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STATE OF INDIANA
LAKE COUNTY
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REC. CLERK
LAKE COUNTY

GRANT OF CONSERVATION EASEMENT

**SAM ORLICH
AUDITOR LAKE COUNTY**

THIS GRANT OF CONSERVATION EASEMENT is made by and between LAURA LAKE DEVELOPMENT COMPANY, an Indiana Limited Liability Corporation (hereinafter referred to as the "Grantors") and the Trustees of THE SHIRLEY HEINZE ENVIRONMENTAL FUND as said Trustees are from time to time designated by a certain Declaration of Trust dated the 21st day of November, 1981, a charitable trust (hereinafter referred to as the "Heinze Fund").

WITNESS THAT:

WHEREAS, Grantors are the owners of certain real property located in Lake County, Indiana (described in Exhibit "A" attached hereto and referred to herein as the "Protected Property"); and

WHEREAS, the Protected Property, in its present state, has significant and substantial value as a natural, aesthetic, scientific, and educational resource by reason of the fact that it has not been intensively developed and is in part an element of a significant habitat and ecosystem; and

WHEREAS, the Protected Property provides important wetland complex consisting of Palustrine, Emergent Seasonal, Palustrine Forested Temporary and Palustrine Emergent-Forested Seasonal areas; and

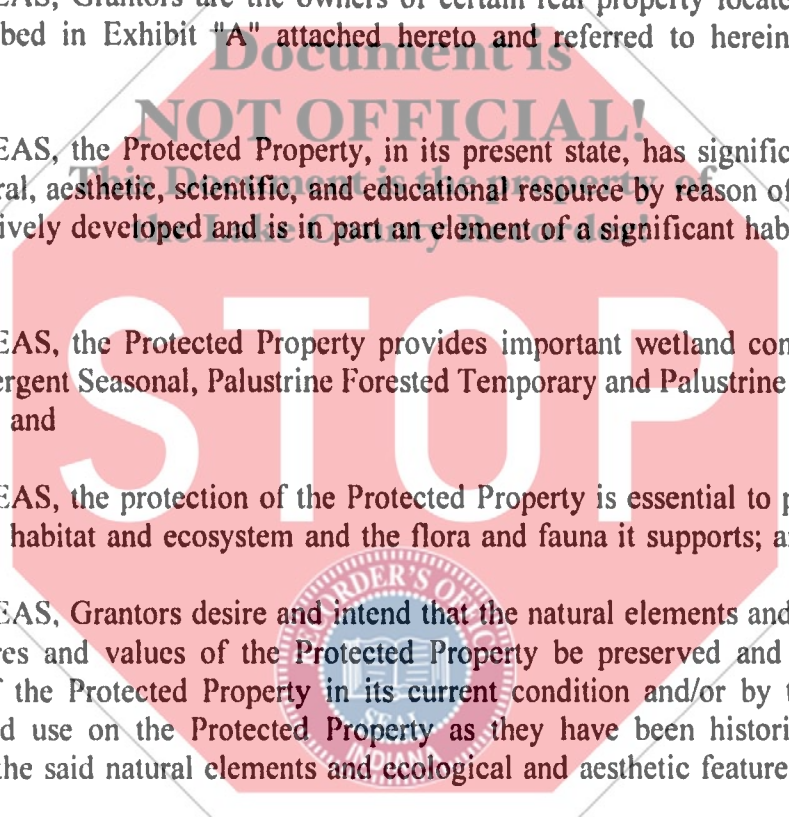
WHEREAS, the protection of the Protected Property is essential to protect the integrity of a significant habitat and ecosystem and the flora and fauna it supports; and

WHEREAS, Grantors desire and intend that the natural elements and the ecological and aesthetic features and values of the Protected Property be preserved and maintained by the preservation of the Protected Property in its current condition and/or by the continuation of patterns of land use on the Protected Property as they have been historically conducted in harmony with the said natural elements and ecological and aesthetic features and values; and

WHEREAS, the said value of the Protected Property was not and is not likely to be adversely affected to any substantial extent by the continued maintenance of such structures and facilities as presently exist, or by the future construction, repair, replacement or maintenance of such additional structures or facilities as may be specifically permitted herein; and

WHEREAS, the Heinze Fund is a non-profit organization whose purpose is to preserve and conserve natural areas and system for aesthetic, scientific, charitable, and educational purposes; and

