979, and shall remain in full force and effect until modified by the Control Committee.

The Hidden Bay Development Control Committee

CODE OF BY-LAWS

OF

HIDDEN BAY PROPERTY OWNERS' ASSOCIATION, INC.

ARTICLE I

Definitions

Section 1.01. The term "Association" shall mean Hidden Bay Property Owners' Association, Inc.

Section 1.02. The term "Act" shall mean The Indiana General Not For Profit Corporation Act of 1935, as amended from time to time.

Section 1.03. The term "Articles of Incorporation" shall mean the Articles of Incorporation of the Association, as amended from time to time.

Section 1.04. The term "Code of By-Laws" shall mean the Code of By-Laws of the Association, as amended from time to time.

Section 1.05. The term "Project" shall mean the subdivision known as Hidden Bay which is situated in Hamilton County, Indiana.

ARTICLE II

Identification

Section 2.01. Name. The name of the Association is Hidden Bay Property Owners' Association, Inc.

Section 2.02. Principal Office and Resident Agent. The location of the principal office of the Association and the designation of the resident agent of the Association shall be as specified in the Articles of Incorporation, unless, after the adoption of the Articles of Incorporation, such location or such designation or both shall be changed in accordance with the requirements of the Act, in which case the notice of the change that is required by the Act (and the more or most recent of such notices, if two or more shall have been filed) shall be conclusive as to the matters covered by such notice.

Section 2.03. Fiscal Year. The fiscal year of the Association shall begin on the first day of May in each year and end on the last day of April in the next subsequent calendar year.

ARTICLE III

Membership

Section 3.01. Qualifications for Membership. The qualifications for membership and associate membership in the Association shall be those prescribed in the Articles of Incorporation.

Section 3.02. Evidence of Membership. The Board of Directors of the Association shall have the power (but not the duty) to cause the issuance of evidences of membership and associate membership in the Association to the members and associate members thereof in such form as the Board of Directors shall prescribe. As of the date of the adoption of this Code of By-Laws, the Board of Directors has taken no action (except the adoption of this By-Law) in respect of evidence of membership or associate membership in the Association,

Section 3.03. Privileges of Membership. The members and associate members of the Association (and any person who both belongs to the family of a member or associate member and has the same residence as the member or associate member to whose family he belongs, and any person who is a guest of a member or associate member of the Association) shall have the privilege of using the areas designated as commons areas and blocks in the plats of the Project, and any other utilities or recreational facilities within the Project that are owned by the Association, in accordance with the restrictive covenants for the Project, the Articles of Incorporation, and any such other rules for the use of such facilities adopted from time to time by resolutions of the Board of Directors of the Association.

ARTICLE IV

Meetings of Members

Section 4.01. Place of Meetings. Any meeting of the members of the Association may be held at any place within Hamilton County, Indiana. The place at which a particular meeting of the members is to be held shall be stated in the notice of that meeting.

Section 4.02. Annual Meeting. The annual meeting of the members of the Association for the election of Directors whose terms have expired, and for the transaction of such other business as may properly come before the meeting, shall be held at seven o'clock in the evening of the second Monday in June of each year, if that day shall not be a legal holiday, and, if it shall be a legal holiday, then on the first following day that shall not be a legal holiday. Failure to hold the annual meeting at the designated time shall not work any forfeiture of the charter, or dissolution, of the Association.

Section 4.03. Special Meetings. A special meeting of the members of the Association may be called by the President, by a majority of the Board of Directors, or by a written petition signed by a person who has, or persons who have, the right (under the Articles of Incorporation and the Code of By-Laws) to cast one-half (1/2) of the votes on any question upon which the vote of the membership of the Association shall be required or desirable.

Section 4.04. Notice of Meetings. A written or printed notice stating the place, day and hour of the meeting and, in the case of a special meeting (or when required by any provision of the Act or the Articles of Incorporation, or by any other provision of the Code of By-Laws), the purpose for which such meeting shall have been called, shall be delivered or mailed by the Secretary to each person (or group of persons constituting a tenancy by the entireties, a joint tenancy, or a tenancy in common) owning a numbered lot in the Project at least ten (10) days before the date of the meeting. Unless the Secretary shall have been otherwise notified in writing, adequate notice of a meeting shall be

deemed to have been given to any member if said notice is mailed to the address of the member supplied by such member to the Association for the purpose of such notice. Notice of any meeting of members may be waived in a writing filed with the Secretary of the Association before the time of the meeting, at the time of the meeting, or after the time of the meeting, or by attendance in person.

Section 4.05. Voting at Meetings.

Clause 4.051. Voting Rights. The voting rights of the members of the Association shall be as prescribed in the Articles of Incorporation.

Clause 4.052. Method of Voting. A vote attributable to a numbered lot in the Project shall be cast as follows:

(a) If the lot is owned by one person, the vote shall be cast by that one person.

(b) If the lot is owned by more than one person, either as tenants in common, as joint tenants, or as tenants by the entireties, the vote attributable thereto shall be deemed properly cast if cast by any one of the tenants in the absence of any objection, or contrary vote, by any other of them.

(c) If a lot is owned by more than one person, either as tenants in common, as joint tenants, or as tenants by the entireties, and if two or more of them desire that the vote attributable to that lot be cast in different ways, or one of them desires that it not be cast, then the vote attributable thereto shall be deemed properly cast if cast by not less than a majority in number of the tenants. ONE VOTE

Clause 4.053. Proxies. Any person who is entitled to vote (as the sole owner of a numbered lot in the Project or as one of a group of tenants by the entireties, joint tenants, or tenants in common owning such a lot) at any meeting of the members of the Association may vote in person or by proxy executed in writing or by a duly authorized attorney in fact. No proxy shall be valid after eleven (11) months from the date of its execution unless a longer time is expressly provided for upon the face of the proxy instrument.

Clause 4.054. Quorum. A quorum shall be deemed to be present at any annual meeting of the members of the Association if, at such meeting, the owners of not less than ten (10) of the numbered lots in the Project are present. A quorum shall be deemed to be present at any special meeting of the members of the Association if, at such meeting, the owners of not less than twenty (20) of the numbered lots in the Project are present. For the purposes of this Clause 4.054, the owner of a lot shall be deemed to be present at a meeting if any owner of that lot is present in person or by proxy or by attorney in fact, whether the tenant so present is a sole owner, a tenant in common, a joint tenant, or a tenant by the entireties.

