

STATE OF INDIANA
LAKE COUNTY
DECLARATION OF CONDOMINIUM
OF

2005 0532 THE RANDOLPH COMMONS CONDOMINIUMS

2005-053216

MICHAEL A. STIGLICH
RECORDER

THIS DECLARATION made this 28th day of April, 2005, by ATCHA DEVELOPMENT, LLC, an Indiana limited liability company, hereinafter referred to as "Owner".

WITNESSETH:

WHEREAS, the Owner holds fee simple title to certain property located at the intersection of U.S. Highway 30 and Randolph Street in the Town of Merrillville, Lake County, Indiana (hereinafter referred to as the "Real Estate") legally described as:

Part of the Southwest corner of the SW 1/4 of the NW 1/4 of Section 21, Township 35 North, Range 7 West of the 2nd P.M., in Lake County, Indiana described as follows: Commencing at the Southwest corner of said NW 1/4; thence North 00°22'12" West, along the West line of said NW 1/4, 98.97 feet to the North right-of-way line of U.S. Highway No. 30 and the point of beginning; thence continuing along said West line North 00°22'12" West, 208.72 feet; thence South 89°49'49" East, parallel to said North right-of-way line, 208.72 feet; thence South 00°22'12" East, parallel to said West line, 208.72 feet to said North right-of-way line; thence North 89°49'49" West, along North right-of-way line, 208.72 feet to the point of beginning, containing 1.00 acres, more or less.

which title is subject to said Declaration of Condominium; and

WHEREAS, it is intended by this Declaration that the Real Estate shall be subjected to the provisions of the Condominium Act of the State of Indiana (IC. 32-25-1-1) as amended from time to time (hereafter called the "Act") in accordance herewith.

NOW THEREFORE, the Owner hereby declares that the Declaration of Condominium is as follows:

I. DEFINITIONS

As used herein or elsewhere in the Condominium Document, unless otherwise provided or unless the context requires otherwise, the following terms shall be defined as in this Article:

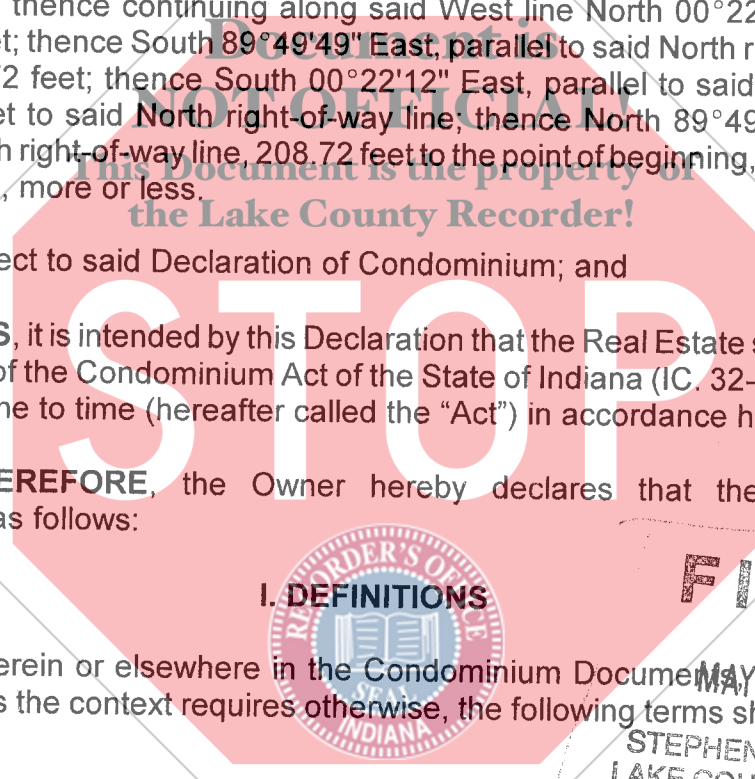
A. **Condominium** means real estate:

1. lawfully subjected to Title 32, Chapter 25 of the Indiana Code titled "Condominiums" by the recordation of condominium instruments; and

