

STATE OF INDIANA
LAKE COUNTY
DECLARATION OF COVENANTS AND

97086343

RESTRICTIONS OF

SANDRIDGE COMMERCIAL PROPERTY OWNERSHIP

THIS DECLARATION made this 21st day of NOV., 1997, by SANDRIDGE DEVELOPMENT, INC., an Indiana Corporation (hereinafter called "Declarant") having its principal office at 1106 Wildflower, Dyer, Indiana.

WITNESSETH:

WHEREAS, Declarant is the owner in fee simple of the real estate hereinafter described and has plans to construct thereon a three-unit, commercial building; and

WHEREAS, by this Declaration, Declarant intends to subdivide the property units and to establish a horizontal property regime (hereinafter called "CONDOMINIUM") under the provisions of the Horizontal Property Act of Indiana (hereinafter called the "ACT"); and

WHEREAS, a Condominium is a method of ownership, which, when applied to a multi-unit commercial building, seizes each unit owner with a fee simple title to and exclusive ownership and possession of its unit and an undivided interest in the common areas; and

WHEREAS, under the ACT it is necessary that the rights, privileges and obligations of the Declarant, Unit Owners, Board of Directors, Mortgagee and others who may be interested therein, be explicitly set forth:

NOW, THEREFORE, Declarant, pursuant to the ACT, does hereby declare and state on behalf of itself, its successors and assigns, and on behalf of all persons having or seeking to acquire any interest of any nature whatsoever in the real estate, as follows:

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AUDITOR LAKE COUNTY

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ARTICLE I

Intention

The Declarant states that it is the owner in fee simple of the following described real estate (hereinafter call "TRACT") located in Lake County, Indiana, to-wit:

Lot 2 in McCoy's 2nd Addition to the Town of Dyer, as shown in Plat Book 67, page 28, in the Office of the Recorder of Lake County, Indiana.

The Declarant has plans to construct or has constructed on the TRACT, a three-unit, commercial building. The Declarant hereby declares a Horizontal Property Regime on the real estate described above. Said property shall be held, conveyed, and transferred in accordance with the provisions of this Declaration.

ARTICLE II

Buildings Erected

Declarant has constructed or has plans to construct upon the TRACT a three-unit, commercial building, which is or will be one story in height. The building has or will have, among other things, approximately 4,735 square feet aggregate unit space divided into three units. In addition, the Property has or will have outside parking spaces and landscaped areas, ingress and egress, and other usual appurtenances and facilities.

ARTICLE III

Unit: Designations, Description and Encroachments

Section 1. Designation. The unit designation of each unit is set forth on the Floor Plans. The percentage of the interest of each unit in the common areas and facilities (hereinafter call "COMMON ELEMENTS") are as follows:

Unit 1.....32% (996 Richard Road, Dyer, Indiana)
Unit 2.....32% (998 Richard Road, Dyer, Indiana)
Unit 3.....36% (1000 Richard Road, Dyer, Indiana)

Section 2. Description. The boundaries of each unit in Sandridge Commercial Addition shall be as shown on the Plat; however, in the event any vertical boundary line of any Dwelling Unit does not coincide with the actual Lot line because of inexactness of construction, settling after construction or for any other reasons, whether from the initial construction or subsequent reconstruction, the boundary lines shall be deemed to be treated for purposes of occupancy, possession, maintenance, use and enjoyment, as in accordance with the actual existing construction. In such case, permanent easements for exclusive use shall exist in favor of the Owner of each unit in and to such base line outside the actual boundary line of the unit.

Section 3. Encroachments. The description of the unit in this ARTICLE and the description of the COMMON ELEMENTS in Article IV is subject to: (a) such encroachments as are contained in the building upon the COMMON ELEMENTS or upon the units; (b) such encroachments of the units upon the COMMON ELEMENTS or upon building; and (c) such encroachments of the COMMON ELEMENTS upon the units and the building; whether any such encroachments now exist or may be caused or created by construction, reconstruction, settlement or movement of the building or by permissible repairs, construction, reconstruction or alteration.

ARTICLE IV

Description of Common Elements

The COMMON ELEMENTS include all parts of the Condominium Property other than the units and in addition, but not in limitation thereof, the COMMON ELEMENTS include:

- a) The Real Estate
- b) The easements, yards, sidewalks, parking areas, storage spaces and driveways.
- c) Installation of central services, such as power, light, gas and cold water.
- d) The pumps, motors, and in general, all apparatus and installations existing for common use.
- e) All other parts of the Condominium Property necessary or convenient to its existence, maintenance and safety, or normally in common use.
- f) Easements for access, maintenance, repair, reconstruction or replacement of the foregoing COMMON ELEMENTS heretofore described and for all other services necessary or convenient to the existence, maintenance, safety and use of the Condominium Property.

ARTICLE V

Character and Use

Section 1. The building is intended to be used as a three-unit, commercial building, and its use shall at all times be in conformity with the provisions of the Dyer Zoning Ordinance.

Section 2. The COMMON ELEMENTS shall be used for the benefit of the Unit Owners, the furnishing of services and facilities for which the same are reasonably intended, and for the enjoyment to be derived from such proper and reasonable use.

ARTICLE VI

Service of Process

The name of the person designated to receive process in any action which may be instituted in relation to the CONDOMINIUM or any parts thereof, together with his residence or place of business is Louis R. Barnes, 1106 Wildflower, Dyer, Indiana, until the date of the first meeting of the Board of Directors of the Association and thereafter said person shall be the duly elected President of the Association.

ARTICLE VII

Effective Date of the Condominium

The effective date of the CONDOMINIUM is the date when this Declaration is recorded and the other Condominium Documents filed in the Office of the Recorder of Lake County, Indiana. From and after the date of the recording of this Declaration, the REAL ESTATE shall be and shall continue to be subject to each and all the terms hereof until this Declaration and the Condominium Property is removed or abandoned in accordance with the provisions of the ACT and of this Declaration.

ARTICLE VIII

Definition and Terms

The following terms when used in this Declaration and in the other instruments constituting the Condominium Documents are intended to be consonant with the meanings ascribed to them by the ACT and are defined herein as follows:

"ARTICLES" shall mean the Articles of Incorporation of the Association.

"ASSESSMENT" shall mean that portion of the cost of the operation of the property which is to be paid by each Unit Owner as determined by the Board of Directors, which shall be based on the ownership percentages set forth in Article III.

"ASSOCIATION" shall mean Sandridge Commercial Association, Inc., a not-for-profit corporation, acting in accordance with this Declaration, and its Articles and its By-Laws.

"BY-LAWS" shall mean the by-laws of the Association which are marked Exhibit "C", attached hereto and made a part hereof.