WHEREAS, the Heinze Fund is an organization qualified to acquire and hold conservation easements under the provisions of Section 170(h)(3) of the Internal Revenue Code, as that section may be amended from time to time, and the regulations promulgated thereunder and under the provisions of the laws of the State of Indiana; and



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WHEREAS, the Grantors and the Heinze Fund both desire, intend and have the common purpose of conserving and preserving in perpetuity the Protected Property as a "relatively natural habitat of fish, wildlife, or plants or similar ecosystem," as that phrase is used in Section 170(h)(4)(A)(ii) of the Internal Revenue Code, as that section may be amended from time to time, and in the regulations promulgated thereunder, by placing restrictions upon the use of the Protected Property and by transferring from the Grantors to the Heinze Fund through the creation of a conservation easement on, over and across the Protected Property affirmative rights to ensure the preservation of the natural elements and values of the Protected Property; and

WHEREAS, the terms and phrases "natural, ecological, scientific, aesthetic and educational value," "natural elements," "natural characteristics" and "ecological and aesthetic features," as used herein shall mean, without limiting the generality of those terms, the physical condition of the Protected Property at the time of this grant, as evidenced by reports, photographs, maps and scientific documentation possessed by the Grantors or the Heinze Fund (now or in the future) which may include, but are not limited to, the following:

- a) the appropriate survey maps from the United States Geological Survey, showing property lines and other contiguous or nearby protected areas;
- b) a map of the area drawn to scale showing all existing man-made improvements or incursions (such as roads, buildings, fences or gravel pits), vegetation and identification of flora and fauna (including, for example, rare species locations, animal breeding and roosting areas, and migration routes), land use history (including present uses and recent past disturbances), and distinct natural features (such as large trees and aquatic areas);
- c) an aerial photograph of the Protected Property at an appropriate scale taken as close as possible to the date of the donation is made;
- d) on-site photographs taken at appropriate locations on the Protected Property; and
- e) an easement documentation report which shall include, among other things, an acknowledgment by the Grantors and the Heinze Fund of conditions, background information, legal information, ecological features information, and land-use and man-made features information with respect to the Protected Property;

NOW, THEREFORE, the Grantors, for and in consideration of the facts above recited and of the mutual covenants, terms, conditions, and restrictions herein contained and as an absolute and unconditional gift do hereby give, grant, bargain, and convey unto the Heinze Fund, its successors and assigns, forever a Conservation Easement in perpetuity over the Protected Property consisting of the following:

a. The right of the Heinze Fund to enforce by proceedings at law or in equity the covenants hereinafter set forth. This right shall include, but shall not be limited to, the right to bring an action in any court of competent jurisdiction to enforce the terms of this agreement, to require the restoration of the Protected Property to its condition at the time of this grant, to enjoin non-compliance by appropriate injunctive relief, and/or to recover damages arising from non-compliance. The Heinze Fund does not waive or forfeit the right to take action as may be necessary to ensure compliance with the covenants and purposes of this grant by any prior failure to act. Nothing herein shall be construed to entitle the Heinze Fund to institute any enforcement proceeding against the Grantors for any changes to the Protected Property due to causes beyond the Grantors' control, such as changes caused by fire, flood, storm, civil or military authorities undertaking emergency action of unauthorized wrongful acts of third parties.

b. The right of the Heinze Fund to enter the Protected Property, in a reasonable manner and at reasonable times for the purpose of inspecting the Protected Property to determine if the Grantors are complying with the covenants and purposes of this grant, and further to observe and study nature and to make scientific and educational observations and studies in such a manner as will not disturb the quiet enjoyment of the Protected Property by the Grantors.

AND IN FURTHERANCE of the foregoing affirmative rights, the Grantors make the following covenant on behalf of themselves and their heirs, successors and assigns, which covenants shall run with and bind the Protected Property in perpetuity:

a. RESTORATION AND MAINTENANCE PLAN. The Grantors and the Heinze Fund shall enter into a mutually acceptable Natural Area Restoration and Management Plan, of even date herewith, (the "Restoration Plan") which shall set forth the rights and obligations of the parties with respect to planting and maintenance of the Protected Property in perpetuity. A preliminary Restoration Plan is attached hereto as Exhibit B. This Plan may be enhanced by mutual agreement by the Grantors, the Heinze Fund and the Gary Work's Supervisors Club (hereafter referred to as the Supervisors). The parties agree that they will adhere to the spirit and tone of the preliminary plan.