Document being rerecorded to add pages
2 + 3 to Exhibit A

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STATE OF INDIANA
LAKE COUNTY
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DULY ENTERED FOR TAXATION SUBJECT TO
FINAL ACCEPTANCE FOR TRANSFER
KEY 15-814-1 to 6
JUN 28 2005

STEPHEN R. STIGLICH
LAKE COUNTY AUDITOR

FILED

STEPHEN R. STIGLICH
LAKE COUNTY AUDITOR

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2. with respect to which the undivided interests in the common areas and facilities are vested in the condominium unit owners.

B. **Condominium Instruments** means:

1. the Declaration, By-Laws, plats and floor plans of the condominium; and
2. any exhibits or schedules to the items listed in subdivision 1.

C. **Condominium Unit** means:

1. an enclosed space:

a. that consists of one (1) or more rooms occupying all or part of a floor or floors in a structure of two or more floors or stories, which enclosed space is designed as an office and for the operation of any business permitted by the applicable zoning ordinance for the Town of Merrillville; and

b. that has an exit to the outside of the building or to a given common space leading to the outside of the building; and

2. the undivided interest in the common elements appertaining to an enclosed space referred to in Subsection 1 of this Section.

D. **Co-Owner** means a person who owns a condominium unit in fee simple and an undivided interest in the Common Areas and Facilities in the percentage established in the declaration.

E. **Association of Co-Owners** means all of the Co-Owners as defined in subsection (D) of this section acting as an entity in accordance with the Articles, By-Laws and this Declaration.

F. **Assessment** means that portion of the cost of maintaining, repairing and managing the Property which is to be paid by each unit owner in accordance with this Declaration.

G. **Building** means the structure located on the Property and all the physical property which is to be constructed substantially in accordance with the plans attached hereto as Exhibit "A" consisting of four (4) pages.

H. **Declaration or Declaration of Condominium** means the instrument by which the property is submitted to the provisions of Title 32, Chapter 25 entitled, "Condominium" of the Indiana Code. The term refers to a declaration as it may be lawfully amended from time to time.

I. **Declarant** means Alpha Development, LLC, an Indiana limited liability company, who has executed this Declaration.

J. **Common Areas and Facilities** mean and include:

1. the Real Estate on which the building is located;
2. the building, including the following:
 - a. foundations
 - b. columns
 - c. girders
 - d. beams
 - e. supports
 - f. main walls
 - g. roofs
 - h. halls
 - i. corridors
 - j. lobbies
 - k. stairs
 - l. stairways
 - m. fire escapes
 - n. entrances
 - o. exits
3.
 - a. yards
 - b. parking areas, sidewalks and curbs
 - c. detention areas
 - d. parking lot and other outside lighting
4. installations of central services, such as:
 - a. electric
 - b. gas
 - c. common septic system or the sanitary sewer lines to property if and when available
 - d. common well for cold water
 - e. waste disposal service
5. the elevators, water tanks, water pump, sewage disposal system and any of the apparatus and installations existing for common use;
6. all other parts of the property necessary or convenient to its existence, maintenance and safety or normally in common use.

K. **Common Expenses** mean and include the actual or estimated cost of:

1. all sums lawfully assessed against the Co-Owners by the Association of Co-Owners;
2. expenses of administration, maintenance, repair or replacement of the common areas and facilities;
3. management fees to the Declarant during the time Declarant is an owner of the property and/or managing the day-to-day operations of the Association;
4. expenses agreed upon as common expense by the Association of Co-Owners; and
5. expenses declared common expenses by:
 - a. Title 32, Chapter 25 of the Indiana Code entitled, "Condominium";
 - b. this Declaration; or
 - c. the By-Laws of the Randolph Commons Condominium Association, Inc.

L. **Common Profit** means the balance remaining, after the deduction of the common expenses, of all:

1. income;
2. rents;
3. profits; and
4. revenues

from the common areas and facilities.