"BOARD OF DIRECTORS" (hereinafter call "Board") shall mean the group of persons selected by the Association, authorized and directed to manage and operate the Property as provided by the ACT, this Declaration, the By-Laws and the Articles.

"BUILDING" shall mean the commercial building erected or to be erected on the REAL ESTATE.

"COMMON CHARGES" shall mean each unit's share of the Common Expenses in accordance with its Common Interest.

"COMMON EXPENSES" shall mean and include: (a) all sums lawfully assessed against the Unit Owners by the Association for operation of the Property; (b) all replacement of the COMMON ELEMENTS; (c) all expenses agreed upon as Common Expenses by the Association; and (d) all expenses declared Common Expenses by the ACT, this Declaration or the By-Laws.

"COMMON INTEREST" shall mean the percentage of undivided interest in the COMMON ELEMENTS appertaining to each unit and its owner as expressed in Article III.

"COMMON PROFITS" shall mean the balance of all income, rents, profits and revenues from the COMMON ELEMENTS or other assets of the Association that remains after the deduction of the Common Expenses.

"COMMON SURPLUS" shall mean the balance of all receipts of the Association including but not limited to assessments, rents, profits and revenues on account of the COMMON ELEMENTS, after deducting the amount of Common Expenses.

"CONDOMINIUM DOCUMENTS" shall mean and include this Declaration as the same may be amended from time to time and the exhibits attached hereto.

"CONDOMINIUM PROPERTY" shall mean and include the REAL ESTATE, all improvements and structures thereon, the building and all easements, rights and appurtenances thereto and all other property, real, personal or mixed, intended for use in connection therewith.

"DECLARANT" shall mean Sandridge Development, Inc., its successors and assigns as the maker of this Declaration, the SELLER in the Purchase Agreement, and the Grantor in the deed conveying the units.

"DECLARATION" shall mean this instrument by which the REAL ESTATE is submitted to the provisions of the ACT and this instrument as from time to time amended in accordance with the ACT, this instrument and the By-Laws.

"MAJORITY" or "MAJORITY OF UNIT OWNERS" shall mean the Unit Owners with fifty-one percent (51%) or more of votes in accordance with the percentages assigned in this Declaration to the units for voting purposes.

"OPERATION OF THE PROPERTY" shall mean and include the administration of the Condominium Property, the operation, maintenance, repair or replacement of and the making of any addition or improvements in the COMMON ELEMENTS.

"PERSON" shall mean an individual, firm, corporation, partnership, association, trust, or other legal entity, or any combination thereof.

"PLANS AND SPECIFICATIONS" shall mean the plans and the specifications including the Floor Plans set forth thereon which have been prepared by DESIGN ALLIANCE, Registered Architects (hereinafter called "ARCHITECT").

"RECORDING OFFICER" shall mean the Recorder of Lake County, Indiana, and "RECORDING" or "RECORDED" shall mean the filing for that purpose with the Recording Officer and the payment of the proper fees therefor.

"SHARE" shall mean the percentages in and to the COMMON ELEMENTS attributed to each unit as set forth in Article III.

"FLOOR PLANS" shall mean floor plans of the buildings with relation to lot lines and showing the layout, location, unit numbers, elevation, approximate dimensions of the units stating the name of the building. The Floor Plans bear a verified statement of Richard K. Hardesty, Indiana Registered Land Surveyor, certifying that they are an accurate copy of the plans as filed with and approved by a municipal or other governmental subdivision having jurisdiction over the approval of site plans and the issuance of permits for the construction of the building. The Floor Plans shall be maintained in the office of Declarant together with a copy of this Declaration.

"UNIT" is synonymous with the word "apartment" used in the ACT.

"UNIT DESIGNATION" shall mean the number, letter or combination thereof as shown on the Floor Plans.

"UNIT OWNER" shall mean the person who owns a unit or units within a building in fee simple.

ARTICLE IX

Common Elements and Common Interest

Section 1. Each unit has appurtenant to it a Common Interest as set forth in Article III. The amount of the Common Interest is determined and fixed by taking the approximate proportion which the square feet in each unit bears to the aggregate of the

square feet in all the units. When a Unit Owner owns more than one Unit, his Common Interest shall be the aggregate of the Common Interests of all units he owns.

Section 2. The Common Interest appurtenant to each unit is declared to be permanent in character and cannot be altered without, except as provided in Section 1 of this Article, the consent of all Unit Owners affected and the first mortgagees of such Unit Owners as expressed in an amended Declaration. Such Common Interest cannot be separated from the unit to which it appertains.

Section 3. The COMMON ELEMENTS shall not be divided nor shall any right to partition any thereof exist but nothing herein contained shall be deemed to prevent ownership of a unit by the entirety, jointly, or in common.

Section 4. Each Unit Owner may use the COMMON ELEMENTS in accordance with the purposes for which they are intended without hindering the exercise of or encroaching upon the rights of other Unit Owners.

Section 5. The Association on behalf of the Unit Owners shall have the irrevocable right, to be exercised by the Board, or its designee, to have access to each unit for the purpose of inspecting and making repairs, replacements or improvements to the COMMON ELEMENTS and to the unit itself where the responsibility therefor is upon the Board, contained therein or elsewhere in the buildings, or to prevent damage to the COMMON ELEMENTS or other units, or to abate any violation of law, orders, rules or regulations of the Association or any governmental authorities having jurisdiction thereof, or to correct any condition which violates the provisions of any mortgage covering another unit.

Section 6. The Board shall, if any question arises, determine the purpose for which a COMMON ELEMENT is intended to be used. The Board shall have the right to promulgate rules and regulations limiting the use of the COMMON ELEMENTS to Unit Owners, their customers, clients, guests, invitees and employees.

Section 7. The maintenance, repair, replacement, management, operation and use of the COMMON ELEMENTS shall be the responsibility of the Board, but nothing herein contained shall be construed so as to preclude the Board from delegating these duties to a manager or agent or to other persons, firms or other corporations.

Section 8. The expenses incurred or to be incurred for the maintenance, repair, replacement, management, operation and use of the COMMON ELEMENTS shall be collected from the Unit Owners and assessed as Common Charges by the Board.

Section 9. (a) The Board shall have the right to make or cause to be made such alterations and improvements to the COMMON ELEMENTS (which do not exceed \$1,200.00) in any fiscal year end for which a reserve has not been established in the budget). All other alterations and improvements to the COMMON ELEMENTS shall be made only upon approval of a majority of the Unit Owners at an annual or special meeting of the Association in the manner as the budget is proposed and adopted.

(b) The cost of improvements to the COMMON ELEMENTS shall be assessed as Common Charges.

Section 10. No Unit Owner shall do any work which would affect or alter any of the COMMON ELEMENTS or impair any easement or hereditament therein.