b. USES. There shall be no commercial or industrial activity undertaken or allowed; nor shall any right of passage across or upon the Protected Property be allowed or granted if that right of passage is used in conjunction with commercial or industrial activity; the Supervisors and the Grantors or its assigns, the future home owners association of Deep River Pointe phase II and III shall reserve the right to access the Protected Property within an easement as delineated in the Plat of Easement granted to the Heinze Fund by the Grantors; attached hereto and incorporated by reference. such access shall be to undertake the maintenance, repair, reconstruction, replacement, or demolition of existing roads, dikes, fences, buildings, drainage facilities and other structures within the easement areas; in consultation with the Heinze Fund so as to cause the least amount of intrusion in the Protected Property as delineated in the Plat of Easement. The dedicated easement shall allow the Supervisors and the Grantors access to control the water level for drainage and irrigation and to construct certain drainage

facilities with in the areas delineated, in connection with the construction of certain ponds on adjoining property provided such drainage facilities shall not cause any significant increase or decrease in the volume of water which would otherwise flow into or out of the Protected Property.

c. **BUILDINGS.** Except as specifically provided herein, there shall be no construction or placing of buildings, mobile homes, advertising signs, billboards, other advertising material, or other structures on the Protected Property.

d. **TOPOGRAPHY.** There may be dredging of the area by mutual agreement of the Grantors, Heinze Fund and Supervisors contingent upon obtaining the appropriate permits and approvals. There shall be no excavating, mining or drilling, or removal of any topsoil, sand, gravel, rock, minerals, or other materials. There shall be no change in the topography of the land in any manner.

e. **DUMPING.** There shall be no dumping of trash, ashes, garbage or other unsightly or offensive material, especially including any hazardous waste or toxic waste.

f. **WATER.** There shall be no further manipulation or alteration of natural water courses, lakeshores, marshes, or other bodies of water or activities or uses of the Protected Property detrimental to water purity or quality.

g. **PLOWING.** There shall be no further tilling of any unplowed land. There shall be no spraying with pesticides, insecticides or herbicides except as outlined in the Restoration Plan.

h. **ROADS.** Other than as set forth below, there shall be no new roads built. Existing roads may be maintained but shall not be widened or improved.

i. **VEHICLES.** There shall be no operation of snowmobiles, dunebuggies, motorcycles, all-terrain vehicles or other types of motorized vehicles except in conjunction with authorized activities as set out herein or as outlined in the Restoration Plan.

j. **VEGETATION.** Except in conjunction with authorized activities and except in areas immediately adjacent to authorized structures, there shall be no removal, destruction, cutting, mowing or alteration of any vegetation or change in the natural habitat in any manner. There shall be no introduction or planting of nonnative species.

k. **ANIMALS.** There shall be no hunting or trapping except as necessary for ecological management. There shall be no domestic or exotic animals allowed on the Protected Property.

RESERVED RIGHTS

Except as expressly set forth herein, the Grantors reserve for themselves, their heirs, successors, and assigns all rights as owner of the Protected Property, including the

right to use the property for all purposes not inconsistent with this grant and including the following specific rights, which are hereby expressly reserved by the Grantors to and for themselves and their heirs, successors and assigns:

a. Nothing herein shall be construed to limit the right to use the Protected Property for the limited purposes outlined in the Plan and pursuant to the terms and conditions therein.

b. The Grantors may undertake the maintenance, repair, reconstruction, replacement, or demolition of existing roads, dikes, fences, buildings and other structures.

Nothing herein shall be construed as affording the public access to any portion of the land subject to this Conservation Easement except as outlined in the Restoration Plan.

Nothing herein shall be construed as limiting the right of the Grantors to sell, give, or otherwise convey the Protected Property or any portion or portions of the Protected Property, provided that any conveyance is subject to the terms of this easement.

The Grantors hereby agree to notify the Heinze Fund in writing before exercising any reserved right, including replacing or substantially altering any existing structure or building any additional structure, which may have an adverse impact on the natural characteristics or ecological and aesthetic features of the Protected Property and shall provide the Heinze Fund with photographs of any new or substantially altered structures following completion of the work.