ARTICLE V

The Board of Directors

Section 5.01. Qualification and Election. The affairs of the Association shall be managed by a Board of Directors. Each member of the first Board of Directors designated in the Articles of Incorporation shall serve for a term of three (3) years. Thereafter, an entire Board of Directors shall be elected by the members of the Association, voting in accordance with the Articles of Incorporation and the Code of By-Laws, at each annual meeting of the members, and each of the Directors so elected shall serve for a term of one (1) year, but shall

hold his office until his successor shall have been chosen and qualified.

Section 5.02. Vacancies. Any vacancy that shall occur in the Board of Directors by death, resignation, or otherwise shall be filled by a majority vote of the remaining Directors, and the Director so chosen shall serve the unexpired portion of the term for which the person who he is replacing shall have been elected or chosen.

Section 5.03. Annual Meeting. The Board of Directors shall hold an annual meeting immediately after the annual meeting of the members of the Association, for the purposes of organization, election of officers, and the consideration of any other business that properly may be brought before the meeting. The failure to hold any annual meeting at the designated time shall not work any forfeiture of the charter, or dissolution, of the Association.

Section 5.04. Special Meetings. Special meetings of the Board of Directors may be called at any time by the President and shall be called on the written request of any two (2) Directors.

Section 5.05. Notice of Meetings. A written or printed notice stating the place, day and hour of the annual or a special meeting shall be delivered or mailed by the Secretary to each Director at least three (3) days before the date of the meeting. Notice of any meeting of Directors may be waived by any Director in writing filed with the Secretary before the time of the meeting, at the time of the meeting, or after the time of the meeting, or by attendance in person.

Section 5.06. Place. All meetings of the Board of Directors of the Association shall be held at such place as may be specified in the respective notice, or waivers of notice, thereof.

Section 5.07. Quorum. A majority of the whole Board of Directors shall be necessary to constitute a quorum thereof, except for the filling of vacancies, which shall require a majority of the existing Directors for a quorum. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 5.08. Powers and Duties of Directors.

Clause 5.081. Powers. The powers of the Board of Directors shall include (but not be limited to) --

(a) the power to adopt and publish rules and regulations governing the use of those parts of the Project that are or will be owned by, or are otherwise under the control of, the Association; and

(b) the power to exercise for the Association all the powers and duties of the Association whose exercise is not reserved or committed to the membership of the Association by the Code of By-Laws or the Articles of Incorporation.

(c) to employ a managing agent to assist the Board in performing its duties; to purchase for the benefit of the Association such equipment, materials, labor, and services as may be necessary in the judgment of the Board.

Clause 5.082. Duties. The duties of the Board of Directors shall include, but not be limited to:

(a) the duty to fix prior to the first day of March in each year, the amount of the annual charge that is to be made against each member of the Association pursuant to the provisions for such a charge that are contained in the Articles of Incorporation and in the subdivision plats of the Project.

(b) the management, maintenance, upkeep, repair and replacement of common areas, blocks, recreational facilities and utilities of which the Association has ownership, jurisdiction or control. This shall include, but shall not be limited to, the maintenance, repair or replacement of sewer and water lines within the Project; removal of snow, garbage and waste within the Project; surfacing, paving and maintaining streets, parking areas and walkways of which the Association has ownership, jurisdiction or control; administration of payment for sewer and water service to the Project.

(c) keeping a current, accurate and detailed record of receipts and expenditures affecting the Project.

Section 5.09. Adoption of Rules and Regulations. The Board of Directors shall adopt rules and regulations relating to the use and enjoyment of the streets, commons areas, blocks, utilities, and any other recreational facilities within the Project that are owned by the Association.

Section 5.10. Committees. The Board of Directors may create such temporary and standing committees as it shall deem necessary, and shall assign to each committee so created such duties as the Board of Directors shall consider proper for assignment to such committee. The Board of Directors shall choose committee members from the membership of the Association, and each such committee member shall serve at the pleasure of the Board of Directors.

ARTICLE VI

The Officers of the Association

Section 6.01. Number. The officers of the Association shall be a President, a Secretary and a Treasurer, and, in addition, the Directors may choose not more than two Vice Presidents and not more than two Assistant Secretaries. Any person may hold two (2) offices at the same time except the offices of President and Secretary. No officer, except the President, need be a Director. ✓

Section 6.02. Election and Term of Office. The officers shall be chosen annually by the Board of Directors at the annual meeting of the Board of Directors. Each officer shall hold his office until his successor shall have been chosen and qualified, or until his death, resignation or removal.

Section 6.03. Removal. Any officer may be removed, with or without cause, at any time, by a vote of not less than two (2) Directors, at a special meeting of the Board of Directors called for the purpose of considering the removal.

Section 6.04. Vacancies. Any vacancy in any office because of death, resignation, or removal, or otherwise caused, shall be filled for the unexpired portion of the term by a person chosen by the Board of Directors.

Section 6.05. The President. The President, who shall be chosen from the Directors, shall have active executive management of the operations of the Association, subject, however, to the control of the Board of Directors. He shall, in general, perform all duties incident to the office of President and such other duties as, from time to time, may be assigned to him by the Board of Directors.

Section 6.06. A Vice President. A Vice President shall have such powers and perform such duties as the Board of Directors may prescribe or as the President may delegate to him. In the case of absence or inability to act of the President, a Vice President shall temporarily act in his place.

Section 6.07. The Secretary. The Secretary shall keep, or cause to be kept, in books that shall be provided for the purpose and shall remain in the Secretary's custody, the minutes of the meetings of the members of the Association and of the Board of Directors; shall at all times keep at the principal office of the Association a complete and accurate list of the names and addresses of all members of the Association; shall attend to the giving of all notices in accordance with the provisions of this Code of By-Laws and as required by law; shall be the custodian of the records (except the financial records) of the Association and of any die or other instrument usable in affixing any seal of the Association to paper; shall affix the seal of the Association (by means of a die or by hand) to every document whose execution on behalf of the Association under its seal shall have been properly authorized; and shall, in general, perform all duties incident to the office of Secretary and such other duties as, from time to time, may be assigned to him by the Board of Directors or the President.

Section 6.08. An Assistant Secretary. An Assistant Secretary shall have such powers and perform such duties as the Board of Directors may prescribe or as the President may delegate to him.