Section 11. While the REAL ESTATE remains subject to this Declaration and the ACT, no liens of any nature shall arise or be created against the COMMON ELEMENTS except with the unanimous consent in writing of all the Unit Owners and the holders of first mortgages or except such liens as may arise or be created under the ACT. Every agreement for the performance of labor or the furnishing of materials to the COMMON ELEMENTS, whether oral or in writing, must provide that it is subject to the provisions of this Declaration and the ACT and all work on any of the COMMON ELEMENTS shall be performed under a contract between the Association and Contractor, drawn, executed, acknowledged and recorded in accordance with Section 1, Chapter 116, of the Act of 1909, as amended (IC of 1971 § 32-8-3-1).

Section 12. All Common Charges received or to be received by the Board and the right to receive such funds shall constitute trust funds for the purpose of paying the cost of labor and materials furnished to the COMMON ELEMENTS at the express request or with the consent of the Board or its designee and the same shall be expended first for such purpose before expending any part of the same for any other purpose. Nothing herein contained shall require the Board to keep such charges in a separate bank account and no violation of said trust shall arise by reason of the commingling of the funds held by the Board in one bank account.

Section 13. Every Unit Owner shall comply strictly with the By-Laws, rules, regulations, resolutions and decisions adopted pursuant thereto in relation to the units or the COMMON ELEMENTS. Failure to comply with any of the same shall be ground for an action to recover sums due, for damages, or injunctive relief or any or all of them. Such action may be maintained by the Board on its own behalf or the Association or on behalf of the Unit Owners aggrieved. In any case of flagrant or repeated violation by a Unit Owner, he may be required by the Board to give sufficient surety or sureties for his future compliance with the By-Laws, rules, regulations, resolutions and decisions. Nothing herein contained shall prevent, in a proper case, an independent action by an aggrieved Unit Owner for such relief.

ARTICLE X

Units: Their Maintenance and Repair

Section 1. No Unit Owner shall make any alteration or structural change which would jeopardize the soundness or safety of the Condominium Property, reduce the value thereof or impair any easement or hereditament without in every case the unanimous written consent of all Unit Owners affected being first obtained. The Unit Owner shall cause any work being performed on the unit, which in the sole opinion of the Board violates this section, to be immediately stopped and he shall refrain from recommencing

or continuing the same without the consent in writing from the Board. The Unit Owner shall not alter or replace any walls except those non-load bearing walls which are wholly within his unit.

Section 2. It shall be the responsibility of the Board to maintain, repair or replace:

a) All portions of the unit which constitute a part of the exterior of the building.

b) All COMMON ELEMENTS within the unit.

c) All incidental damage caused by work done by direction of the Board.

d) In the performance of any labor or in the furnishing of any material to a unit, under the direction of the Board, no lien shall be established or give rise to the basis for filing a mechanic's lien against the Unit Owner except such work performed for emergency repair. Nothing herein contained shall prevent such mechanic's lien being filed against a Unit Owner who expressly consents and requests in writing that the work be done, and express consent shall be deemed to be given by the owner of any unit in the case of emergency repairs thereto.

Section 3. It shall be the responsibility of the Unit Owner:

a) To maintain, repair or replace at his own expense all portions of the unit which may cause injury or damage to the other units or to the COMMON ELEMENTS.

b) To paint, wall paper, decorate and maintain the interior surfaces of all walls, ceilings and floors within the unit and to maintain all lights and light fixtures within the unit.

c) To perform his responsibilities in such a manner and at such reasonable hours so as not to unreasonably disturb other Unit Owners.

d) To refrain from repairing, altering, replacing, painting or otherwise decorating or changing the appearance of any portion of the COMMON ELEMENTS

without first obtaining the consent in writing of the Board and to refrain from repairing, altering, replacing, painting, decorating or changing the exterior of the unit or any exterior appendages whether exclusively used by the Unit Owner or otherwise without obtaining the consent of the Board.

e) To promptly report to the Board or their agent all work that he intends to perform for repair of any kind, the responsibility for the remedying of which lies with the Board. Any consent by the Board to the performance of such work by the Unit Owner shall not constitute an assumption by the Board to pay therefor. Also, the failure of the Board to take action on the notice shall not be deemed a waiver by it of its rights and shall also not constitute a consent by the Board of an assumption by it to pay for any work performed by the Unit Owner. Any consent given by the Board may set forth the terms of such consent and the Unit Owner shall be required to abide thereby.

Section 4. Nothing in this Article contained shall be construed so as to impose a personal liability upon any of the members of the Board for the maintenance, repair or replacement of any unit or COMMON ELEMENT or give rise to a cause of action against them. The Board as such, shall not be liable for damages of any kind except for willful misconduct or bad faith.

ARTICLE XI

Units: How Constituted and Described

Section 1. Every unit, together with its Common Interest, shall for all purposes be and it is hereby declared to be and to constitute a separate parcel of real property and the Unit Owner thereof shall be entitled to the exclusive ownership and possession of his unit subject only to: (a) the covenants, restrictions, easements, By-Laws, rules, regulations, resolutions and decisions adopted by the Board; (b) the Articles; (c) this Declaration; and (d) the ACT.

Section 2. A unit shall be described in the deed by unit numbers as shown on the Floor Plans and shall recite the unit numbers followed by the words "in Sandridge Commercial Horizontal Property Regime recorded as Document Number 97086343 under the date of Dec 16, 1997, of the records of Lake County, Indiana". The deed shall recite the percentage of Common Interest in the COMMON ELEMENTS. The deed shall further recite that the conveyance is made together with the benefits, rights, privileges stated in the Condominium Documents, and subject to all the duties, obligations and resolutions and decisions in accordance therewith as set forth in the Condominium Documents.

Section 3. Every conveyance or lien using the unit designation assigned to it, as shown on the Floor Plans, shall be deemed to include its Common Interest in the COMMON ELEMENTS and shall include, without requiring specific reference thereto or enumerating them, all the appurtenances and easements in favor of the unit and similarly be subject to all easements in favor of others.

Section 4. Any transfer of a unit shall include all appurtenances thereto whether or not specifically described.

ARTICLE XII

Board of Directors

Section 1. The Declarant does hereby declare that the affairs of the CONDOMINIUM shall be governed and controlled pursuant to the Declaration, the Articles and the By-Laws by the Board. The Board shall consist of three members, one appointed by each Unit Owner or Owners.

