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DECLARATION OF COVENANTS, EASEMENTS AND RESTRICTIONS OF POINTE COVE

THIS DECLARATION is made this 22nd day of November, 1995, by Development Group Network, Inc., an Indiana corporation (hereinafter referred to as "Declarant" or "Developer"), and

WITNESSETH:

WHEREAS, Developer is the owner of all of the lands contained in the area described in Exhibit "A," attached hereto and made a part hereof, which lands will be subdivided and known as "Pointe Cove" (hereinafter referred to as the "Real Estate" or 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 Monroe County, Indiana and which shall make reference hereto; and

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

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

1. DEFINITIONS.

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

(i) "Association" shall mean the "Pointe Cove Homeowners Association, Inc.," or an organization of similar name, its successors and

assigns and shall be created as an Indiana not-for-profit corporation and its membership shall consist of lot owners who pay mandatory assessments for the expense of maintaining certain Common Area and Common Property within the development as well as for providing various services which the Association may determine to provide for Owners from time to time.

(ii) "Builder" shall mean the person constructing the first residence on each Lot (which may be the Developer for one or more Lots).

(iii) "Committee" shall mean the Pointe Cove Committee, composed of three (3) members appointed by Developer who shall be subject to removal by Developer at any time with or without cause. Any vacancies from time to time existing shall be filled by appointment of Developer until such time as the subdivision is completely developed and a residence has been constructed on each Lot, at which time the Association shall appoint from its membership this Committee.

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

(v) "Mortgagee" shall mean any holder, insurer or guarantor of any first mortgage on any Lot.

(vi) "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.

(vii) "Easement Area" shall mean the streets, sidewalks and entranceway of the Development, swimming pool and clubhouse, and those areas set aside for and included within the boundaries of one or more lots and designated as an easement on the plat of Pointe Cove, which includes the landscaping areas, various easements for utilities, sewers, and storm drainage.

B. Approvals, etc. Approvals, determinations, permissions or consents required herein shall be deemed given if they are given in writing, signed with respect to Developer by an authorized officer or agent thereof, and with respect to the Committee by two members thereof.

2. CHARACTER OF THE DEVELOPMENT.

A. In General. Every numbered lot in the Development, unless it is otherwise designated by Developer, is a residential lot and shall be used exclusively

for single family residential purposes, except Lot Number 40, which is a commercial lot and shall be used exclusively for a real estate sales/rental or related office. No structure shall be erected, placed or permitted to remain upon any of said residential lots except a single family dwelling house. All tracts of land located within the development which have not been designated by numbering as residential building lots in the recorded plat shall be Common Area and shall be used in a manner consistent with all applicable zoning requirements and the terms and provisions hereof.

B. Accessory Outbuildings Prohibited. No accessory outbuildings shall be erected on any of the residential lots without the advance written approval of the Committee. Any outbuilding approved by the Committee shall be constructed in a location such that it is substantially hidden from view from all streets in the Development.

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

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

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

A. Minimum Living Space Areas. All dwellings will have, at a minimum, an attached 2-car garage and a minimum of one thousand six hundred (1,600) square feet of living area for a single story structure, and two thousand two hundred (2,200) square feet of living area for a multi-level structure (in either case exclusive of basements, porches, garages, carports and accessory uses).

B. Residential Setback Requirements.

(i) In General. Unless otherwise provided herein or on the recorded plat, no dwelling or above-grade structure shall be constructed or placed on any 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 road.

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

(iv) Side Yards. The side yard setback lines shall maintain a minimum distance of ten (10) feet between side yard lot lines and buildings.

(v) Rear Yards. The rear setback line shall be all as set forth upon the plats of the Development.

C. Fences, Light Fixtures, Etc., Mailboxes, Lawns and Trees. In order to preserve the natural quality and aesthetic appearance of the areas within the Development, any fence, exterior light fixture, basketball goal, hot tub or other exterior structure must be approved by the Committee as to size, location, height and composition before it may be installed. All residences in the Development shall be equipped with two approved exterior light fixtures attached to the garage which must be illuminated from dusk to dawn. The removal of any existing trees for construction and improvements shall be subject to the approval of the Committee in accordance with Section 6.