Section 6.09. The Treasurer. The Treasurer shall be the financial officer of the Association; shall keep, or cause to be kept, in books that shall be provided for the purpose and shall remain in the Treasurer's custody, complete books and records showing the financial condition of the Association and shall keep a separate financial account of each member of the Association; shall have charge and custody of, and be responsible for, all funds of the Association and shall deposit all such funds in the name of the Association in such banks, trust companies, or other depositories as shall be selected by the Board of Directors; shall receive, and give receipts for, moneys due and payable to the Association from any source; shall disburse the funds of the Association in accordance with the instructions of the Board of Directors of the Association; shall render to the President, on request, an account of all his transactions as Treasurer and of the financial condition of the Association; and shall, in general, perform all the duties incident to the office of Treasurer and such other duties as, from time to time, may be assigned to him by the Board of Directors or the President.

ARTICLE VII

Corporate Books and Records

Section 7.01. Place of Keeping, In General. Except as otherwise provided by the laws of the State of Indiana or this Code of By-Laws, the books and records of the Association may be kept at such place or places as the custodian thereof may select, but all of such books and records shall be open for inspection by any member of the Association for proper purposes at any reasonable time.

ARTICLE VIII

Execution of Checks and Contracts

Section 8.01. Execution of Checks. Every check for the payment of money of the Association, and every promissory note of the Association, shall, unless otherwise ordered by the Board of Directors or required by law, be signed by two members of the Board of Directors or the Treasurer of the Association.

Section 8.02. Execution of Contracts. Every contract (in addition to those mentioned above in this Code of By-Laws) to which the Association shall be a party, shall be executed in its name by its President or a Vice President and attested by the Secretary or an Assistant Secretary, and the Secretary or an Assistant Secretary shall, when doing so shall be appropriate, affix the seal of the Association to such contract.

ARTICLE IX

Amendments

Section 9.01. In General. The power to add to, alter, amend or repeal (wholly or in part) this Code of By-Laws is vested in the Board of Directors. The affirmative vote of not less than a majority of the Directors shall be necessary to effect any addition to, or alteration, amendment or repeal of, this Code of By-Laws.

DECLARATION OF RESTRICTIONS
HIDDEN BAY DEVELOPMENT PROJECT

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BOOK 158 PAGE 797

THIS DECLARATION made this 15th day of October, 1979, by The Shorewood Corporation, an Indiana corporation (hereinafter referred to as the "Developer"), WITNESSETH:

WHEREAS, the Developer is the owner of all of the lands described in Exhibit A, attached hereto and made a part hereof, which lands will be subdivided and known as "Hidden Bay" (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 Hamilton County, Indiana; and

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

NOW, THEREFORE, The 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 the Developer and upon the parties having or acquiring any right, title or interest, legal or equitable, in and to the real property or any part or parts thereof subject to such Restrictions, and shall inure to the benefit of the Developer and every one of the Developer's successors in title to any real estate in the Development. The Developer specifically reserves unto itself the right and privilege, prior to the recording of the plat by the Developer of a particular lot or tract within the Development as shown on 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 Hidden Bay Development Control Committee, composed of three members appointed by the Developer who shall be subject to removal by the Developer at any time with or without cause. Any vacancies from time to time existing shall be filled by appointment of the Developer. The Developer may, at its sole option, at any time hereafter, relinquish to the Association the power to appoint and remove one or more members of the Committee.

B. "Association" shall mean the Hidden Bay Property Owners' Association, Inc., a not-for-profit corporation, the membership and powers of which are more fully described in paragraph 10 of this Declaration.

C. "Lot" shall mean any parcel of real estate excluding "Blocks", whether residential or otherwise, described by one of the plats of the Development which is recorded in the office of the Recorder of Hamilton County, Indiana.

D. Approvals, determinations, permissions, or consents required herein shall be deemed given if they are given in writing, signed with respect to the Developer or the Association, by the President or a Vice President thereof, and with respect to the Committee, by two members thereof.

This Instrument Recorded Oct 16 1979
MARY L. CLARK, RECORDER, HAMILTON COUNTY, IND.

HAMILTON COUNTY
RECORDED
MAY 11 1980

CLERK OF COURT

CLERK OF COURT

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

2. CHARACTER OF THE DEVELOPMENT.

A. In General. Every lot in the Development, unless it is otherwise designated by the Developer, is a residential lot and shall be used exclusively for single family residential purposes. No structures shall be erected, placed or permitted to remain upon any of said residential lots except a single family dwelling house (as described in paragraph 3B of these restrictions), and such outbuildings as are usually accessory to dwelling houses.

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 Dwelling 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. The determination of whether the house shall have been substantially completed 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 between the Indianapolis Water Company and The Shorewood Corporation, recorded in Book 121, Instrument No. 4862 in the Office of the Recorder of Hamilton County, Indiana, and also to all governmental zoning authority and regulation affecting the Development, all of which are incorporated herein by reference.

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

A. Minimum Living Space Areas. The minimum square footage of living space of dwellings constructed or placed on various residential lots in the Development, exclusive of porches, terraces, garages, carports, or accessory buildings, shall be 900 square feet, except for existing dwellings which are located on various lots in the Development at the time that these restrictions are recorded. At such time as existing dwellings are replaced, then any replacement dwelling must contain at least the same amount of square feet of living space area as the dwelling that is replaced.

B. Type of Residential Dwellings Permitted in Development. The only type of residential dwelling that may be located on any residential lot in the Development shall be a single family, factory manufactured home which is delivered to a lot in component parts. The intent of this restriction is to limit the type of dwelling construction allowed in the Development to modular, manufactured homes in order to insure a general uniformity of appearance, design and quality of homes which shall be for the mutual benefit of all lot owners in the Development.

C. Residential Set-Back Requirements.

(i) In General. Unless otherwise provided in these restrictions or on the recorded plat, no dwelling house 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 set-back lines where shown, shall be the designated number of feet from the right-of-way of the road upon which the lot abuts as set forth upon the plats of the Development. This provision shall apply except for structures or dwellings which are in existence at the time these restrictions are recorded. At such time as existing structures or dwellings are replaced, then any replacement must comply with the set-back lines as shown on the plats of the Development.

(iv) Side Yards. Except for existing dwellings which are located on the various lots in the Development at the time that these restrictions are recorded, the side yard set-back lines shall not be less than 5 feet from the side lines of a lot in Section One and the side yard set-back lines shall not be less than 8 feet from the side lines of a lot in all other sections of the Development. At such time as existing dwellings are replaced, then any replacement dwelling must be placed in such a way as to retain the same side yard as existed for the dwelling that is replaced.

(v) Rear Yards. The rear set-back line shall be at least 5 feet from the rear line except if the lot abuts on Morse Reservoir, then the rear yard set-back line shall be at least 20 feet from the reservoir.