Section 2. The Board shall have charge of and be responsible for and is authorized to manage affairs of the Association, the COMMON ELEMENTS and other assets held by the Association on behalf of the Unit Owners except as herein otherwise limited. It shall have all the powers, rights, duties and obligations wherever set forth in

the Condominium Documents. All acts of the Board shall be on behalf of the Association and done in the name of the Association. It shall adopt and execute all measure of proceedings necessary to promote the interests of the CONDOMINIUM. It shall fix charges and assessment fees. It shall hold all of the foregoing and funds or other assets of the CONDOMINIUM and administer them as trustees for the benefit of the Unit Owners. It shall keep accurate records and audit and collect bills. It shall contract for all loans, mortgages, leases and purchase or sale of units in the CONDOMINIUM acquired by it or its designee on behalf of all of the Unit Owners, where applicable. It shall approve or disapprove of sales, leases or mortgages on units as herein specified. It shall maintain the COMMON ELEMENTS as herein specified, paying for services and supervising repairs and alterations. It shall adopt rules and regulations as in its judgment may be necessary for the management, control and orderly use of the COMMON ELEMENTS, and in general, it shall manage the Condominium Property as provided herein and in the By-Laws, but nothing herein shall prevent the Board from employing and designating such powers as it deems advisable to professional management.

Section 3. In order to limit the liability of the Unit Owners, the members of the Board, or its designee, any contract or other commitment made by the Board, or a designee in its behalf, shall contain the following statement: "The Board of Directors, its managing agent, manager or other designee, as the case may be, in executing this instrument, is acting only as agent for the Unit Owners, and that the members of the Board of Directors, its managing agent, manager or other designee shall have no personal liability on any contract or commitment (except as Unit Owners) and that the liability of any Unit Owner on any such contract or commitment shall be limited to such proportionate share of the total liability as the Common Interest of each Unit Owner bears to the aggregate Common Interest of all Unit Owners." The Board shall have no liability to the Unit Owners for error of judgment or otherwise, except for willful

misconduct or bad faith. It is discretionary with the Board whether its members shall be bonded for this purpose.

Section 4. True copies of the floor plans, this Declaration, the By-Laws, the Articles, the rules and regulations, resolutions and decisions shall be kept on file in the office of the Board and shall be available for inspection at convenient hours of week days by persons having an interest therein.

Section 5. The Board, managing agent or manager which it employs, as the case may be, shall keep detailed accurate records, in chronological order, of the receipts and expenditures affecting the COMMON ELEMENTS, specifying and itemizing the maintenance and repair expense of the COMMON ELEMENTS and any other expense incurred. It shall also keep an assessment roll as more fully set forth in Article XIII, Section 8, hereof. Such records and the vouchers authorizing the payments shall be available for examination by the Unit Owners at convenient hours of week days. A written report summarizing such receipts and disbursements shall be given by the Board to all Unit Owners at least once annually.

ARTICLE XIII

Charges, Assessments and Profits

Section 1. No Unit Owner may exempt himself from contributing towards his Common Charges by waiver of the use or enjoyment of any of the COMMON ELEMENTS or by abandonment of unit.

Section 2. The Common Expenses shall be charged by the Board to the Unit Owners, according to their respective Common Interest. The Common Profits of the CONDOMINIUM shall be distributed among the Unit Owners in the same manner; provided, however, no such distribution shall be made to any Unit Owner that will affect the status of the Association as a Not-For-Profit Corporation under the Indiana

Not-For-Profit Act, as amended, or under any applicable section of the Internal Revenue Code of 1954, as amended.

Section 3. Insurance shall be obtained upon the property and the cost thereof shall be borne and paid as Common Expense and as hereinafter more fully set forth in Article XIX.

Section 4. Assessments against the Unit Owners shall be made and approved in accordance with the By-Laws.

Section 5. Assessments for Common Expenses shall be made for each fiscal year fifteen (15) days in advance of the year for which the assessments are made. Such annual assessments shall be due and payable in four (4) equal quarterly installments on the dates established by the Board, who may review and reconsider the assessments made and may increase or decrease the same and such increase required for the proper management, maintenance and operation of the COMMON ELEMENTS and the Unit Owners shall pay any such increase on the first day of the month following notice of the increase.

Section 6. All liens against the COMMON ELEMENTS of any nature including taxes and special assessments levied by any governmental authority may be paid by the Board and shall be assessed by it against the unit or units in accordance with their share or to the common charges account, whichever in the judgment of the Board is appropriate.

Section 7. All other assessments, either for emergencies or otherwise, shall be made by the Board in accordance with the provisions of the ACT and the Condominium Documents and if the time of payment is not set forth therein, the same shall be determined by the Board.

Section 8. The assessments against all Unit Owners shall be set forth upon a roll of the units which shall be available in the office of the Board for inspection at all reasonable times by Unit Owners or their duly authorized representatives. Such roll shall indicate for each unit the name and address of the owner or owners, the assessments for

all purposes and the amounts of all assessments paid and unpaid. A certificate made by the Board as to the status of a Unit Owner's assessment account shall limit the liability of any person for whom made other than the Unit Owner. The Board, or its agents, shall issue to the first mortgagee of a unit, upon demand by the mortgagee, a certificate showing the status on the assessments due from the unit owner and shall also issue such certificates to such persons as a Unit Owner may request in writing.

Section 9. In a voluntary conveyance of the unit, the Grantee of a unit shall be jointly and severally liable with the Grantor for all unpaid assessments against the Grantor for his share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor; provided, however, any such Grantee shall be entitled to a statement from the Board setting forth the amount of the unpaid assessments against the Grantor and such Grantor shall not be liable for, nor shall the unit conveyed be subject to a lien for, any unpaid assessments against the Grantor, in excess of the amount therein set forth.

Section 10. Where the first mortgagee of record or other purchaser of a unit obtains title to the unit as a result of foreclosure of the first mortgage, upon the unit or as the result of deeds taken in lieu thereof, such acquirer of title, his successors or assigns, shall not be liable for the Common Charges or assessments by the Association for such unit which became due prior to the acquisition of title of such unit by such acquirer. Such unpaid share of the Common Charges or assessments shall be deemed to be Common Expenses, collectible from all Unit Owners including such acquirer, his successor and assigns.

Section 11. If any assessment or Common Charge shall remain due and unpaid, there shall be a lien against the unit as provided by the ACT and such lien may be filed and foreclosed by suit by the Board acting on behalf of the Association, under the laws of Indiana governing mechanic's and materialmen's liens. The Board, acting on behalf of the Association, shall have the power to bid in the unit at foreclosure sale, and to acquire

and hold, lease, mortgage and convey the same. A suit by the Board, acting on behalf of the Association, to recover a money judgment for the unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same.

ARTICLE XIV

Restrictions

Section 1. The Declarant, and every Unit Owner by the acceptance of the deed, and their heirs, successors and assigns, covenant that they will faithfully observe all of the terms, covenants and conditions wherever imposed in this Declaration.