D. Exterior Construction. The following requirements shall be applicable unless the Committee shall approve otherwise: (i) All utility facilities in the Development will be underground, except where required to be placed above-ground by the individual utility supplier; (ii) Each driveway in the Development will be of concrete or asphalt material; (iii) No additional parking will be permitted on a Lot other than in the existing driveway; (iv) Each dwelling will have a continuous concrete sidewalk from the driveway to the front porch; (v) All exterior siding materials shall be either a wood or masonry substance or a combination thereof, except aluminum or vinyl material may be used for eves, soffits, fascia board and other trim work; (vi) All garage doors in the Development will be of a hard-board or wood material, or other quality material; (vii) Whenever possible, all utility meters and HVAC units in the Development will be located in places unseen or screened from the fronts of the dwellings; (viii) No outside fuel storage tanks will be permitted above ground and no gasoline storage will be permitted above or below ground in the Development; (ix) All windows in the Development will be factory finished, no raw aluminum windows will be permitted, and all windows will have an approved thermal break; (x) All gutters and downspouts in the Development will be factory or on the job painted; (xi) All roofing in the Development will be of a consistent color scheme and a shingle-type material with weight no less than two hundred thirty-five (235)

pounds per square and rating of Class A; (xii) All roof pitches will be six to twelve (6:12) or greater; (xiii) No metal, fiberglass or similar type material awnings or patio covers will be permitted in the Development; (xiv) No above-ground swimming pools will be permitted on any Lot in the Development; and (xv) Modular-sectional construction is not permitted in the Development; provided however, that pre-fabricated home components such as walls, roof trusses, etc. will not be considered modular-type construction.

E. Heating Plants. Every dwelling 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 dwelling. Heating plants shall have ductwork capable of handling central air conditioning.

F. Damaged Structures. 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.

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

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, fertilize and water the Lot at such times as may reasonably be required in order to prevent the unsightly growth of vegetation and 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; and

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

I. Lot Access. All Lots shall be accessed from the interior streets of the Development.

J. Sight Obstructions. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the adjoining street shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street Lot lines and a line connecting points twenty-five (25) feet from the intersection of said street Lot lines (or in the case of a rounded property corner, from the intersection of the street Lot lines extended to form a corner). The same sight-line limitations shall apply to any Lot within ten (10) feet from the intersection of a street Lot line with the edge of a driveway pavement or alley line. As to any trees or other plants located within said sight line areas, the Owner thereof shall maintain the foliage line of such trees or other plants at a sufficient height to prevent obstruction of such sight lines.

K. Remedies for Failure to Comply. In the event that any Owner fails to fully observe and perform the obligations set forth herein, and in the further event that such failure is not cured within thirty (30) days after written notice of the same is given by the Association, the Association and any Owner shall have the right to commence judicial proceedings to abate or enjoin such failure, and to take such further action as may be allowed at law or in equity to correct such failure after commencement of such proceedings. In the event that such failure causes or threatens to cause immediate and substantial harm to any property outside of such defaulting Owner's Lot or to any person, the Association shall have the right to enter upon such Lot for the purpose of correcting such failure and any harm or damage caused thereby, without any liability whatsoever on the part of the Association. All costs incurred by the Association in connection with any act or proceeding undertaken to abate, enjoin, or correct such failure, including attorneys' fees and court costs, shall be payable by the defaulting Owner upon demand by the Association, and shall immediately become a lien against his Lot, subject to payment and collection in the manner provided for collection of assessments by the Association. The rights in the Owners and the Association under this paragraph shall be in addition to all other enforcement rights hereunder or at law or in equity.

4. EASEMENTS AND PROPERTY RIGHTS.

a. Easements. There is hereby reserved for the purpose of installing and maintaining municipal and public utility facilities and for such other purposes incidental to the development of the Real Estate, to be perpetual hereof, from the date of this instrument by the Developer, its successors and assigns, full right and authority to lay, operate and maintain such drainage facilities, sanitary sewer and water lines, gas and electric lines, communication lines (which shall include cable television), signage, landscaping, swimming pool, bathhouse and public restrooms, and such other further public service or community oriented facilities as Developer may

deem necessary in the Easement Area as shown on the plat of the Development. Provided, however, the disturbed area shall be restored as nearly as is possible to the condition in which it was found. No permanent structures shall be constructed within any Easement Area, except such structures as may be required in connection with the purpose of any such easement. There is hereby specifically reserved by the Developer for the benefit of the Association a landscape easement in those areas designated as such on the plats of Pointe Cove which the Association shall maintain in accordance with good husbandry practices. Additionally, the Developer hereby reserves an easement for the benefit of the Association and its agents, across any and all Lots for the limited purpose of providing access to Easement Areas to provide for the proper maintenance and repair of the landscaping, utilities and other facilities located therein; provided, however, that any persons entering upon a Lot under the rights granted hereunder shall be responsible for the repair of any damage resulting from the use of any area disturbed thereby.