GENERAL PROVISIONS

This Conservation Easement shall run with and burden the Protected Property in perpetuity and shall bind the Grantors and their heirs, successors, and assigns. This Conservation Easement is fully valid and enforceable by any assignee of the Heinze Fund, whether assigned in whole or in part.

The Grantors hereby warrant and represent that the Grantors are seized of the Protected Property in fee simple and have good right to grant and convey this Conservation Easement, that the Protected Property is free and clear of any and all encumbrances, and that the Heinze Fund and its successors and assigns shall have the use of and enjoy all of the benefits derived from and arising out of this Conservation Easement.

The Grantors agree to pay any and all real property taxes and assessments levied by competent authority on the Protected Property, and to relieve the Heinze Fund from any responsibility for maintaining the Protected Property other than with respect to stewardship obligations of the Heinze Fund.

In the event any real estate taxes or assessments are levied against the Heinze Fund as a result of this easement for which exemption cannot be obtained, said Grantors agree

to pay said taxes in the name of the Heinze Fund.

The Grantors agree that the terms, conditions, restrictions, and purposes of this easement will be inserted in any subsequent conveyance of any interest in said property, and that the Grantors will notify the Heinze Fund of any such conveyance in writing by certified mail within fifteen days after the conveyance.

All notices, requests, demands and other communications required or permitted hereunder shall be made in writing and shall be deemed to have been duly given and effective: (i) on the date of delivery, if delivered personally; (ii) on the earlier of the fourth (4th) day after mailing or the date of the return receipt acknowledgement, if mailed, postage prepaid, by certified or registered mail, return receipt requested; or (iii) on the date of transmission, if sent by facsimile, telecopy, telegraph, telex or other similar telegraphic communications equipment.

To Grantor:

Laura Lake Development Company
P.O. Box 545
6700 Country Club Road
Hobart, IN 46342
Attn: Robert F. Cavoto
Facsimile (219)942-4389

To the Heinze Fund:

Shirley Heinze Environmental Fund
444 Barker Road
Michigan City, Indiana 46360
Attn: Executive Director
Facsimile: 219/872-4818

or to each such party at such other addresses as such party may designate in a written notice to the other parties.

If any provisions of this Conservation Easement or the application thereof to any person or circumstances is found to be invalid, the remainder of the provisions of the Conservation Easement and the application of such provisions to persons or circumstances other than those as to which it is found to be invalid shall not be affected thereby.

The Heinze Fund may assign or transfer this Conservation Easement and the rights conveyed herein, provided that (1) the Heinze Fund requires, as a condition of such transfer, that the original conservation purposes of this Conservation Easement continue to be carried out in perpetuity; and (2) any assignment is made only to an organization qualified to acquire and hold a conservation easement at the time of transfer under the provisions of Section 170(h)(3) of the Internal Revenue Code, as it may be amended from

time to time, and any regulations promulgated thereunder.

The Heinze Fund hereby covenants and agrees that if a subsequent unexpected change in the conditions of or surrounding the Protected Property makes impossible or impractical the continued use of the Protected Property for the conservation purposes described herein, and if the restrictions of this Conservation Easement are extinguished by judicial proceeding, then upon the sale, exchange or condemnation of the Protected Property, the Heinze Fund will use its share of any and all proceeds (determined as set forth below) received from such sale, exchange or taking in a manner consistent with the conservation purposes of this Conservation Easement or for the protection of a "relatively natural habitat of fish, wildlife, or plants or similar ecosystem," as that phrase is used in Section 170(h)(4)(A)(ii), as it may be amended from time to time, and in regulations promulgated thereunder.

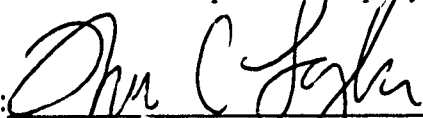
The Grantors agree that this donation of a perpetual Conservation Easement gives rise to a property right, immediately vested in the Heinze Fund, with a fair market value that is at least equal to the proportionate value that the Conservation Easement, at the time of this gift, bears to the value of the Property as a whole at this time. The Grantors agree that this value is ninety-nine percent (99%) of the total value of the Property. For purposes of these provisions, that proportionate value of the Conservation Easement shall remain constant. Accordingly, if a change in conditions give rise to that extinguishment of the restrictions of this Conservation Easement, as set forth above, the Heinze Fund, on a subsequent sale, exchange, or taking of the Protected Property, shall be entitled to a portion of the proceeds at least equal to that proportionate value of the Conservation Easement, unless state law provides that the Grantors are entitled to the full proceeds from the conversion without regard to the term of the prior perpetual conservation restrictions.