Section 2. Each Unit Owner, his heirs, successors and assigns, further covenants:

a) He will not use, cause or permit the unit to be used other than as provided in this Declaration, nor will he use, cause or permit the unit to be subdivided, changed or altered without first having obtained the approval of the Board.

b) That he will not use, permit or allow the unit or any part thereof to be used for an immoral, improper, offensive or unlawful purpose.

c) That he will not use, permit or allow the unit to be occupied by any persons who have not received approval from the Board, nor will he sell or lease the unit without first obtaining the consent of the Board in accordance with the provisions of Article XV.

d) That he will supply to the Board the information relating to an occupant or occupants of a unit as may be necessary towards a proper determination as to his desirability as an approved occupant. Among these are: Former addresses, business and social references, financial status.

ARTICLE XV

Transfer of Units

Section 1. The Unit Owner has the right to sell or lease his unit providing he gives thirty (30) days' notice of the terms of a bonafide sale or lease to the Board and obtains its approval for the sale. The failure of the Board to act within such thirty (30) day period shall be deemed to constitute approval. If the Board disapproves of the transaction, it shall within fifteen (15) days after making its decision known, produce a purchaser or lessee approved by it who will accept the transaction upon terms as favorable to the seller or landlord as the terms stated in the notice to the Board. If the Board does not produce such a purchaser or lessee, as the case may be, within the aforesaid fifteen (15) days, the Unit Owner shall have the right to effectuate such sale or lease on the terms submitted as more specifically set forth herein.

The Board, or its designee, may elect to purchase or lease such unit on behalf of all of the Unit Owners in the manner set forth herein.

Section 2. Any sale, voluntary transfer, conveyance, lease or mortgage which is not authorized by the terms of this Declaration or for which is not authorized by the terms of this Declaration or for which authorization has not been obtained pursuant to the terms thereof is voidable and may be voided by certificate of the Board duly recorded in the recording office where the Declaration is recorded.

Section 3. All notices hereinafter referred to in this Article shall be given by registered or certified mail. Delivery shall be deemed made and notice shall be deemed given by such mailing and shall not be dependent upon acceptance by the addressee.

Section 4. A Unit Owner intending to make a transfer, sale or lease of the unit or any part thereof, or interest therein, shall give notice to the Board of such intention. He shall furnish at that time, for the information of the Board, the name and address of the intended grantee or lessee. He shall furnish a statement of all the terms of the transaction. He shall furnish a statement of social and financial reference of the

transferee or lessee and such other information as the Board may reasonably require. Notice, when given, shall constitute a representation, warranty and an offer to sell or lease to any purchaser or lessee produced by the Board.

Section 5. Where the Board has failed to act on a transaction and before the fifteen (15) day period for the production of a purchaser or lessee has passed, a Unit Owner may withdraw his offer to sell or lease. When the Board has produced a purchaser or a lessee who fulfills the requirements set forth in §1 of this Article and agrees thereto, a binding contract shall be deemed to have come into existence and the Unit Owner shall be bound to consummate the transaction with such purchaser or lessee furnished by the Board in accordance with the terms thereof.

Section 6. The action by the Board consenting to a sale or lease shall be in recordable form signed by any officer of the Association and attested to by any other officer thereof. The Unit Owner, the purchaser or lessee may demand and shall be entitled to receive from the Board its consent to the sale or lease in recordable form.

Section 7. The provisions of this Article shall not apply an Owner or mortgage holder, holding title to a unit or units as a result of foreclosure sales or deeds taken in lieu thereof. Such Owners may, if they so desire, submit the name of their purchaser or lessee to the Board for its information but the approval of the Board to a sale or lease by such Owner shall in no event be required, nor shall the need therefor be inferred from any such voluntary submission. A deed given or taken in lieu of foreclosure shall, in all instances, be deemed to be a foreclosure under this Déclaration and not a voluntary conveyance.

ARTICLE XVI

Default On and Foreclosure of Authorized or Other Liens on Units

Section 1. Upon the happening of a default under the terms of an authorized first mortgage which would permit the holder to declare the entire principal sum due, notice

of the intention of the holder to do so shall be given to the Board, but the failure to give such notice shall not prevent the holder from instituting a foreclosure action.

Section 2. The Board shall have the following rights, powers and privileges with respect to authorized first mortgages in default:

a) By and with the consent of the holder thereof, to remedy the defaults existing under the terms of the mortgage and to put the same in good standing. In the event the Board shall make the advances necessary to remedy the defaults, the Board shall be deemed to hold a junior participating interest in the obligation and mortgage for the sum of principal together with interest, costs, disbursements, attorney fees, insurance, taxes or other charges so advanced with the right to foreclosure of such junior participating interest against the defaulting unit owner for the benefit of the remaining Unit Owners. The holder of the mortgage shall in no event be required, or have the obligation to collect the junior interest so created on behalf of the Board.

b) To acquire by assignment, either before or after institution or foreclosure action, from the holder thereof said mortgage in the name of the Board or in the name of their designated nominee with all the powers and rights of the holder against the defaulting Unit Owner, including the right to foreclosure the same for the benefit of the remaining Unit Owners.

c) To accept from the defaulting Unit Owner, a deed transferring the unit and its Common Interest, and by and with the consent of the holder of the mortgage to remedy the defaults existing under the terms thereof for the benefit of the other Unit Owners.

d) To continue any pending action or to institute an action to foreclose any mortgage taken by assignment under subdivision (b) hereof, or to take a deed in lieu of foreclosure of the mortgage. In no event shall a Unit Owner be relieved from liability already incurred for past-due Common Charges nor be relieved from personal liability on

the bond, note or other obligation by reason of any conveyance made under subdivision (c) hereof or under this subdivision.

Section 3. The Association shall be a necessary party in every action brought to foreclose any mortgage or other lien affecting a unit, but the failure to make the Association a party shall not prevent the foreclosure of a first mortgage. The Board shall be entitled to bid at any sale, whether the action be in its name or it be a defendant therein, and to purchase any unit at such sale for such amount as shall be approved by a majority of the Board taking into consideration the amount due the Plaintiff, the costs and disbursements, and all other charges affecting the unit. The Board shall not be limited in its bidding to such amount or total, but may bid any higher sum that it finds necessary in order to protect the interests of the other Unit Owners.

Section 4. In all actions or proceedings (other than the foreclosure of an authorized first mortgage or deeds taken or accepted in lieu thereof or the conveyance of a unit by a first mortgagee taken by it as the result of a foreclosure or a deed taken or accepted in lieu thereof) resulting in a sale, mortgage, letting or leasing of a unit and its Common Interest, one of the provisions of the terms of sale, mortgage, letting or lease, shall be the obtaining of the approval of the Board.

ARTICLE XVII

Compliance and Default

Each Unit Owner shall be governed by and shall comply with the terms of the Condominium Documents, regulations, resolutions and decisions adopted pursuant thereto as they may be amended from time to time. A default shall entitle the Association or Unit Owners to the following relief:

Section 1. Failure to comply with any of the same shall be ground for an action to recover sums due, for damages or injunctive relief or both maintainable by the Board on

behalf of the Association or Unit Owners, or in a proper case, by an aggrieved Unit Owner.