B. Rights to Common Property. Each Owner shall have, as a non-exclusive, reciprocal easement pertinent to his Lot, a right of access to his Lot over all streets and the right to the use of the Easement Area for their intended purposes; provided, however, that any Owner's (including such Owner's guests or invitees) use of any such Easement Area shall be at their sole risk; and provided, however, that no Owner's use of the Easement Area shall materially interfere with any other Owner's use thereof.

C. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Easement Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(i) The right of the Association to charge reasonable admission and other fees, and to establish reasonable rules and regulations for the use of any such Easement Area;

(ii) The right of the Association to suspend the voting rights and right to use of the Easement Area by any Owner for any period during which any assessment against such Owner's Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of the Association's published rules and regulations; and

(iii) The right of the Association to dedicate or transfer all or any part of the Easement Area to any corporation, association, public agency, authority, or utility for such purposes and subject to such conditions as may be approved by the members at any annual or special meeting. No such dedication or transfer shall be effective unless an instrument signifying agreement to such dedication or transfer and signed by a majority of the Owners has been recorded.

D. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws of the Association, his right of enjoyment to the Easement Area of the Association to the members of his family, his tenants, or contract purchasers who reside on the property, and subject to the rules and regulations of the Association, to his guests and invitees.

E. Duty to Maintain Deckard Family Cemetery. The right and easement of enjoyment in and to the Easement Areas shall be subject to the easement right held by certain Deckard family members for ingress and egress to and from the Deckard family cemetery. In addition, it shall be the duty of the Association to permanently maintain, at the Association's expense, the cemetery grounds, including the wrought iron fence enclosing the cemetery and providing suitable landscaping, but excluding the maintenance, repair and replacement of gravestones, markers, monuments and headstones, which shall be the responsibility and at the expense of the Deckard family. The maintenance of the Deckard family cemetery shall be for the sole purpose of providing for the perpetual care of the cemetery in accordance with, and only to the extent of, the terms provided herein. No additional burials in the cemetery shall be permitted.

5. MISCELLANEOUS PROVISIONS AND PROHIBITIONS.

A. Nuisances. No outside toilets shall be permitted on any Lot in the Development (except during a period of construction and then only with the consent of the Committee), and no sanitary waste or other wastes shall be permitted to enter the storm drainage system. No discharge from any floor drain shall be permitted to enter into the storm drainage system. By purchase of a Lot, each Owner agrees that any violation of this paragraph constitutes a nuisance which may be abated by Developer, Association, or any Owner in the Development in any manner provided at law or in equity. The cost or expense of abatement, including court costs and attorney's 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. No noxious or offensive activities shall be carried 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.

Neither Developer, any officer, agent, employee or contractor thereof, the Association, nor any Owner shall be liable for any damage which may result from enforcement of the provisions of this paragraph.

B. Construction of Sewage Lines. All sanitary sewage lines on the Lots shall be designed and constructed in accordance with the provisions and requirements of applicable governmental authorities. Copies of all permits, plans and designs relating to the construction of a sanitary sewer service shall be submitted in duplicate to the Committee at the time of the submission of all other plans or documents

required for the obtaining of consent from said Committee for permission to proceed. After conveyance of a Lot to an Owner, that Owner shall be responsible for the maintenance of all sanitary sewage lines on the Lot.

C. Signs. No signs or advertisements shall be displayed or placed on any Lot or structures in the Development, except that one sign of not more than six square feet may be displayed for the purpose of advertising for sale a dwelling on such Lot and such signs as may be installed by Developer in Easement Areas or in connection with sales of Lots, and reasonable signage may be displayed on Lot 40 for the purpose of advertising the real estate sales/rental office.

D. 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 quiet and contained, either on a leash or in a fenced area whenever outside, so as not to become a nuisance.

E. Vehicle Parking. All campers, trailers, recreational vehicles, boats, commercial vehicles or similar vehicles, other than ordinary family passenger vehicles (including vans), shall be parked in the garage with the garage door closed such that it is not visible to the occupants of other Lots in the Development or the users of any street in the Development. All passenger vehicles shall be parked in the garage or on a driveway; except for vehicles of guests that may be parked on a street for a temporary period not exceeding six (6) hours.