The terms "Grantors" and "The Heinze Fund" as used herein shall be deemed to include, respectively, the Grantors and the Grantors' heirs, successors, personal representatives, executors and assigns, and the Heinze Fund and its successors and assigns.

TO HAVE AND TO HOLD the above-described Conservation Easement together with all singular the appurtenances and privileges belonging or in any way pertaining thereto, either in law or in equity, either in possession or expectancy, for the proper use, benefit, and behalf of the said the Heinze Fund and its successors and assigns, forever.

IN WITNESS THEREOF, the Grantors have hereunto set their hand and seal this 31st day of December, 1996.

Laura Lake Development Company, LLC

By: 
Thomas C. Longhi, Managing Principal

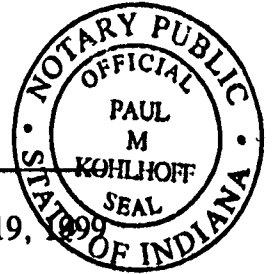
STATE OF INDIANA)
) SS.
COUNTY OF PORTER)

The foregoing instrument was acknowledged before me this 31st day of December, 1996, by Thomas C. Longhi, Managing Principal of Laura Lake Development Company, LLC.

PAUL M KOHLHOFF
NOTARY PUBLIC STATE OF INDIANA
PORTER COUNTY
MY COMMISSION EXP OCT 19,1999

Paul M. Kohlhoff
Notary Public

My Commission Expires: October 19, 1999



Document is NOT OFFICIAL!

ACCEPTANCE This Document is the property of the Lake County Recorder!

The foregoing Conservation Easement is hereby duly accepted by The Shirley Heinze Environmental Fund, this 31st day of December, 1996.

Shirley Heinze Environmental Fund

By: *Myrna J. Newgent*
Myrna J. Newgent, President



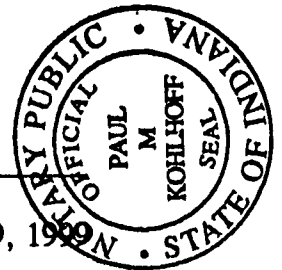
STATE OF INDIANA)
) SS.
COUNTY OF PORTER)

The foregoing instrument was acknowledged before me this 31st day of December, 1996, by Myrna J. Newgent, President of the Shirley Heinze Environmental Fund, a non-profit organization under the laws of the State of Indiana, on behalf of that organization.

PAUL M KOHLHOFF
NOTARY PUBLIC STATE OF INDIANA
PORTER COUNTY
MY COMMISSION EXP OCT 19,1999

Paul M. Kohlhoff
Notary Public

My Commission Expires: October 19, 1999



LEGAL DESCRIPTION FOR CONSERVATION EASEMENT

THAT PART OF THE NORTH ¼ OF SECTION 9, TOWNSHIP 35 NORTH, RANGE 2, WEST OF THE SECOND PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

KEY 22-3-6 p. 7

COMMENCING AT THE NORTHEAST CORNER OF THE WEST ¼ OF THE NORTHEAST ¼ OF SAID SECTION 9, THENCE SOUTH 00°-20'-49" EAST ON THE EAST LINE OF THE WEST ¼ OF THE NORTHEAST ¼ OF SAID SECTION 9, 340.00 FEET TO THE POINT OF BEGINNING; THENCE ALONG THE FOLLOWING COURSES AND DISTANCES:

- SOUTH 89°-42'-24" WEST, 940.00 FEET;
- NORTH 71°-00'-00" WEST, 120.00 FEET;
- NORTH 61°-18'-53" WEST, 224.15 FEET;
- NORTH 00°-29'-10" WEST, 191.74 FEET TO THE NORTH LINE OF THE NORTHEAST ¼ OF SAID SECTION 9,

THENCE SOUTH 89°-42'-24" WEST ALONG THE NORTH LINE OF THE NORTHEAST ¼ OF SAID SECTION 9, 64.32 FEET TO THE NORTH QUARTER SECTION CORNER OF SAID SECTION 9; THENCE SOUTH 89°-42'-24" WEST ALONG THE NORTH LINE OF THE NORTHWEST ¼ OF SAID SECTION 9, 155.95 FEET; THENCE ALONG THE FOLLOWING COURSES AND DISTANCES:

- SOUTH 00°-29'-10" EAST, 107.40 FEET;
- NORTH 77°-58'-37" WEST, 69.96 FEET;
- SOUTH 36°-24'-02" WEST, 110.00 FEET;
- SOUTH 00°-29'-10" EAST, 120.00 FEET;
- SOUTH 08°-00'-00" WEST, 80.00 FEET;
- SOUTH 23°-00'-00" WEST, 80.00 FEET;
- SOUTH 33°-00'-00" WEST, 80.00 FEET;
- SOUTH 46°-37'-22" WEST, 91.34 FEET;
- SOUTH 34°-46'-51" WEST, 105.00 FEET;
- SOUTH 14°-12'-45" WEST, 265.66 FEET;
- SOUTH 49°-25'-31" EAST, 142.16 FEET;
- NORTH 57°-31'-00" EAST, 127.00 FEET;
- NORTH 74°-56'-29" EAST, 125.58 FEET;
- NORTH 23°-27'-48" EAST, 59.38 FEET;
- NORTH 89°-24'-50" EAST, 110.15 FEET;
- SOUTH 56°-47'-55" EAST, 96.54 FEET;
- SOUTH 73°-42'-32" EAST, 66.65 FEET;
- SOUTH 42°-05'-45" EAST, 44.32 FEET;
- SOUTH 71°-44'-29" EAST, 100.72 FEET;
- NORTH 80°-15'-03" EAST, 51.37 FEET;
- NORTH 67°-24'-48" EAST, 62.33 FEET;
- SOUTH 64°-43'-39" EAST, 43.22 FEET;
- NORTH 80°-57'-42" EAST, 96.44 FEET;
- NORTH 69°-29'-52" EAST, 94.76 FEET;
- NORTH 47°-10'-17" EAST, 74.46 FEET;
- NORTH 78°-36'-55" EAST, 178.52 FEET;
- SOUTH 79°-45'-25" EAST, 321.72 FEET;
- SOUTH 42°-28'-50" EAST, 57.04 FEET;
- NORTH 89°-39'-11" EAST, 98.24 FEET;
- NORTH 00°-20'-49" WEST, 617.70 FEET TO THE POINT OF BEGINNING, IN LAKE COUNTY, INDIANA.

- CONSERVATION EASEMENT AREA -

1149593.79 SQ. FT. or 26.391 AC.



NATURAL AREA RESTORATION AND MANAGEMENT PLAN

THIS AGREEMENT is made by and between LAURA LAKE DEVELOPMENT COMPANY, an Indiana Limited Liability Corporation (hereinafter referred to as "Laura Lake") and the Trustees of the SHIRLEY HEINZE ENVIRONMENTAL FUND as said Trustees are from time to time designated by a certain Declaration of Trust dated the 21st day of November, 1981, a non-profit charitable trust (hereinafter referred to as the "Heinze Fund").

WITNESS THAT:

WHEREAS, Laura Lake owns a certain parcel of real property containing approximately 26 acres and located in Hobart, Lake County, Indiana (hereinafter referred to as the "Protected Property"), and more particularly described in Exhibit A attached hereto; and

WHEREAS, the Heinze Fund is a non-profit charitable trust exempt from income tax pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), whose purpose is to preserve, conserve and restore significant natural areas in and around Northwest Indiana; and

WHEREAS, Laura Lake desires to grant a conservation easement to the Heinze Fund, and the Heinze Fund, in furtherance of its preservation and restoration mission, desires to accept said conservation easement subject to the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the above premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. This Agreement is and shall constitute an integral part of that certain Grant of Conservation Easement, dated the 31st day of December, 1996, by Laura Lake as Grantor and the Trustees of the Heinze Fund as Grantee, and shall be appended as an exhibit to said Conservation Easement, and upon execution, said Conservation Easement including this Agreement shall be recorded in the Office of the Recorder for Lake County, Indiana.

2. The Heinze Fund acknowledges that it: (1) is a "Qualified Organization" as that term is defined in Code Section 170(h)(3); (2) is willing to accept a "Qualified Real Property Interest" as that term is defined in Code Section 170(h)(2); and (3) will, based on its organization mission, hold title and preserve the Protected Property for a "Conservation Mission" as that term is defined in Code Section 170(h)(4).