M. **Limited Common Areas and Facilities** means the common areas and facilities designated in the declaration as reserved for use of:

1. a certain condominium unit; or
2. certain condominium units;

to the exclusion of the other condominium units.

N. **Majority or Majority of Co-Owners** means the co-owners with at least fifty-one percent (51 %) of the votes, in accordance with the percentages assigned in this declaration to the condominium units for voting purposes.

O. **Person** means an individual, a firm, a corporation, a partnership, an association, a trust, any other legal entity or any combination of the entities listed herein.

P. **Property** means:

1. the land;
2. the building;
3. all improvements and structures on the land or the building; and
4. all:
 - a. easements;
 - b. rights; and
 - d. appurtenances

pertaining to the land or the building.

Q. **Unit Number** means the number designating the condominium unit in the Declaration.

II. COMMON AREA AND FACILITIES

The Common Area and Facilities shall be used in accordance with and subject to the following provisions:

A. **Covenant against Partition.** In order to effectuate the interest hereof and to preserve the condominium and the condominium concept of ownership, the Property shall remain undivided and no Person, irrespective of the nature of his interest in the Property, shall bring any action or proceeding for partition or division of the Property or any part thereof until the termination of the Declaration in accordance with provisions herein contained or as required by law.

B. **Rules and Regulations Promulgated by Association.** No Person shall use the Common Area or Facilities or any part thereof in any manner contrary to the Rules and Regulations pertaining thereto as from time to time may be promulgated by the Association. Without in any manner intending to limit the generality of the foregoing, the Association shall have the right but not the obligation, to promulgate rules and regulations limiting the use of the Common Area and Facilities. Said Rules and Regulations shall be subject to change, amendment or rescission by action of the Board of Directors, and shall be enforced in accordance with the provisions herein provided.

C. **Collection of Expenses.** Expenses incurred or to be incurred for the maintenance, repair, replacement, alteration, management and operation of the Common Area and Facilities shall be collected from Unit Owners in such amounts as may be assessed in accordance with provisions contained herein. Expenses incurred or to be incurred for the maintenance, repair, replacement, alteration, management or operation of Limited Common Areas as designated on the plans attached hereto as Exhibit "A" consisting of four (4) pages and listed in Article III of this Declaration shall be collected from the specific Unit Owners benefitted thereby as determined in Article III.

D: **Use of Common Area and Facilities.** Subject to the Rules and Regulations from time to time pertaining thereto, each Condominium Unit Owner:

1. may use the common areas and facilities in accordance with the purpose for which the common areas and facilities were intended; and
2. may not, in the owner's use of the common areas and facilities, hinder or encroach upon the lawful rights of the other Co-Owners.

III. STATEMENT OF INTEREST

A. Ownership Interest of Each Unit Co-Owner in the Common Area and Facilities

The Share of each Unit Co-Owner in the Common Area and Facilities shall be as follows:

<u>Unit No.</u>	<u>Address</u>	<u>Sq. Footage</u>	<u>Percentage of Ownership</u>
1	8081 Randolph	1,785 sq. ft.	20.90%
2	8083 Randolph	1,106 sq. ft.	12.95%
3	8085 Randolph	1,414 sq. ft.	16.55%
4	8087 Randolph	1,571 sq. ft.	18.39%
5	8089 Randolph	1,304 sq. ft.	15.27%
6	8091 Randolph	1,362 sq. ft.	15.94%
Total:		8,542 sq. ft.	100.0%

B. Allocation of Expenses Incurred for Limited Common Areas

1. The allocation of expenses incurred for Limited Common Areas for the benefit of Units 2, 3, 5 and 6 as designated on the drawings attached hereto as Exhibit "A" is as follows:

<u>Unit No.</u>	<u>Percentage of Ownership</u>
2	21.33%
3	27.26%
5	25.15%
6	26.26%
Total:	100%

2. The allocation of expenses incurred for Limited Common Areas for the

benefit of Units 2, 5 and 6 as designated on the drawings attached hereto as Exhibit "A" is as follows:

<u>Unit No.</u>	<u>Percentage of Ownership</u>
2	29.32%
5	34.58%
6	36.10%
Total:	100%

3. The allocation of expenses incurred for Limited Common Areas for the benefit of Units 5 and 6 as designated on the drawings attached hereto as Exhibit "A", which Limited Common Area includes but is not limited to the maintenance, repair or replacement of the elevator and stair cases, is as follows:

<u>Unit No.</u>	<u>Percentage of Ownership</u>
5	48.93%
6	51.07%
Total:	100%

**IV. MAINTENANCE, REPAIR, REPLACEMENT
AND ALTERATION OF UNITS AND COMMON AREA**

A. By the Unit Owner:

1. Maintenance, Repair and Replacement. It shall be the responsibility of the Unit Owner to clean, maintain, repair and replace at the unit owner's expense, all portions of the Unit within the boundaries of the Unit as described in Article V. and including window glass and any sign affixed to each individual Unit, excepting only those portions and items for which the responsibility for maintenance, repair and replacement is the specific responsibility of the Association under Article IV.B. The Unit Owner shall secure the prior written approval of the Association as to the person, firm or corporation selected by the unit owner to perform all work.

2. Alterations. Unit Owner may alter any portion of the Unit within the boundaries of the Unit as described in Article V., except that:

a. No alteration shall be made of any portion of the Unit for which the responsibility for maintenance, repair and replacement is the specific responsibility of the Association under Article IV.B.

b. No alteration shall be made of any portion of the Unit which

would or might jeopardize or impair the safety, soundness, soundproofing, or structural integrity of the Unit or the Building, or which would reduce the value of the property or impair any easement unless the Condominium Unit Owner has obtained the unanimous consent of all other Condominium Owners.

3. General Obligations and Restrictions. In the performance of the Unit Owner's obligations, and the exercise of the Unit Owner's rights as set forth in this Article IV, each Unit Owner shall be bound by the following general obligations and restrictions:

a. No Unit Owner shall have the right to maintain, repair, replace, alter, paint or decorate any exterior portion of the Building in the Condominium, or other Common Areas, which are not within the boundaries of the Unit Owner's Unit as described in Article V., or which are within said boundaries but with respect to which the Association has the responsibility for maintenance, repair, replacement and alteration under Article IV.B.

b. All Co-Owners shall have the responsibility to promptly report to the Association or its agent any defect or need for maintenance, repair, replacement, the responsibility for which is the Association under Article IV.B. below.

c. No Unit Owner shall have the right to impair any easement whatsoever.

d. It shall be the responsibility of each Unit Owner to notify the Board of Directors, in writing, of any intended alteration under Article IV.2. prior to commencement of same. No alteration shall be made without the express written approval of the Board of Directors, which approval shall not be withheld unless the Board of Directors unanimously determines that the proposed alteration would be in violation of Article IV.2.(b) of this Declaration.

e. All Unit Owners shall perform their responsibilities in such manner so as to not unreasonably disturb occupants within the building.

B. By the Association.

1. Maintenance, Repair and Replacement of Common Areas and Facilities. It shall be the responsibility of the Association to maintain, repair and replace all portions of the Common Areas and Facilities located outside of the boundaries of Units as described in Article V. below.

2. Maintenance, Repair and Replacement of Portions of the Condominium Located Within the Boundaries of Units. It shall be the responsibility of the Association to maintain, repair and replace within the boundaries of each Unit

as described in Article V. all portions of the Building structures, and all portions of the Unit which contribute to the support of the Buildings and the Unit boundaries, and which are otherwise in common use, but shall also include all incidental damage caused to the unit by such work as may be done or caused to be done by the Association in accordance with this Article IV.B.