F. Garbage, Trash and Other Refuse. No Owner of a Lot in the Development shall burn or permit the burying 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 G below. All dwellings built in the Development shall be equipped with a garbage disposal unit.

G. Trash Receptacles. Every outdoor receptacle for ashes, trash, rubbish or garbage shall be installed underground or shall be so placed and kept as not to be visible from any street within the Development at any time, except at the times when refuse collections are being made.

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

I. Temporary Structure. No temporary house, trailer, tent, garage or other outbuilding shall be placed or erected on any Lot except for such temporary structures as the Developer may approve for construction, sales or related purposes, nor shall any overnight camping be permitted on any Lot.

J. Ditches and Swales. It shall be the duty of every Owner of every Lot in the Development on which any part of an open storm drainage ditch or swale is situated to keep such portion thereof as may be situated upon his Lot continuously unobstructed and in good repair, and to provide for the installation of such culverts upon said Lot as may be reasonably necessary to accomplish the purposes of this subsection. There is hereby reserved an easement to be perpetual from the date hereof for all such drainage facilities as the same may now exist or may hereafter exist from time to time over all Lots on the Real Estate. 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.

K. Utility Services. No utility services shall be installed under finished streets except by jacking, drilling or boring unless specifically approved by Developer. All utility facilities in the Development will be underground, except where required to be placed above ground by the individual utility supplier.

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

M. Antennas and Satellite Receiver Antennas. Satellite receiver antennas which are more than two (2) feet in diameter and exposed antennas shall not be permitted in the Development.

N. Solar Heat Panels. Unless otherwise approved by the Committee, no solar heat panels shall be allowed in the Development.

6. DEVELOPMENT CONTROL COMMITTEE.

A. Powers of Committee.

(i) In General. No dwelling, building structure or improvement of any type or kind shall be repainted, constructed or placed on any Lot in the Development, and no existing trees shall be removed, 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 or 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 plat plans showing the location of all improvements existing upon the Lot and the location of the improvement proposed to be constructed or placed upon the Lot, each properly and clearly designated. Such plans and 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. All plans and drawings required to be submitted to the Committee shall be drawn to such scale as the Committee may require. There shall be submitted, where applicable, the permits or plat plans which shall be prepared by either a registered land surveyor, engineer or architect. Plat plans submitted for an Improvement Location Permit shall bear the stamp or signature of the Committee acknowledging the approval thereof.

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

(a) 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;

(b) the design or color scheme of a proposed repainting or improvement is not in harmony with the general surroundings of the Lot or with adjacent buildings or structures; or

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

(iii) Developer Improvements. The Committee shall have no powers with respect to any improvements or structures erected or constructed by the Developer (or any Builder if Developer has approved the plans therefor).

B. Duties of Committee. The Committee shall approve or disapprove proposed improvements within fifteen (15) days after all required information shall have been submitted to it. One (1) 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 Developer, shall be responsible in any way for any defects in any plans, specifications or other materials submitted to it, nor for any defects in any work done according thereto.

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

E. Remedies for Failure to Obtain Approval. In the event any changes or improvements are made to any structures on any Lot without first obtaining the approval of the Committee as required herein, the Association and the Committee shall have the enforcement rights set forth in Section 3(K) hereof and may require any changes or improvements undertaken or installed without the approval of the Committee to be removed or renovated by whatever means the Association and/or Committee deem appropriate, with the costs thereof, including reasonable attorneys' fees, to become a lien against the defaulting Owner's Lot as more specifically described in Section 3(K) hereof.

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

Whenever two (2) or more contiguous Lots in the Development shall be owned by the same person, and such Owner shall desire to use two (2) or more of said Lots as a site for a single dwelling, he shall apply in writing to the Committee for permission to so use said Lots. If permission for such a use shall be granted, the Lots constituting the site for such single dwelling shall be treated as a single Lot for the purpose of applying these Restrictions to said Lots, so long as the Lots remain improved with one (1) single dwelling. No double family houses shall be constructed in the Development.

8. REMEDIES.

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

B. Government Enforcement. The Plan Commission of Monroe County, Indiana, its successors and assigns, shall have no right, power, or authority, to enforce any covenants, commitments, restrictions, or other limitations contained herein other than those covenants, commitments, restrictions, or limitations that expressly run in favor of the Plan commission; provided further, that nothing herein shall be construed to prevent the Plan Commission from enforcing any provisions of the Subdivision Control Ordinance, as amended, or any conditions attached to approval of the plat of the various sections of the Pointe Cove Subdivision by the Plan Commission.