D. Fences and Trees. In order to preserve the natural quality and aesthetic appearance of the existing geographic areas within the Development, any fence, with the exception of fences which are existing at the time these restrictions are recorded, must be approved by the Committee as to size, location, height and composition before it may be installed. A lot must have at least two (2) trees growing upon it in the front yard by the time the house is completed, and occupied, and if this requires plantings by the owner, the Committee must approve the size and location of such trees.

E. Exterior Construction. The finished exterior of every building constructed or placed on any lot in the Development shall be of material other than tar paper, rollbrick siding or any other similar material. In addition, all houses must have skirting around the entire home, the type and quality of which must be approved by the Committee.

F. Heating Plants. Every house in the Development must contain a heating plant installed in compliance with the required codes and capable of providing adequate heat for year-round human habitation of the house.

G. Diligence in Construction. Every building whose construction or placement on any residential lot in the Development is begun shall be substantially completed within two (2) months after the beginning of such construction or placement. No improvement which has partially or totally been destroyed by fire or otherwise, shall be allowed to remain in such state for more than three (3) months from the time of such destruction or damage.

H. 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) Where applicable, prevent debris or foreign material from entering Morse Reservoir, or, when any such debris has entered Morse Reservoir from the lot, remove the same immediately.

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

(vii) All tools, equipment and materials such as lawn mowers, bicycles and toys shall be stored so as not to be visible from any street or other lot in the Development.

I. Association'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, the Association shall have the right, but not the obligation, by and through its agents or 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 situated thereon, if any, conform to the requirements of these restrictions. The cost therefore to the Association shall be added to and become a part of the annual charge to which said lot is subject and may be collected in any manner in which such annual charge may be collected. Neither the Association nor any of its agents, employees, or contractors shall be liable for any damage which may result from any maintenance work performed hereunder.

4. PROVISIONS RESPECTING DISPOSAL OF SANITARY WASTE

A. Nuisances. No outside toilets shall be permitted on any lot in the Development and no sanitary waste or other wastes shall be permitted to enter any storm drain. By purchase of a lot, each Owner agrees that any violation of this paragraph constitutes a nuisance which may be abated by the Developer or the Association 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 the Developer nor the Association, nor any officer, agent, employee or contractor thereof, 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 Hamilton County Board of Health and the Indiana State Board of Health. No storm water (subsurface or surface) shall be discharged into sanitary sewers. Copies of all permits, plans and designs relating to the construction of a sanitary sewer service line 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.

5. UTILITY EASEMENTS FOR ELECTRIC, TELEPHONE AND GAS LINES, FIXTURES AND APPURTENANCES

The various plats of the Development shall include utility easements. There are existing electric, telephone and gas lines and related equipment located on various lots within the Development. The Developer, as the fee simple owner of the real estate subject to these restrictions, does hereby grant a general easement and right of access to those utility companies having responsibility for and jurisdiction over said existing electric, telephone and gas lines and related equipment. This general easement and right of access is subject to the obligation of said utility companies to promptly restore any lot or home that might be altered or damaged as a result of any repair, maintenance or replacement of utility lines or equipment, to its condition immediately prior to such work.

6. 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 except for real estate sales signs.

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 confined so as not to become a nuisance.

D. Vehicle Parking and Parking Areas. No truck, one (1) ton or larger in size, or boat or trailer shall be parked for overnight or longer storage on any lot in the Development, unless the same shall be screened in such a manner that it is not openly visible to the occupants of other lots in the Development, the users of any street in the Development, or to persons upon Morse Reservoir. A determination of what constitutes adequate screening in order to satisfy the requirements of this restriction shall be the responsibility of the Hidden Bay Development Control Committee. Nothing in this paragraph shall prohibit the parking or storage of a recreational vehicle or motor home on a lot in the Development. The owner of a lot shall be entitled to the use of two (2) parking spaces per lot and the location and size of these parking spaces will be subject to regulation by the Association, described in paragraph 10 hereof.

E. Garbage 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 houses built or located 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 or screened in such a way that it is not visible from any street or lot in the Development. Any receptacle for ashes, trash, rubbish or garbage shall be so placed and kept as not to be visible from any street or lot within the Development at anytime, except at the times when refuse collections are being made.

G. Model Homes. No Owner of any lot in the Development shall build or permit the building or placement upon said lot of any dwelling house that is to be used as a model home or exhibit house without permission to do so from the Developer.

H. Temporary Structures. No temporary house, 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 the 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 the 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 without the approval of the Hidden Bay Development Control Committee.

L. Docks, Piers and Beaches. No pier, dock or other structure may be constructed in such a manner that any portion thereof extends more than 25 feet from the shore into Morse Reservoir and in no event shall any pier, dock or other structure be erected that does not conform to the specifications established by the Committee. No beach may be constructed on Morse Reservoir unless the plans and specifications for the beach are submitted to and approved by the Committee. Beaches shall be constructed of sand only, which shall not extend farther than 25 feet from the shoreline into Morse Reservoir. No spoil materials shall be placed or allowed to collect in Morse Reservoir which result from beach construction.

7. HIDDEN BAY DEVELOPMENT CONTROL COMMITTEE.

A. Powers of Committee.

(1) Generally. No dwelling, outbuilding, building structure or improvement of any type or kind shall be constructed or placed 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 or improvement. Such plans shall include plot plans showing the location of all improvements existing upon the lot, each properly and clearly designated. Said plans shall include details of site grading, foundations, means of securing home, point of utility hook ups and such other information as the Committee may require. Such plans and specifications 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. There shall also be submitted, where applicable, the permits or reports required by any governmental agency.

(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 other Owners.

(iii) Power to Grant Variances. The Committee may allow reasonable variances or adjustments of these Restrictions where literal application would result in unnecessary hardship, but any such variance or adjustment shall be granted in conformity with the general intent and purposes of these Restrictions and no variance or adjustment shall be granted which is materially detrimental or injurious to other lots in the Development.

B. Duties of Committee. The Committee shall approve or disapprove proposed improvements within 30 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 for such disapproval.

C. Liability of Committee. Neither the Committee nor any agent thereof, nor the Developer, nor the Association, 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.

8. 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 house, 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 house 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 house.