3. Alterations and Improvements. The Association shall have the right to make or cause to be made such alterations and improvements to the Common Areas and Facilities as it may deem necessary, provided that the making of such alterations and improvements are first approved by the Board of Directors of the Association. If required by law or contract, the approval of the first mortgagees or individual units shall also be obtained. In the event Unit Owners requires that alternations and improvements be made, the cost of making such alterations and improvements shall be assessed as Common Expenses, unless in the judgment of not less than a majority of the Board of Directors, such alterations and improvements are exclusively or substantially exclusively for the benefit of the Unit Owner or Owners requesting the same. In that event, the requesting Unit Owners shall be assessed therefor in such proportions as they approve jointly, and failing such agreement, in such proportions as may be determined by the Board of Directors of the Association. The costs incurred by the Association for the maintenance, repair and replacement of various Limited Common Areas designated on Exhibit "A" shall be borne by the Unit Owners benefitted in the percentages listed in Article III. The terms "alteration and improvement" as used in this paragraph shall not be construed to include repair or replacement due to casualty loss or damage under Article XI.

4. General Obligations and Restrictions.

a. Nothing herein contained shall be construed so as to preclude the Association from delegating to persons, firms, or corporations of its choice such duties as may be imposed upon the Association under this Article IV.B. as are approved by the Board of Directors of the Association.

b. Nothing herein contained shall be construed so as to impose a contractual liability upon the Association or the individual members of the Board of Directors thereof for maintenance, repair, replacement, or alteration. Neither the Association or the individual officers or members of the Board of Directors thereof shall be liable for damage of any kind except those resulting from wilful misconduct or bad faith.

V. DESCRIPTION OF UNITS

A. Real Property. Each Unit, the space within it as shown on the Plans attached hereto as Exhibit "A" and four (4) pages, and all appurtenances thereto, shall, for all purposes, constitute a separate parcel of real property which may be owned in fee simple

and which may be conveyed, transferred and encumbered in the same manner as any other parcel of real property, independently of all other parts of the Property, except as otherwise provided in this Declaration and the provisions of Indiana Code Title 32, Chapter 25 of the State of Indiana. Said Units shall be described for purposes of conveyance, transfer and encumbrance as follows:

Unit No. _____ in the Randolph Commons Condominiums, a condominium established according to the Declaration of Condominium therefore and exhibits attached thereto and filed therewith ("Declaration") recorded on the _____ day of _____, 2005 as Instrument No. _____ and the plans therefore filed as Instrument No. _____ in the Office of the Recorder of Lake County, Indiana together with all appurtenances thereto according to the Declaration, including an undivided percentage interest in the common areas and facilities, both limited and general, appertaining to the above-described condominium unit, as set forth in the Declaration.

B. **Boundaries.** Each Unit shall be bounded as to both horizontal and vertical boundaries as shown on the Plans attached as Exhibit "A" and consisting of four (4) pages, subject to such encroachments as are contained in the Buildings whether the same exist now or are created by construction, settlement or movement of the Building, or permissible repairs, reconstruction or alterations. Said boundaries are intended to be as follows:

1. Horizontal Boundaries:
 - a. the interior surface of drywall ceiling above and abutting the Unit;
 - b. the interior top surfaces of the flooring below the finished floor covering and abutting the Unit.
2. Vertical Boundaries:
 - a. the interior surfaces of the drywall of the boundary walls of each Unit.

C. **Appurtenances.** Each unit shall include and the same shall pass with each Unit as an inseparable appurtenance thereto, whether or not separately described, conveyed or encumbered, all of the rights, title and interest of a Unit Owner in the Property, which shall include but not be limited to:

1. an undivided Share of the Common Areas and Facilities, as provided in Article III hereof;
2. the heating and air-conditioning system servicing the Unit;

3. easements for the benefit of the Unit;
4. Association membership and funds and assets held by the Association for the benefit of the Unit Owner;
5. all other rights and obligations of a Unit Owner under the Condominium Documents;
6. any sign or signs affixed to the front wall of the Unit.

D. **Easements.** Each Unit, the boundaries thereof and the appurtenances thereto shall be subject to the easements established pursuant to the provisions of Article VI hereof.