C. 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.

9. EFFECT OF BECOMING AN OWNER.

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

10. TITLES.

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

11. DURATION AND AMENDMENT.

A. This Declaration shall be effective for an initial term of twenty (20) years and shall automatically renew for additional terms of ten (10) years each, in perpetuity, unless as of the end of any term both the Owners of ninety percent (90%) of the Lots and the Mortgagees of at least ninety percent (90%) of the Lots vote to terminate this Declaration, in which case this Declaration shall terminate as of the end of the term during which such vote was taken.

Notwithstanding the preceding sentence, all easements created or reserved by this Declaration shall be perpetual unless otherwise expressly indicated herein.

B. Developer hereby reserves the right to make such amendments to this Declaration as may be deemed necessary or appropriate by Developer without the approval of any other person or entity, in order to bring this Declaration into compliance with the requirements of any public agency having jurisdiction thereof or of any agency guaranteeing, insuring, or approving mortgages, so long as Developer owns any Lots within the Development; provided that Developer shall not be entitled to make any amendment which has a materially adverse effect on the rights of any Mortgagee, nor which substantially impairs the benefits of these Restrictions to any

Owner or substantially increases the obligations imposed by these Restrictions on any Owner.

C. For any one or more of the following purposes, and at any time or from time to time, the Developer may make such amendments to this Declaration as may be deemed necessary or appropriate by the Developer without the approval of any other person or entity, which amendment shall be fully effective in accordance with its terms:

(i) To cure any ambiguity, supply an omission, or cure or correct any defect or inconsistent provision in this Declaration; or

(ii) To insert such provision clarifying matters or questions arising under this Declaration as are necessary or desirable and are not contrary to or inconsistent with this Declaration as theretofore in effect; or

(iii) To amend or modify this Declaration in any manner which in the reasonable opinion of the Developer does not adversely affect in any material respect the rights or any Mortgagee or Owner, nor which substantially impairs the benefits of this Declaration to any Owner or substantially increases the obligations imposed by this Declaration on any Owner.

12. RIGHTS OF MORTGAGEES.

Except to the extent otherwise provided herein, no breach of these Restriction shall defeat or render invalid the lien of any mortgage now existing or hereafter executed upon any portion of the Real Estate; provided, however, that if all or any portion of said Real Estate is sold under a foreclosure of any mortgage, any purchaser at such sale and his successors and assigns shall hold any and all land so purchased subject to these Restrictions. Notwithstanding any other provision of these Restrictions, neither the Owners nor the Association shall have any right to make any amendment to these Restrictions which materially impairs the rights of any Mortgagee holding, insuring, or guaranteeing any mortgage on all or any portion of the Real Estate at the time of such amendment.

13. 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.

14. HOMEOWNERS ASSOCIATION.

The Association will be created as a not-for-profit corporation under the laws of the State of Indiana. A Supplemental Declaration of Covenants and Restrictions pertaining to the Association has been or will be recorded in the office of the Recorder of Monroe County, Indiana, and shall be binding with respect to all land contained within the Development. The Association will be responsible for controlling all maintenance of Common Areas, Common Property and landscaping located in the Easement Areas, as well as for providing various services to the Owners in accordance with such supplemental Declaration.

IN WITNESS WHEREOF, witness the signature on behalf of the Developer this 22nd day of November, 1995.

DEVELOPMENT GROUP NETWORK, INC.

By: _____
Gilbert S. Mordoh
Title: President

STATE OF INDIANA)
) SS:
COUNTY OF MONROE)

Before me, a Notary Public in and for said County and State, personally appeared Gilbert S. Mordoh, the President of Development Group Network, Inc., an Indiana corporation, who acknowledged execution of the foregoing Declaration of Covenants, Easements and Restrictions as such officer acting for and on behalf of Grantor, and who, having been duly sworn, stated that the representations therein contained are true.

WITNESS my hand and Notarial Seal this 22nd day of November, 1995.

Michelle E. Yoho
Notary Public

Michelle E. Yoho
Typed or Printed Name

My Commission Expires:

September 1, 1996

County of Residence: Greene

This instrument prepared by: Gary R. Welsh, Bingham Summers Welsh North Walnut Street, Bloomington, Indiana 47404.

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