3. As a condition precedent to acceptance of the Conservation Easement, Laura Lake covenants and agrees to spend an amount not to exceed \$40,000.00 to implement, under the guidance, direction and supervision of the Heinze Fund, certain restoration and maintenance

activities, as more fully described in that certain Natural Area Management Agreement attached to said Conservation Easement as Exhibit B, and incorporated herein by reference. Laura Lake will pay said funds into a trust account maintained by the Heinze Fund as follows: the sum of \$10,000.00 when the Conservation Easement is recorded; and the sum of \$3,000.00 per closing beginning upon the 21st home closing from Scheme Development Company's Phase I of Deep River Point, until the total of \$30,000.00 is deposited into said trust account. Disbursements from said trust account shall be upon presentation and approval of invoices submitted to Laura Lake by the Heinze Fund's Director of Stewardship. Disbursements shall not exceed the balance in the trust account at any time. In the event the total cost of completing the restoration of the Protected Property is less than \$40,000.00, Laura Lake shall pay the balance of such amount to the Heinze Fund as a charitable contribution to be used for stewardship of the Protected Property and other natural areas managed by the Heinze Fund in the vicinity.

4. As a condition precedent to acceptance of the Conservation Easement, Laura Lake covenants and agrees to contribute the following sums to a trust account maintained by the Heinze Fund for the purpose of continued stewardship of the Protected Property: the sum of \$5000.00 upon the 60th closing from Scheme Development Company's Phase I of Deep River Point. In addition to this amount, the sum of \$1.50 per unit/per month will be assessed against each homeowner by the homeowner associations of Deep River Point and Laura Lake, and said assessments will be paid to said trust account on an annual basis for the continued stewardship of the Protected Property. The requirements for said assessments shall be included in the bylaws of the homeowners associations for both developments. The funds assessed and collected from said homeowners associations will be spent by the Heinze Fund in proportion to the number of homes in each development benefiting from certain conservation easements adjacent to or surrounding said developments.

5. Laura Lake shall include in the covenants, conditions and restrictions for the lots adjacent to or surrounding the Protected Property certain restrictions regarding access and use of the Protected Property by the lot owners. The wording for these restrictions on use shall be agreed to by the parties and added by way of amendment to any previously recorded covenants, conditions and restrictions on use.

6. Laura Lake covenants and agrees that title to the Protected Property shall be conveyed to the Gary Work's Supervisors Club, Inc., an Indiana non-profit corporation, upon completion of the development by Laura Lake.

7. Laura Lake intends to treat the conveyance of the Conservation Easement as a "Qualified Conservation Contribution" under Code Section 170(h), and the Heinze Fund will cooperate and provide reasonable assistance in connection with processing all reporting obligations under the Code.

8. Laura Lake shall construct a fence along the boundary of the Conservation Easement where said boundary is adjacent to residential lots. The fence shall be of a split-rail design and between 18" to 2' in height. The purpose of the fence shall be to discourage access to the Conservation Easement by adjacent the lot owners. Laura Lake shall be responsible for the initial cost of the fence and the Heinze Fund shall be responsible for any maintenance of said fence.

9. Laura Lake agrees to obtain the approval of the Heinze Fund's Director of Stewardship prior to the application of lawn fertilizer on the lots adjacent to the Conservation Easement. Laura Lake also agrees that the application of any lawn fertilizer shall only be performed by the lawn maintenance contractor selected by Laura Lake or the homeowners association. Individual lot owners shall be prohibited from applying lawn fertilizer and other chemicals on their lots.

10. Laura Lake agrees that the Heinze Fund shall be consulted regarding any proposed filling of wetlands adjacent to the Conservation Easement and regarding the creation of additional wetlands as part of any mitigation process.

11. The parties agree that if it is subsequently determined that the legal description of the Conservation Easement is incorrect, then the parties will undertake in good faith to have the legal description corrected to comply with the original intent of the parties regarding the Conservation Easement.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement effective the 31st day of December, 1996.

LAURA LAKE DEVELOPMENT COMPANY, LLC

By: 

Thomas C. Longhi, Managing Principal

SHIRLEY HEINZE ENVIRONMENTAL FUND

By: 

Myrna Newgent, President

This document was prepared by:
Paul M. Kohlhoff
Attorney At Law
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Chesterton, IN 46304
(219) 929-1470