Section 2. Each Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, to the extent that such expense is not met by the proceeds of insurance carried by the Board. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

Section 3. In any proceeding arising because of an alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be determined by the Court.

Section 4. The failure of the Board or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Board or Unit Owner to enforce such right, provision, covenant or condition in the future.

Section 5. All rights, remedies and privileges granted to the Board, its designated agent, or a Unit Owner, pursuant to any terms, provisions, covenants or conditions of the Condominium Documents shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such party by the Condominium Documents or at law or in equity.

ARTICLE XVIII

Amendment

The Condominium Documents may be amended in the following manner:

Section 1. Notice of the subject matter of the proposed amendment in reasonably detailed form shall be included in the notice of any meeting at which a proposed amendment is considered. No amendment or removal, except for an amendment in Section 4 of this Article XVIII, shall be valid or effective unless written notice of any meeting called for the purpose of considering such amendment or removal is sent by certified or registered mail no less than twenty (20) days prior to the date set for such meeting to all mortgagees who have given written notice of mortgage financing to the Board. An affidavit, in recordable form and recorded, executed by the President of the Association that notices have been sent to all persons entitled to receive such shall be prima facie evidence that proper notification was given.

Section 2. A resolution adopting a proposed amendment may be proposed by either the Board or by the Unit Owners and approved by the Unit Owners at a meeting of the Association called for this purpose. Unit Owners not present at the meeting of the Association considering such amendment may express their vote of approval or disapproval in writing by mailing their vote to the Secretary by certified or registered mail or by proxy. Such approvals must be by two-thirds (2/3) of the Unit Owners.

Section 3. No amendments of the Common Interest of each unit shall occur unless all the Unit Owners and the holders of the first mortgages on the units consenting in writing thereto.

Section 4. A copy of each amendment shall be certified by the Secretary of the Board as having been duly adopted and shall be effective when recorded with the Recording Officer. Copies of the same shall be sent to each Unit Owner in the manner elsewhere provided for the giving of notices but the same shall not constitute a condition precedent to the effectiveness of such amendment.

ARTICLE XIX

Insurance

Section 1. Except title insurance, builders risk insurance and any other insurance which may be furnished by the Declarant during construction, the Board shall obtain and maintain, to the extent available, insurance on the COMMON ELEMENTS, naming the Association, the Board, all Unit Owners and their mortgagees as their interest may appear. The insurance shall be purchased from recognized insurance companies duly licensed to operate in the State of Indiana.

Section 2. The Board shall obtain master policies of insurance which shall provide that the loss thereunder shall be paid to the Board as insurance trustee or to the bank and trust company designated by the Board to act as insurance trustee under this Declaration. Under the said master policies certificates of insurance shall be issued which indicate on their face that they are a part of such master policies of insurance covering the COMMON ELEMENTS. A certificate of insurance with proper mortgagee endorsements, upon receipt by the Board of notice of mortgage financing, shall be issued to the owner of each unit and the original thereof shall be delivered to the mortgagee. The certificate of insurance shall show the relative amount of insurance covering the Unit Owner's interest in the COMMON ELEMENTS and shall provide that improvements to a unit or units which may be made by the Unit Owner and Owners shall not affect the valuation, for the purposes of this insurance, of the buildings and other improvements upon the REAL ESTATE. Such master insurance policies and certificates shall contain provisions that the insurer waives its right to subrogation as to any claim against the Association, the Board, its agents and employees, Unit Owners, their respective employees, agents and guests, and of any defense based on the invalidity arising from the acts of the insured, and providing further that the insurer shall not be entitled to contribution against casualty insurance which may be purchased by individual Unit Owners as hereinafter permitted. The original master policy of insurance shall be

deposited with the Board as insurance trustee, or to the bank and trust company designated by the Board to act as insurance trustee, and a memorandum thereof shall be deposited with any first mortgagee who may require same. The Board must acknowledge that the insurance policies and any proceeds thereof will be held in accordance with the terms hereof. The Board shall pay for the benefit of the Unit Owners and each unit mortgagee, the premiums for the insurance hereinafter required to be carried at least thirty (30) days prior to the expiration date of any such policies and will notify each unit mortgagee of such payment within ten (10) days after the making thereof.

Section 3. The COMMON ELEMENTS shall be covered by:

a) Casualty or physical damage insurance for full replacement cost of the COMMON ELEMENTS. Such coverage shall afford protection against the following:

1) Loss or damage by fire and other hazards covered by the standard extended coverage endorsement together with coverage for the payment of Common Expenses with respect to damaged units during the period of reconstruction.

2) Such other risks as from time to time customarily shall be covered with respect to buildings similar in construction, location and use as the COMMON ELEMENTS, including but not limited to vandalism, malicious mischief, windstorm, and water damage, and such other insurance as the Board may determine. The policies providing such coverage shall provide that, notwithstanding any provisions thereof which give the carrier the right to elect to restore damage in lieu of making a cash settlement, such option shall not be exercisable without the approval of the Board or where in conflict with the terms of this Declaration, and shall further provide that the coverage thereof shall not be terminated for nonpayment of premiums without thirty (30) days' notice to all of the insured, including each unit mortgagee.

All policies of casualty or physical damage insurance shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the insured, including all mortgagees of the units, and

certificates of such insurance and all renewals thereof, together with proof of payment of premiums, shall be delivered to all unit owners and their mortgagees at least ten (10) days prior to the expiration of the then current policies.

b) Public liability insurance in such amounts and in such forms as shall be required by the Board, including but not limiting the same to water damage, legal liability, hired automobile, non-owned automobile and off-premises employee coverages.

c) Workmen's Compensation insurance to meet the requirements of law.

d) Fidelity insurance covering those employees of the Board and those agents and employees hired by the Board who handle Association funds,, in amounts as determined by the Board.

e) Collision insurance.

Section 4. Each Unit Owner may obtain additional insurance at his own expense affording coverage upon his own unit and personal property and for his personal liability, but all such insurance shall contain the same waiver of subrogation as that referred to in the preceding § 2 of this Article.

Section 5. Premiums upon insurance policies purchased by the Board shall be paid by it and charged as Common Expenses.

Section 6. All proceeds payable as a result of casualty losses sustained which are covered by insurance purchased by the Board hereinabove set forth shall be paid to it or a bank and trust company designated by the Board. The Board or the bank and trust company designated by the Board shall act as the insurance trustees. In the event that the Board or the bank or trust company designated by the Board has not posted surety bonds for the faithful performance of their duties as such trustee or if such bonds do not exceed the funds which will come into its hands, and there is a damage to a part or all of the COMMON ELEMENTS resulting in a loss, the Board or the bank and trust company designated by the Board, shall obtain and post a bond for the faithful performance of its duties as insurance trustee in an amount to be determined by a majority of the Unit

Owners but not to exceed 125% of the loss, before the Board or the bank and trust company designated by the Board shall be entitled to receive the proceeds of the insurance payable as a result of such loss. The sole duty of the insurance trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Unit Owners and their respective mortgagees.