VI. ESTABLISHMENT OF EASEMENTS

The following easements which shall run with the land are hereby established for the benefit of Unit Owners and the Association:

A. **Ingress and Egress.** Easements over, across, under and through the Common Areas and Facilities for ingress and egress for all persons making use of such Common Areas and Facilities in accordance with the terms of the Condominium Documents.

B. **Maintenance, Repair and Replacement.** Easements for the benefit of the Association over, across, under and through the Units and Common Areas and Facilities for inspection, maintenance, repair and replacement of the Units and Common Areas and Facilities.

C. **Structural Support.** Every portion of a Unit which contributes to the structural support of the Building in which it is located shall be burdened with an easement of structural support for the benefit of the Units and the Common Areas and Facilities.

D. **Utilities.** Easements for the benefit of the Association over, across, under and through the Units and Common Areas and Facilities for all facilities for the furnishing of common utilities within the Building, which facilities shall include, but not be limited to, conduits, ducts, plumbing and wiring; provided, however, that the easements for such facilities through a Unit shall be substantially in accordance with the construction plans and specifications of the Building.

E. **Emergency Easements of Ingress and Egress.** Easements over, across, under and through all doors, access areas, and windows whenever reasonably required for emergency ingress and egress. Unit Owners shall not install or allow to be installed locks, security devices or other equipment which will or might impair such easements unless otherwise provided in the Rules and Regulations of the Association.

F. **Reasonable Access.** Use of any of said easements for access to Units shall be limited to reasonable hours except in case of emergency.

G. **Easements for Encroachments.** All of the Condominium Property shall be subject to easements for any encroachments which may now or hereafter exist that are caused by settlement or movement of any improvements upon the Property or any improvement contiguous thereto or that are caused by minor inaccuracies in the construction, repair or alterations of such improvements. This easement shall continue until the encroachments no longer exist.

H. **Additional Easements.** The Association is granted the authority to grant easements to utility companies upon such terms and conditions and for such consideration as it deems appropriate.

I. **Termination of Easements.** All easements established herein except the easement for encroachment shall terminate on the date this Declaration is terminated as herein provided.

VII. USE RESTRICTIONS

In order to further the plan to promote and protect the cooperative aspects of ownership, to provide for a congenial use of the Property, to provide for the protection of the value of the Units, to facilitate the proper administration of the Property, the use of the Property shall be subject to the following provisions:

A. **Use of Unit.** The Unit shall be used only for business, professional or other types of commercial activities permitted by the zoning ordinance for the Town of Merrillville. In no event may the Unit be used for residential purposes.

B. **Approval by Association.** No Unit shall be occupied by any business not approved in advance by the Board of Directors of the Association, which approval shall not be unreasonably withheld. The Board of Directors shall signify in writing such approval or disapproval within thirty (30) days after the approval is requested in writing. Any approval once given may not thereafter be withdrawn. Failure of the Board of Directors to disapprove within such time period shall be deemed to constitute approval.

C. **Nuisances.** No nuisances shall be allowed upon the Property nor shall any use or practice be allowed which would annoy Co-Owners or interfere with the peaceful possession and proper use of the Property by its owners, or which will obstruct or interfere with the rights of other Unit Owners or the Association. This provision shall not be construed to prohibit or limit the enforcement of any provision of the Condominium Documents which does not constitute a nuisance, or to prohibit the Association from adopting Rules and Regulations prohibiting conduct which does not constitute a nuisance.

D. **Lawful Use.** No immoral, improper, offensive or unlawful use shall be made of the Property nor any part thereof and all laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The respective responsibilities of the Unit Owners and the Association of complying with the requirements of governmental bodies regarding the maintenance, modification or repair of the Property shall be the same as provided in Article IV hereof.

E. **Insurance.** A Unit Owner shall not permit or suffer anything to be done or kept in the Owner's Unit which will increase the insurance rates on that Unit, the Common Areas or Facilities or any portion of the Property.

