

DECLARATION OF COVENANTS

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THIS DECLARATION OF COVENANTS (hereinafter called the "Declaration") made this 30th day of July, 1984, by The First Bank of Whiting, an Indiana banking corporation having an office at Whiting, Indiana, not personally but as Trustee under a certain Trust Agreement dated December 18, 1979, and known as Trust Number 1511, (hereinafter called "Declarant"),

WITNESSETH:

Declarant is the sole owner of the fee simple title to certain real estate located in Lake County, Indiana, more particularly described as follows:

Lots 1 through 46, both inclusive, in Broadmoor, a Planned Unit Development in the Town of Merrillville, as per plat thereof recorded in Plat Book 51, page 39, in the office of the Recorder of Lake County, Indiana

(hereinafter called the "Real Estate"). Declarant has developed and contemplates future development of multi-family residential dwelling units upon the Real Estate. Declarant further contemplates that such future development may result in the subdivision of the Real Estate and separate fee simple title ownership as to portions thereof or mortgages to two or more mortgagees of separate portions thereof.

The Real Estate is improved with certain recreational facilities, consisting of a club house and swimming pool which are situated on Lot Number 33 thereof (hereinafter called the "Recreational Facilities"), which Recreational Facilities are intended for the mutual use, benefit and enjoyment of all of the occupants of the residential dwelling units now or hereafter situated upon the Real Estate (hereinafter called the "Occupants"). Declarant desires to provide for perpetual, non-exclusive use of the Recreational Facilities by all of the Occupants and further to provide for the maintenance, repair and replacement of the Recreational Facilities.

NOW, THEREFORE, Declarant hereby makes this Declaration and declares that the Real Estate shall be held, transferred, sold, conveyed and occupied subject to the covenants, easements, and conditions hereinafter set forth.

1. Declarant hereby declares that each Occupant shall have a perpetual, non-exclusive easement, in common with all other Occupants, over any of the sidewalks, streets, or other common areas of the Real Estate which are reasonably necessary for purposes of ingress to and egress from the Recreational Facilities.

2. Declarant hereby declares that any Occupant shall have a perpetual, non-exclusive easement, in common with all other Occupants, to use the Recreational Facilities, subject to such rules and regulations as may be promulgated by Declarant, its successors or assigns; provided, however, that such rules and regulations shall be non-discriminatory as between any Occupants. Should ownership of the Real Estate hereafter be held by more than one person or entity and any of the then owners of the fee simple title to a portion thereof (hereinafter called "Owners") desire to alter or amend such rules and regulations then in effect, such proposed alterations of or amendments to such rules and regulations shall be voted upon and valid and enforceable only upon approval by a simple majority vote, with

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each such Owner being entitled to cast one (1) vote for each residential dwelling unit then situated upon that portion of the Real Estate which he owns. Any such Owner desiring to alter or amend the rules and regulations then in effect shall notify all other Owners of the same in writing and call for a meeting of the Owners to be held in the club house situated on Lot Number 33 of the Real Estate in not less than ten (10) nor more than twenty (20) days after the date of such notice. Enclosed with each such notice shall be a copy of the proposed rules and regulations which are to be voted upon by the Owners at the meeting called for therein.

3. In the event that any Owner hereafter constructs additional recreational facilities upon that portion of the Real Estate which he owns and the same are intended for the common use, benefit and enjoyment of all of the Occupants, so long as the then Owners unanimously agree to accept the same as part of the Recreational Facilities as defined herein, such additional recreational facilities shall be used, maintained, repaired and replaced in accordance with the terms, covenants and conditions of this Declaration. If the Owners do not unanimously agree to treat such additional recreational facilities as part of the Recreational Facilities as defined herein, such recreation facilities shall be used, maintained, repaired and replaced as the Owner of that portion of the Real Estate upon which the same lies elects.

4. All of the costs and expenses incurred in maintaining, repairing and/or replacing the Recreational Facilities shall be borne by Declarant, its successors and assigns, until such time as the ownership of the Real Estate may be held by more than one person or entity, after which time such costs and expenses shall be borne proportionate to the number of residential dwelling units owned by the Owners thereof from time to time. Each Owner shall contribute proportionately toward the costs and expenses incurred in maintaining, repairing and/or replacing the Recreational Facilities, based upon the number of residential dwelling units situated upon that portion of the Real Estate which he owns relative to the total number of all residential dwelling units then situated upon the Real Estate. In the event of multiple ownership of the Real Estate, the Owners shall meet in the club house situated on Lot Number 33 of the Real Estate at least once during December of each year to discuss and approve a budget for maintaining, repairing and/or replacing the Recreational Facilities. At each such meeting the Owners shall elect a chairman from among the Owners who shall prepare and present a proposed budget to the Owners for approval and who shall tally the votes for and against the same. Each Owner shall be entitled to cast one (1) vote for each residential dwelling unit then situated upon that portion of the Real Estate which he owns. A budget shall be adopted by a simple majority vote of the votes cast by all of the Owners and the chairman's written statement that the budget has been properly approved shall be deemed final and not subject to challenge by other Owners. Thereafter, the chairman may implement the approved budget and assess each of the Owners for their respective shares thereof and each Owner shall promptly pay the same. No Owner shall incur any costs or expenses in connection with the maintenance, repair or replacement of the Recreational Facilities on behalf of all other Owners without the prior written consent of a simple majority in interest of all such Owners. Any Owner who so incurs any costs or expenses after receiving such majority approval may assess all other Owners for their respective shares of such costs and expenses and each Owner shall promptly pay the same. In the event an Owner is duly assessed for his share of the approved budget and/or any other approved costs or expenses incurred in connection with the maintenance, repair or replacement of the Recreational Facilities and the same is not paid within thirty