Section 7. Each Unit Owner shall be deemed to have delegated to the Board his right to adjust with the insurance companies all losses under policies purchased by the Board.

Section 8. In no event shall any distribution of proceeds be made by the Board directly to a Unit Owner where there is a mortgagee endorsement on the certificate of insurance. In such event any remittances shall be to the Unit Owner and his mortgagee jointly. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by him.

ARTICLE XX

Reconstruction or Repair of Casualty Damage

Section 1. Except as hereinafter provided, damage to or destruction to the building due to fire or any other disaster, shall be promptly repaired and reconstructed by the Board using the proceeds of insurance indemnity, if any, for that purpose; provided, however, that construction shall not be compulsory where it comprises the whole or more than two-thirds (2/3) of the building, in such case, and unless otherwise agreed upon by two-thirds (2/3) of the Unit Owners, the insurance indemnity shall be delivered pro rata to the owners entitled to it in accordance with provision made in the By-Laws or in accordance with a decision of two-thirds (2/3) of the Unit Owners if there is no By-Law provisions. Should it be proper to proceed with the reconstruction, the provisions for

reconstruction made in accordance with the By-Laws or accordance with the decision of two-thirds (2/3) of the Unit Owners if there is no By-Law provision, shall prevail.

Section 2. Where the building is not insured or where the insurance indemnity is insufficient to cover the cost of reconstruction, the new building costs shall be paid by the Unit Owners directly affected by the damage, as may be provided by the By-Laws; and if any one or more of those composing the minority of the Unit Owners directly affected shall refuse to make such payments, the majority of the Unit Owners directly affected may proceed with the reconstruction at the expense of all the Unit Owners directly affected thereby including the dissenting minority.

Section 3. If within one hundred twenty (120) days of the date of the damage or destruction to all or part of the building, it is not determined by the Unit Owners to repair, reconstruct or rebuild, then and in that event:

- a) The building shall be removed and the REAL ESTATE upon which the building is located shall be restored;
- b) The building shall be deemed to be owned in common by the Unit Owners;
- c) The Common Interest in the building shall be the percentage of Common Interest previously owned by such owner in the COMMON ELEMENTS;
- d) Any liens affecting such units shall be deemed to be transferred in accordance with the existing priorities to the percentage of the Common Interest of the Unit Owners; and
- e) The building shall be subject to an action for partition at the suit of any Unit Owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the damaged building, if any, shall be considered as one fund and shall be divided among all the Unit Owners in a percentage equal to the percentage of Common Interest owned by each owner.

Section 4. Any reconstruction or repair shall be substantially in accordance with the original plans and specifications.

Section 5. Immediately after a casualty causing damage to property for which the Board has the responsibility of maintenance and repair, the Board shall obtain reliable and detailed estimates of the cost to place the damaged property in condition as good as that before the casualty. Such costs may include professional fees and premiums for such bonds as the Board desires.

Section 6. The proceeds of insurance collected on account of casualty, and the sums received by the Board from collections of assessments against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

a) If the amount of the estimated cost of reconstruction and repair is less than \$25,000.00, then the construction fund shall be disbursed in payment of such costs upon order of the Board; provided, however, that upon request of a mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided in the following paragraph (b).

b) If the estimated cost of reconstruction and repair of the building or other improvement is more than \$25,000.00, then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in Indiana and employed by the Board to supervise such work, payment to be made from time to time as the work progresses. The architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the architect, or other persons who have rendered services or furnished materials in connection with the work, (1) that the sums requested by them in payment are justly due and owing and that said sums do not exceed the value of the services and materials furnished; (2) that there is no other outstanding

indebtedness known to the said architect for the services and materials described; and (3) that the costs as estimated by said architect for the work remaining to be done subsequent to the date of such certificate, does not exceed the amount of the construction fund remaining after payment of the sum so requested.

c) Encroachments upon or in favor of units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis of a proceeding or action by the Unit Owner upon whose property such encroachment exists, provided that such reconstruction was either substantially in accordance with the plans and specifications or as the building was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the building stands.

d) In the event that there is any surplus of moneys in the construction fund after the reconstruction or repair of the damage has been fully completed and all costs paid, such sums may be retained by the Board as a reserve or may be used in the maintenance and operation of the Condominium Property, or, in the discretion of the Board it may be distributed to the Unit Owners of the fund. The action of the Board in proceeding to repair or reconstruct damage shall not constitute a waiver of any rights against another Unit Owner for committing willful or malicious damage.

ARTICLE XXI

Removal

Section 1. Declarant reserves the right to remove this Declaration and to discharge same of record provided that no titles have been conveyed to independent owners. It is distinctly understood and agreed by all persons having any interest in this CONDOMINIUM that a declaration by the Declarant herein to this effect shall be sufficient to discharge same of record.

Section 2. All the Unit Owners may remove the Condominium Property from the provision of the ACT by an instrument to that effect, duly recorded with the Recording

Officer; provided that holders of all liens affecting any of the units consent thereto and agree that their liens be transferred to the Common Interest of the Unit Owners as provided in § 4 of this Article. Such removal of the Condominium Property from the ACT shall not bar its subsequent submission to the provisions thereof in accordance with the terms of the ACT.

Section 3. The Condominium Property shall be removed, if it is so determined in the manner elsewhere provided that the property shall not be reconstructed after fire or other disaster and the Condominium Documents shall be revoked. The determination not to reconstruct after casualty shall be evidenced by a certificate of the Board signed by the Secretary certifying as to the facts effecting the termination, which certificate shall become effective upon being recorded with the Recording Officer.

Section 4. After removal of the Condominium Property, the property shall be deemed to be owned in common by the Unit Owners. The undivided interest in the property owned in common or which shall appertain to each Unit Owner shall be the percentage of the Common Interest previously owned by such Unit Owner. All funds, held by the Board and insurance proceeds, if any, shall be and continue to be held for the Unit Owners in proportion to the amount of their Common Interest. The costs incurred by the Board in connection with a termination shall be a Common Expense.

Section 5. Following removal, the property may be partitioned and sold upon the application of any Unit Owner. If the Board, following a removal, by not less than a two-thirds (2/3) vote, determines to accept an offer for the sale of the property, each Unit Owner shall be bound to execute such deeds and other documents reasonably required to effect such sale at such times and in such forms as the Board directs. In such event, any action for partition or other division of the property shall be held in abeyance pending such sale, and upon the consummation thereof shall be discontinued by all parties thereto.