9. OWNERSHIP, USE AND ENJOYMENT OF COMMONS, RECREATIONAL FACILITIES, AND BLOCKS IN THE DEVELOPMENT.

Any commons, recreational facility or blocks depicted on the recorded plats of the Development shall remain private, and neither the Developer's execution or recording of the plats nor the doing of any other act by the Developer is, or is intended to be, or shall be construed as, a dedication to the public of the commons, recreational facilities or blocks. A license upon such terms and conditions as Indianapolis Water Company, the Developer, and the successors, assigns or licensees of either of them shall from time to time grant, for the use and enjoyment of

the commons, Morse Reservoir and any recreational facilities, is granted to the persons who, are from time to time members of the Association. Ownership of Morse Reservoir shall remain in Indianapolis Water Company, but ownership of all commons, recreational facilities and blocks shall be conveyed in fee simple title, free of financial encumbrances, to the Association within two (2) years from the date that these restrictions are recorded. Until such time as the various blocks within the Development are deeded to the Association, every owner of a lot and purchaser of a lot within the Development, their guests, invitees and licensees, shall have an easement of ingress and egress to use said block(s) in order to have access to his lot and to any common area or recreational facility in the Development. The suspension of privileges of membership in the Association as provided in paragraph 10-E hereof shall not affect this easement of ingress and egress to lots, common areas or recreational facilities in the Development. Such conveyance shall be subject to easements and restrictions of record, and such other conditions as the Developer may at the time of such conveyance deem appropriate. Such conveyance shall be deemed to have been accepted by the Association and those persons who shall from time to time be members thereof upon the recording of a deed or deeds conveying such commons, recreational facilities, and blocks to the Association.

10. THE HIDDEN BAY PROPERTY OWNERS' ASSOCIATION, INC.

A. In General.

(1) There will be created, under the laws of the State of Indiana, a not-for-profit corporation to be known as the "Hidden Bay Property Owners' Association, Inc." which is referred to as the "Association". Every Owner of a residential lot in the Development shall be a member of the Association. All owners of lots within the Development shall be subject to all the requirements and limitations imposed in these Restrictions.

(ii) The members of the Association shall elect a Board of Directors of the Association annually as prescribed by the By-Laws. In addition to the foregoing, the Board of Directors of the Association may establish associate memberships in the Association for persons who may from time to time be lessees of lots within the Development or be owners of lots in other developments and who are not otherwise entitled to the benefits of membership by virtue of being Owners of residential lots within the Development. Associate members shall have none of the rights of members to vote at meetings of the Association. The Board of Directors of the Association may establish fees or charges for such associate memberships and rules and regulations concerning such associate memberships which may be different from those applicable to members generally.

B. Purposes of the Association.

(1) The general purpose of the Association is to provide a means whereby those areas within the Development designated as commons, recreational areas or blocks on the plats thereof, and such other facilities, utility lines, streets and services within the Development as may be conveyed to the Association or established by it, may be operated, maintained, repaired and replaced. The Association shall be responsible for the maintenance of all private streets and all storm sewer and sanitary sewer and water lines (other than service lines), within the Development and shall provide trash collection for residents of the Development.

(ii) An additional purpose of the Association is to provide a means for the promulgation and enforcement of rules and regulations necessary to govern the use and enjoyment of such commons, recreational facilities, blocks or other amenities or facilities, recreational or otherwise, within the Development as may be conveyed to the Association.

C. Power of Association to Levy and Collect Charges and Impose Liens.

(1) The Association shall have all of the powers set forth in its Articles of Incorporation, together with all other powers that belong to it by law, including the power to levy a uniform annual charge or assessment against the lots within the Development. Such charge shall be at least \$300.00 per year for each residential lot in the Development payable in monthly installments of \$25.00 due on the first day of each month, provided, however, that where the owner of two contiguous lots is using said lots as a site for a single dwelling house pursuant to paragraph 8 hereof, then he shall only be required to pay said charge for one lot.

However, if the Board of Directors of the Association, acting in accordance with the By-Laws of the Association, shall so determine after consideration of the financial requirements of the Association, the annual charge may be greater than \$300.00 provided, however, that the annual assessment shall not be increased more than a cumulative average of seven percent (7%) per year unless such larger increase is approved by a vote of 67% of the members voting in person or by proxy at a meeting duly held after the members have been notified that such meeting would consider the budget for the following year and that an increase averaging more than 7% per year is likely. Such maximum increase shall be computed by compounding the annual assessment during the fiscal year referred to above at the rate of 7% per year until the then current fiscal year. In addition to the annual assessments authorized herein, the Association may levy in any year, special assessments for the purpose of defraying, in whole or in part, the cost of any construction, repair or replacement of a capital improvement located upon or in any commons or blocks within the Development, including fixtures, streets, storm sewers, utility lines and personal property relating thereto, and any other common expenses of an unusual, extraordinary or unanticipated nature provided that any such assessment shall have the assent of 67% of the votes of the members of the Association who are voting in person or in proxy at a meeting called for this purpose. No charge shall ever be levied by the Association against the Developer except where the Developer, as the owner of a lot in the Development, leases that lot for occupation by a residential home and in such case, the Developer shall be liable for the annual charge as provided herein.

(ii) Every such charge shall be paid by the members of the Association before the first day of each month for which the charge is made. The Board of Directors of the Association shall fix the amount of the annual charge by the first day of February of each year, and written notice of the charge so fixed shall be sent to each member.

(iii) Any charge levied or assessed against any lot, together with interest and other charges or costs as hereinafter provided, shall become and remain a lien upon that lot until paid in full, and shall also be a personal obligation of the Owner or Owners of that lot at the time the charge fell due. Such charge shall bear interest at the rate of 8% per annum until paid in full. If, in the opinion of the Board of Directors of the Association, such charge has remained due and payable for an unreasonably long period of time, the Board may, on behalf of the Association, institute such procedures, either at law or in equity, by foreclosure or otherwise, to collect the amount owing in any court of competent jurisdiction. The Owner of the lot or lots subject to the charge, shall, in addition to the amount of the charge at the time legal action is instituted, be obliged to pay any expense or costs, including attorneys' fees, incurred by the Association in collecting the same. Every Owner of a lot in the Development and any person who may acquire any interest in such lot, whether as an Owner or otherwise, is hereby notified, and by acquisition of such interest agrees, that any such liens which may exist upon said lot at the time of the acquisition of such interest are valid liens and shall be paid. Every person who shall become an Owner of a lot in the Development is hereby notified that by the act of acquiring, making such purchase or acquiring such title, such person shall be conclusively held to have covenanted to pay the Association all charges that the Association shall make pursuant to this subparagraph of these Restrictions. The lien of the assessment provided for herein shall be subordinated to the lien of any mortgage or mortgages now or hereafter placed upon a lot subject to assessment. The foreclosure of a superior mortgage or lien shall not relieve a lot from liability for any assessment becoming due nor from the lien of any subsequent assessment.