F. **Signs.** Each Unit Owner may display one (1) commercial or business sign on the front exterior surface of the Unit. However, for purposes of maintaining a general continuity of the condominium project, the form, size and location of each Unit sign must be approved by the Board of Directors. If a free-standing sign is approved by the Board of Directors of the Association, each Unit Owner may, with all other Unit Owners, equally share the advertising space on a free-standing sign located in that part of the Common Area selected by the Board of Directors.

G. **Rules and Regulations.** Rules and Regulations concerning the use of the Property shall be promulgated and amended by the Association acting by and through its Board of Directors each of which shall be deemed to be incorporated herein by reference and made a part hereof, as amended from time to time, provided, however, copies of all such Rules and Regulations shall be furnished to each Unit Owner prior to the time that the same becomes effective. The initial Rules and Regulations are incorporated herein by reference and made a part hereof.

H. **Allocation of Parking Space.** Each Unit Owner is entitled to utilize in common with other Unit Owners, their employees and business invitees the parking spaces located on the real estate. Each Unit Owner shall be entitled to use a maximum of six (6) parking spaces at any one time unless otherwise approved by the unanimous vote of all Unit Owners. None of the parking spaces shall be designated for exclusive use by any individual Unit, but instead shall be utilized on a first come/first serve basis.

I. **Leases.** The Association, through the Board of Directors, shall have the right to promulgate and adopt Rules and Regulations to regulate and limit the right of Unit owners and subtenants to lease units. In addition to the limitations and restrictions set forth in this paragraph and Article VIII hereof, under no circumstances shall a Unit be leased or sublet for non-professional or non-business use without the written approval of the Board of Directors. In the event a Unit is to be leased or sublet, the Owner of said Unit agrees that the lease shall contain language that the tenant shall occupy the leased premises subject to all Rules and Regulations and Condominium Documents. If the lease does not so provide, it shall be invalid and the Association shall have the right to evict and reject said lessee claiming possession, and to collect damages and all legal and equitable remedies

from the Owner, including attorney fees and Court costs. Notwithstanding anything contained herein to the contrary, the Declarant and Owner of this property, Alpha Development, LLC, an Indiana limited liability company, shall have the right to lease any Units that it owns without approval of the Board of Directors. With the exception of the requirement of approval of the Tenant by the Board of Directors, any tenant of a Unit owned by the Owner shall be subject to all rules and regulations the terms of the and condominium declaration.

VIII. CONVEYANCES

This conveyance, transfer or disposal of a Unit by sale, lease or mortgage shall be subject to the following provisions:

A. **Sale or Lease.** Subject to the provisions of Article VIII.D., Owners shall not dispose of a Unit or any interest therein by sale or lease without the prior written approval of the Board of Directors of the Association, except as hereinafter provided.

1. **Notice to Board of Directors.** A Unit Owner intending to make a sale or a lease of a Unit or any interest therein shall give notice to the Board of Directors of such intention, together with the name and address of the intended purchaser or lessee, such other information as the Board of Directors may reasonably require, and the terms of the proposed transaction. The giving of such notice shall constitute a warranty and representations by the Unit Owner to the Association and any purchaser or lessee produced by the Association as hereinafter provided, that the Unit Owner believes the proposal to be bona fide in all respects.

2. **Approval by Board of Directors.** The Board of Directors shall, within thirty (30) days after receipt of the notice to sell or lease, either approve the transaction or provide the Unit Owner with the name of an acceptable purchaser or lessee. The failure of the Board of Directors to either accept or reject the transaction within the thirty (30) day time period shall be deemed to constitute approval of the transaction. In the event the transaction is approved by the Board of Directors or deemed to be approved by failing to reject the transaction, the approval of the Board shall be delivered to the Unit Owner in recordable form, signed by a majority of the Board (hereinafter referred to as the "Certificate of Approval"). In the event the Board of Directors disapproves the transaction, the Board must furnish to the Unit Owner the name of an acceptable purchaser or lessee within said thirty (30) day time period who will accept the transaction upon terms as favorable to the Unit Owner as the terms set forth in the notice of sale or lease, except that the closing of the transaction may be extended by either party for an additional period of up to thirty (30) days after the name of an acceptable purchaser or lessee has been furnished to the Unit Owner. The Unit Owner giving such notice to sell or lease shall be bound to consummate the transaction with the purchaser or lessee approved and furnished by the Board of Directors, and upon closing the Association shall deliver its Certificate of Approval.