Section 6. The members of the Board, acting collectively as agent for all Unit Owners and the Association, shall continue to have such powers as are granted in this Article, notwithstanding the fact that the Board and/or the Association itself may be dissolved upon a removal.

ARTICLE XXII

Covenants with the Land

Section 1. All provisions of the Condominium Documents shall be construed to be covenants running with the land and with every part thereof and interest therein, including but not limited to every unit and the appurtenances thereto; and every Unit Owner and claimant of the property or any party thereof or interest therein, and his heirs, executors, administrators, successors and assigns shall be bound by all of the provisions of the Condominium Documents.

Section 2. The following covenants and restrictions on the use and enjoyment of the Common Area and Property are for the mutual benefit and protection of the present and future Unit Owners and shall run with the land and inure to the benefit of and be enforceable by any Unit Owner, by the Corporation, its successors or assigns. Present or future Owners or the Corporation shall be entitled to injunctive relief against any violation or attempted violation of these provisions and shall be entitled to damages for any injuries resulting from any violations thereof, but there shall be no right of revision of forfeiture of title resulting from such violation:

- a) All units shall be used exclusively for business purposes.
- b) No additional buildings shall be erected or located on the property except as originally constructed by Declarant.
- c) Nothing shall be done or kept in any unit or in the Common Area which will cause an increase in the rate of insurance on any building or the contents thereof. No Owner shall permit anything to be done or kept in his unit or in the Common

Are which will result in the cancellation of insurance on the building or contents thereof, or which would be in violation of any law or ordinance.

d) No Owner shall cause or permit anything to hung or displayed on the outside walls of the building, and no sign, awning, canopy, shutter or radio or television antennae, or other attachment or things shall be affixed to or placed upon the exterior walls or roofs, or on any parts of any building without the prior written consent of the Board, except for a uniform sign advertising the business operated in the unit, in accordance with the ordinances of the Town of Dyer, Lake County, Indiana.

e) No advertising signs (except one "for sale" or one "for rent" sign per unit of not more than five square feet), unsightly objects or nuisances shall be erected, placed or permitted to remain on any unit, or Common Area, nor shall any unit or Common Area be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner or occupant of any unit.

f) No material shall be stored outside of the exterior walls of the unit, other than a dumpster which shall be used solely for disposal of garbage (construction material shall not be placed in or around the dumpster).

g) Vehicles shall not be left overnight outside of any unit, other than one vehicle per unit used in the operation of that business.

ARTICLE XXIII

Liens and Suits

1. All liens against a unit other than for permitted mortgages, taxes or special assessments shall be satisfied or otherwise removed within thirty (30) days from the date the lien attaches. All taxes and special assessments upon a unit shall be paid before becoming delinquent.

2. A Unit Owner shall give notice to the Board of every lien upon his unit or any other party of the property other than for permitted mortgages, taxes and special assessments within five (5) days after the attaching of the lien.

3. Unit Owners shall give notice to the Board of every suit or other proceeding which will or may affect the title to his unit or any part of Condominium Property, such notice to be given within five (5) days after the Unit Owner receives notice thereof.

4. Failure to comply with this Article concerning liens will not affect the validity of any judicial sale.

5. The Board shall maintain a register of all mortgages.

ARTICLE XXIV

Sale Pursuant to Decree

1. No sale, pursuant to a court order or decree, of any unit nor any interest therein shall be valid unless:

a) The sale is to a purchaser approved by the Board which approval shall be in recordable form and shall be delivered to the purchaser and recorded with the recording officer; or

b) The sale is a result of a mortgage foreclosure of a first mortgage validly made as set forth herein or a deed taken or accepted in lieu of such foreclosure.

2. Any sale, mortgage or lease which is not authorized pursuant to the terms of this Declaration or for which authorization has not been obtained pursuant to the terms of this Declaration, shall be voidable until approved in writing by the Board.

ARTICLE XXV

Provisions Pertaining to Declarant

Notwithstanding any other provision herein contained, for so long as the Declarant continues to own any of the units the following provisions shall be deemed to be in full force and effect, none of which shall be construed so as to relieve Declarant from any obligations of a Unit Owner to pay assessments as to each unit owned by it, in accordance with the Condominium Documents.

1. The Declarant reserves the unrestricted right to sell, assign, mortgage or lease any units which it continues to own after the recording or filing of the Condominium Documents and to post signs on the Condominium Property.

2. For so long as the Declarant owns twenty-five (25%) or more of the aggregate unit space of all Phases, but not later than December 31, 1999, the members of the Board shall be designated by the Declarant and such members as may be so designated need not be Unit Owners.

3. The Declarant specifically disclaims any intent to have made any warranty or representation in connection with the Condominium Property or the Condominium Documents except as specifically set forth herein or in the PURCHASE AGREEMENT and no person shall rely upon any warranty or representation not so specifically made therein. The estimates of Common Charges are deemed accurate, but no warranty or guaranty is made or intended, nor may one be relied upon.

ARTICLE XXVI

Captions

Captions used in the Condominium Documents are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text of the Condominium Documents.


ARTICLE XXVII

Severability

If any provision of this Declaration, or any section, sentence, clause, phrase or word, or the application thereof in any circumstances be judicially held in conflict with the laws of the State of Indiana, then the said laws shall be deemed controlling and the validity of the remainder of this Declaration and the application of any such provision, section, sentence, clause, phrase or word in other circumstances shall not be affected thereby.

IN WITNESS WHEREOF, the Declarant has executed this Declaration this 21st day of Nov., 1997.

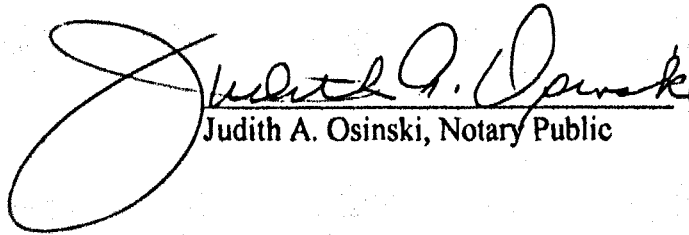
SANDRIDGE DEVELOPMENT, INC.

By 
Louis R. Barnes, President

STATE OF INDIANA)
)SS:
COUNTY OF LAKE)

On this 21 day of NOVEMBER, 1997, before me appeared LOUIS R. BARNES, to me personally known, who, being by me duly sworn did say: that he is the President of SANDRIDGE DEVELOPMENT, INC., a corporation of the State of Indiana, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said LOUIS R. BARNES acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have herunto set my hand and affixed my official seal at my office in Munster, Indiana the day and year first above written.


Judith A. Osinski, Notary Public

My Commission Expires:
March 20, 2000

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This instrument prepared by Thomas L. Kirsch, 131 Ridge Road, Munster, IN 46321.