(iv) The Association shall, upon demand, at any time, furnish a certificate in writing signed by an officer of the Association that the assessments on a specified lot have been paid or that certain assessments against said lot remain unpaid, as the case may be. A reasonable charge may be made by the Board of Directors of the Association for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

D. Purpose of the Assessments. The charges or assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the members of the Association, and, in particular, for the improvement and maintenance of the properties owned, operated or maintained by the Association. In addition, the annual charges or assessments levied by the Association against a particular lot shall include the annual cost of sewer and water service and trash pickup for the subject lot.

E. Suspension of Privileges of Membership. Notwithstanding any other provision contained herein, the Board of Directors of the Association shall have the right to suspend the voting rights, if any, and the right to use the facilities of the Association of any member or associate member (i) for any period during which any of the Association's charges or any fines assessed under these Restrictions, or any other authority, owed by the member or associate member remains unpaid; (ii) during the period of any continuing violation of these restrictive covenants commencing with declaration of the existence of the violation by the Board of Directors of the Association; and/or (iii) during the period of any violation of the Articles of Incorporation, By-Laws, or rules and regulations of the Association. Nothing in this paragraph shall be construed to impair or preclude a lot owner or purchaser's easement of ingress and egress as provided in paragraph 9 hereof.

F. Maintenance of Private Streets, Storm and Sanitary Sewers, Water Mains and Related Appurtenances. The Association shall be responsible for the maintenance, repair and replacement of all private streets and storm and sanitary sewer and water mains within the Development. For purposes of these restrictions, sewer and water mains are defined as any sewer or water line other than service lines. A sewer or water service line is a line which runs from a sewer or water main to an individual home or facility to provide that particular home or facility with sewer or water service.

*SHOULD
be deleted*

G. Easement of Association and Developer. The Association, its agents and employees, shall have an easement for access to all private streets and sewer and water lines and related appurtenances in order to perform its obligations and duties as set forth in the preceding paragraph hereof. Some of the sewer and water lines for which the Association has responsibility for maintenance are located beneath homes or improvements on various lots in the Development. In order to avoid moving a home or working beneath a home, the Association through its agents and employees, shall have the right to relocate any sewer or water line that, in its discretion, it deems appropriate or necessary. This easement is also reserved for the benefit of the Developer so long as the Developer owns any lot in the Development. The Association or the Developer, as the case may be, shall have the obligation to repair any home or improvement that it might damage or alter as a result of such work to its condition immediately preceding such work and shall further have the obligation to restore the lot to its condition immediately preceding such work.

11. USE OF THE RESERVOIR.

All operation of boats upon Morse Reservoir is pursuant to a license that has been exercised in accordance with the limitations made by the joint committee of the Developer and the Indianapolis Water Company made according to the procedures set out in the License Agreement recorded in Book 121, Instrument No. 4863, in the Office of the Recorder of Hamilton County, Indiana. That committee has the power to assess fines for the violation of any limitations on boat traffic on Morse Reservoir in accordance with the schedule of fines promulgated by it. Every such fine shall be paid promptly upon its being assessed, and, if it is not, the Association shall add the amount of the fine to the annual charge made by the Association pursuant to subparagraph 10-C of these Restrictions, and the amount of such fine shall be collectible by the same means as are prescribed in said subparagraph for the collection of delinquent annual charges of the Association.

12. DEVELOPER'S RIGHT TO USE COMMON PROPERTY AND CONDUCT SALES OPERATION.

Prior to its conveyance of any block, common area or recreational facility, the Developer reserves unto itself the right to grant easements for utilities and other reasonable purposes. Specifically, the Developer reserves the right to retain an easement for access to any boat dock or boat docks which may be located adjacent to a block or common area and which boat dock or docks the Developer may own and lease to a resident of the Development. The Developer reserves unto itself the right to use any home that it owns located on a lot in the Development as a model home and to sell, assign or conduct business in connection with the development and construction of the Development from any such model home prior to its sale. This reservation of right in the Developer includes, but is not limited to, the right to maintain a model or models, erect signs, maintain an office, staff the office with employees, and to use any and all of the common areas, blocks and recreational facilities in connection with the sale of homes or lots in the Development.

The Developer, as the fee simple owner of the real estate subject to these Restrictions, does hereby grant a general easement and right of access to those public agencies, and their agents, having responsibility for and jurisdiction over providing public services to the Development. This general easement and right of access shall be to all common areas, recreation facilities and blocks within the Development to be deeded to and owned by the Association. The intent of this general easement and right of access is to allow the appropriate public agencies, or their agents, access to real estate and facilities to be owned by the Association in order to provide a full range of public services such as, but not limited to, police protection, fire protection, maintenance of utilities, and trash removal.

14. EASEMENT FOR COMMON SIDEWALKS

There are sidewalks located on various lots in the Development which are located on two lots and are intended to be used jointly and in common by the owners of the lots on which they are located. Specifically, there are common sidewalks on Lots 20 and 21; 24 and 25; 35 and 36; 41 and 42; and 56 and 57. The Developer, as the fee simple owner of the lots referred to herein, does hereby grant a common easement to the adjoining lot owners of the above referenced lots, to use the common sidewalks which are located on said lots. The lot owners of the above referenced lots shall have the obligation to maintain and repair their common sidewalk on an equal basis with the adjoining lot owner.

15. REMEDIES

A. In General. The Association or any party to whose benefit these Restrictions inure, including the Developer or Indianapolis Water Company (with respect to activities that affect Morse Reservoir), may proceed at law or in equity to prevent the occurrence or continuation of any violation of these Restrictions, but neither the Developer, Indianapolis Water Company, nor the Association 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.

16. 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 the Developer or a subsequent Owner of such lot, shall accept such deed and execute such contract subject to each and every Restriction and agreement herein contained. By acceptance of such deed or execution of such contract, the Owner acknowledges the rights and powers of the Developer, the Committee and of the Association 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 the Developer, the Committee and the Association and to and with the Owners and subsequent owners of each of the lots affected by these Restrictions to keep, observe, comply with and perform such Restrictions and agreements.

17. TITLES.

The titles preceding the various paragraphs and subparagraphs of the Restrictions are for convenience of reference only, and none of them shall be used as an aid to the construction of any provision of the Restrictions. Wherever and whenever applicable, the singular form of any word 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.

18. DURATION.

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The foregoing covenants and restrictions are to run with the land and shall be binding on all parties and all persons claiming under them until July 1, 2001 at which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years, unless changed 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, or Indianapolis Water Company with regard to its Morse Reservoir.

19. SEVERABILITY.

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

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

IN TESTIMONY WHEREOF, witness the signature of the Declarant this 15th day of October, 1979.

THE SHOREWOOD CORPORATION

By Stanley E. Hunt
Stanley E. Hunt, President

ATTEST:

Philip W. Klinger
Philip W. Klinger, Secretary

STATE OF INDIANA)
) SS:
COUNTY OF HAMILTON)

Before me, a Notary Public in and for said County and State, personally appeared Stanley E. Hunt and Philip W. Klinger, the President and Secretary respectively of The Shorewood Corporation, who acknowledged the execution of the foregoing Declaration of Restrictions for and on behalf of The Shorewood Corporation.

Witness my hand and Notarial Seal this 15th day of October, 1979

Cheri L. Graf
Cheri L. Graf

Notary Public

My Commission Expires May 30, 1980

Prepared by Hayes T. O'Brien

EXHIBIT A

BOOK 158 PAGE 308

Part of the Southwest and part of the Northwest Quarters of Section 36, Township 20 North, Range 4 East in Hamilton County, Indiana, more particularly described as follows:

Beginning at a point on the West line of the said Southwest Quarter Section 420 feet North of the Southwest corner thereof; thence North along the West line of the said Section 36 a distance of 2720 feet; thence deflect to the right 90 degrees for a distance of 285 feet; thence deflect to the left 40 degrees for a distance of 260 feet; thence deflect to the right 40 degrees for a distance of 140 feet more or less to the shore line of Morse Reservoir as established when said Reservoir is full (with the water level thereof at an elevation of 810.0 feet above mean sea level); thence Southerly along the meandering shore line to a point which lies on a line 480 feet West of the West end of the Cicero Bridge; thence South, parallel with the West line of the said Southwest Quarter Section to the South line thereof; thence West 930 feet more or less to a point which lies 805.4 feet East of the Southwest corner of the said Section 36; thence North 420 feet; thence West 805.4 feet to the place of beginning, containing 72 acres, more or less.

This Instrument Recorded Oct 16 1979
MARY L. CLARK, RECORDER, HAMILTON COUNTY, IND.

APPROVED

AND

FILED

OCT 18 1979

ARTICLES OF INCORPORATION

OF

Edmund J. Gorman
SECRETARY OF STATE OF INDIANA

HIDDEN BAY PROPERTY OWNERS' ASSOCIATION, INC.

WHEREAS, The Shorewood Corporation, an Indiana corporation (hereinafter sometimes referred to as "the Developer"), is now developing a parcel of real estate located in Hamilton County, Indiana, as a complete residential community that will be known as "Hidden Bay" and is hereinafter sometimes referred to as "the Project"; and

WHEREAS, it is desirable that a cooperative maintenance and recreation system be established, governed and operated by the owners of the residential lots in the Project in such a manner as to promote the creation and preservation of peaceful enjoyment of the property and the protection and enhancement of property values in the Project; and

WHEREAS, plat restrictions and restrictive covenants are to be recorded with respect to the Project:

KNOW ALL MEN BY THESE PRESENTS, that I, the undersigned, a citizen of the United States, do hereby undertake to form a not-for-profit corporation without capital stock under the provisions of The Indiana Not For Profit Corporation Act, as amended.

ARTICLE I

Name

The name of the corporation is Hidden Bay Property Owners' Association, Inc., and it is hereinafter referred to as "the Association".

ARTICLE II

Purposes

The general objects and purposes and powers of the Association are:

1. To exercise the powers and functions granted to it in, or pursuant to, the plat restrictions applicable to the Project, or any portion thereof, and any other restrictive covenants that have heretofore or may hereafter be recorded in respect of the Project, or any part thereof.

2. To care for, maintain, and repair certain vacant and unimproved and unkept lots and certain common areas and blocks within the Project, or any part thereof; to repair, rebuild, and maintain structures or residences on any lot in the Project for the purposes of preventing any such structure's falling into a rundown condition; to repair, maintain, rebuild and/or beautify all streets and their rights of way, and all commons, blocks and residential facilities within the Project that are not subject to maintenance by governmental authority; to repair, maintain, rebuild, replace and operate any sewer and water mains and/or lines within the Project that are not subject to maintenance by governmental authority; to repair, maintain, rebuild or replace any street, roadway or drive within the Project that is not subject to maintenance by governmental authority.

3. To provide for the payment of taxes and assessments, if any, that may be levied by any governmental authority upon any area or facilities in the Project that may be conveyed to the Association.

4. To enforce charges, easements, restrictions, conditions, covenants, and servitudes existing upon and created for the benefit of the property over which the Association may have jurisdiction; to pay all expenses incidental thereto; to enforce the decisions and rulings of the Association; and to pay all expenses in connection therewith.

5. To provide for the operation, maintenance and management of any swimming pools, tennis courts, lodges or clubhouses, or other recreational facilities, and other community features of such land in the Project as may be conveyed to the Association, and to provide for the maintenance of those areas designated on the plats of the Project as Commons Areas and Blocks.

6. To appoint such committees as may be necessary to, or convenient in, the Association's discharging the duties entrusted to it.

7. To levy an annual charge that shall be a lien against the real estate in the Project and a personal obligation of the members of the Association; to publish the names of members who shall fail to pay the charges made by the Association; to sue to collect any of such charges as are not paid; and to foreclose any such lien. Each year the Board of Directors of the Association shall consider the current operational and maintenance needs and future needs, including capital needs of the Association and, in the light of those needs, shall fix the amount of the annual charge herein provided for in respect of each numbered lot. Nothing contained in this paragraph 7 does, or is intended to, or shall be construed to, create in the Association a power to levy or make any charge of any kind against the Developer, or against the Association itself.

8. To acquire by gift, purchase, or other means, to own, hold, enjoy, lease, operate, maintain, convey, sell, lease, transfer,

mortgage or otherwise encumber, or dedicate for public use, real or personal property in connection with the business of this Association.

9. To expend the moneys collected by the Association from assessments or charges, and other sums received by the Association, for the payment and discharge of all proper costs, expenses, and obligations incurred by the Association in carrying out all or any of the purposes for which the Association is formed.

10. To borrow money and to give, as security therefor, a mortgage or other security interest in any or all real or personal property owned by the Association, or a pledge of moneys to be received under paragraph 7 above, and to assign and pledge its right to make assessments and charges and its right to claim a lien therefor.

11. To do any and all lawful things and acts, and to have any and all lawful powers, which a corporation organized under and by virtue of The Indiana General Not For Profit Corporation Act, as amended, may do and have, and in general to do all things necessary and proper to accomplish the foregoing purposes, including the specific power to appoint any person or corporation as its fiscal agent to collect all assessments and charges levied by the Association and to enforce the Association's liens for unpaid assessments and charges or any other lien owned by the Association.

ARTICLE III

Period of Existence

The period during which the Association shall continue as a corporation shall be perpetual.

ARTICLE IV

Resident Agent and Principal Office

The post office address of the principal office of the Association shall be c/o The Shorewood Corporation, Noblesville, Indiana, and the name of its Resident Agent is Philip W. Klinger, whose post office address is The Shorewood Corporation, 100 Clarendon Drive, Noblesville, Indiana 46060.

ARTICLE V

Membership

1. The members of the Association shall be persons or corporations who at any time are owners (legal or equitable) of

numbered residential lots in the Project. A person who has no interest in real estate in the Project other than an interest that is held merely as security for the performance of an obligation to pay money (e.g., the interest of a mortgagee or a land contract vendor) shall not be entitled to membership in the Association.

2. Membership in the Association shall lapse and terminate when any member shall cease to be the owner of a numbered residential lot in the Project.

3. Any meeting of the members of the Association may be held at any place within Hamilton County, Indiana. The place at which a particular meeting of the members is to be held shall be stated in the notice of that meeting.

4. The members of the Association shall be divided into two classes, namely, Class A members and Class B members. No person, firm or corporation except the Developer (and any person who shall hereafter succeed to the Developer's business and properties substantially as a whole) shall hold a Class B membership in the Association. A Class A member shall be entitled to one vote for each numbered residential lot in the Project that is owned by the member; a Class B member shall be entitled to three votes for each numbered residential lot in the Project that is owned by the member. Any member (whether a Class A member or a Class B member) shall have the power to cast his vote or votes by proxy or voting trust. - - -

ALL HOME OWNERS ARE CLASS "A" - CLASS "B" IS SHOWN CORP. AND THEY ARE NO LONGER IN OUR BUSINESS.

5. In addition to the Class A and Class B members described in paragraph 4 above, the Association may have associate members. Any person who is approved by the Board of Directors may be an associate member of the Association. Associate members shall have no vote or right to notice of any meeting of members, regular or special. The Board of Directors of the Association may establish fees or charges for such associate memberships and rules and regulations concerning such associate memberships which may be different from those applicable to regular members. Associate members shall be required to observe all rules governing the conduct of members and/or associate members and shall be entitled to enjoy all the other privileges of membership.

6. No member may be expelled from membership in the Association for any reason whatsoever; provided, however, that the Board of Directors of the Association shall have the right to suspend the voting rights (if any) and right to use of the recreational facilities of the Association of any member or associate member (i) for any period during which any Association charge owed by the member or associate member remains unpaid; and (ii) during the period of any continuing violation of the restrictive covenants for the Project, after the existence of the violation shall have been declared by the Board of Directors of the Association.

VOTING RIGHTS SUSPENDED

7. There shall be no other preferences, limitations or restrictions with respect to the relative rights of the members.

ARTICLE VI

Directors

The affairs and business of the Association shall be managed by a Board of Directors consisting of not less than three nor more than seven members, the exact number to be stated in the By-Laws of the Association. In the absence of such a statement in the By-Laws, the number of Directors shall be three. Each member of the first Board of Directors shall serve for a term of three years; thereafter, each Director shall serve for such a term as may be prescribed by the By-Laws.

H. B.
HAS "5"
OFFICE TERM
15 "2" YEARS

The Board of Directors of the Association shall have power to adopt By-Laws of the Association not inconsistent with these Articles or with the laws of the State of Indiana. Pursuant to the By-Laws, the Board of Directors may elect a President, one or two Vice Presidents, a Secretary, one or two Assistant Secretaries, and a Treasurer. The offices of Secretary and Treasurer may be filled by one person. The officers shall have such qualifications, powers, and duties, and shall be elected in such manner, at such time and place, and shall serve for such terms as may be provided in the By-Laws of the Association.

The names and addresses of the first Board of Directors are as follows:

Philip W. Klinger	The Shorewood Corporation Noblesville, Indiana 46060
Jeffrey L. Gee	The Shorewood Corporation Noblesville, Indiana 46060
Hayes T. O'Brien	The Shorewood Corporation Noblesville, Indiana 46060

ARTICLE VII

Incorporator

The name and address of the incorporator is Philip W. Klinger, The Shorewood Corporation, 100 Clarendon Drive, Noblesville, Indiana 46060.

ARTICLE VIII

Statement of Property

No property is to be taken over by the Association at or upon its incorporation, but this fact shall in no manner restrict the

Association in respect of its later receiving property by donation,, grant, purchase, or other means.

ARTICLE IX

No Capital Stock or Pecuniary Gain to Members

The Association is organized without capital stock and no part of the income of the Association shall inure to the benefit of any member, associate member, director or officer of the Association.

ARTICLE X

Provisions For Regulation and Conduct of the Affairs of Corporation

None of the provisions of these Articles of Incorporation may be altered or amended in whole or in part in such a way as to bring them into conflict with the restrictive covenants and deed restrictions now or hereafter made applicable to the Project. With the foregoing exception, these Articles may be freely amended in accordance with the provisions of The Indiana General Not For Profit Corporation Act, as now or hereafter amended.

The Corporation shall indemnify any person made a party to any action, suit or proceeding by reason of the fact that he, his testator or intestate is or was a Director, officer or employee of the Corporation, or of any Corporation which he served as such at the request of the Corporation against the reasonable expenses, including attorneys fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such officer, Director or employee is liable for negligence or misconduct in the performance of his duties. The Corporation may also reimburse to any such Director, officer or employee the reasonable costs of settlement of any such action, suit or proceeding if it shall be found by a majority of a committee composed of the Directors not involved in the matter in controversy (whether or not a quorum) that it was to the interests of the Corporation that such settlement be made and that such Director, officer or employee was not guilty of negligence or misconduct. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such Director, officer or employee may be entitled apart from the provisions of this Article.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed his name on this 18th day of October, 1979.

Philip W. Klinger
Philip W. Klinger

STATE OF INDIANA)
COUNTY OF Hamilton) SS:

Before me, Cheri L. Graf, a Notary Public in and for said County and State, personally appeared Philip W. Klinger, the party executing the foregoing Articles of Incorporation, and, the same being produced, he acknowledged the execution and delivery thereof as his act and deed.

Witness my hand and Notarial Seal this 18th day of October, 1979.

Cheri L. Graf
CHERI L. GRAF Notary Public

My commission expires:

May 30, 1980