B. **Acquisition by Gift.** Subject to the provisions of Article VIII.D., Unit Owners shall not dispose of a Unit or any interest therein by gift without the prior written approval of the Board of Directors of the Association, except as hereinafter provided.

1. **Notice to Board of Directors.** A Unit Owner intending to make a gift of a Unit or any interest therein shall give notice to the Board of Directors of the Association of such intention together with the name and address of the intended recipient, such other information as the Board of Directors may reasonably require, and a certified copy of the instrument by which title to such Unit will be transferred. If such notice is not given to the Association, then at any time after receiving knowledge thereof, the Association shall proceed in accordance with the following subparagraph 2 as if it had been given such notice on the date of receipt of such knowledge.

2. **Approval by Board of Directors.** Within thirty (30) days after receipt of the aforementioned notice or knowledge, the Board of Directors shall have the right either to approve or disapprove of such transfer of title. Approval of the Board shall be by Certificate of Approval and shall be delivered to the Unit Owner and the person to obtain such title. In the event the Association fails to take any action pursuant to this subparagraph within such thirty (30) day period, such failure to act shall be deemed to constitute such approval and the Board shall deliver the Certificate of Approval to the Unit Owner and the person to obtain such title. In the event the Board disapproves such transfer of title, the Board shall advise in writing, within such thirty (30) day period, the Unit Owner and the person to obtain such title, of the name of a purchaser or purchasers who will purchase the respective Unit at its fair market value. The fair market value of the Unit will be determined by any one of the following methods selected by the Board: (a) by three (3) M.A.I. appraisers, one of whom shall be selected by the proposed purchaser, one by the Unit Owner and one by the two appraisers so selected; (b) by mutual agreement by the purchaser and the Unit Owner; or (c) by one (1) M.A.I. appraiser mutually agreed upon by the purchaser and the Unit Owner. All costs for such appraisal shall be paid by the purchaser. The purchase price shall be paid in cash and the sale closed within thirty (30) days after the determination of the purchase price. Simultaneously upon notification to the Unit Owner and the person to obtain such title that the Board has a purchaser for the Unit, the Unit Owner and such purchaser shall execute a contract providing for the acquisition of such Unit in accordance with the terms of this Declaration.

C. **Mortgage.** Unit Owners or prospective purchasers of Units shall not mortgage a Unit or any interest therein to any person, firm, partnership or corporation other than the Owner, a bank, life insurance company or federal or state savings and loan and conditions determined by the Board of Directors, which approval shall not be unreasonably withheld.

D. **Sales, Leases and Transfers not Requiring Approval.** The provisions of

this Article shall not apply to a sale, lease, or any other conveyance to a child, parent or spouse of a Unit Owner or to a trust in which the Unit Owner, or the son, daughter, or spouse of a Unit Owner owns, either jointly or collectively, the entire beneficial interest of said trust nor shall the same apply to any mortgagee or its successors or assigns which have acquired title to a Unit by way of foreclosure, deed in lieu of foreclosure, settlement, or otherwise; provided, however, that such person or trust, and such mortgagee (unless otherwise specifically provided herein), shall be bound by all of the terms, provisions and covenants of the Declaration, and the Condominium Documents; and provided further that any and all leases entered into under this paragraph D., shall nevertheless conform in all respects to the Rules and Regulations on leasing as set forth in Exhibit "D" to this Declaration, as they may be amended from time to time, and the provisions of Article VII.H. Notwithstanding the fact that approval is not required with regard to a transaction described in this Subsection D., that any such waiver shall not operate to alter the requirements contained in this Article VIII with regard to future transactions not described in this Subsection D.

IX. ADMINISTRATION

The administration of the Property shall be governed by the following provisions:

A. **Organization of Association.** The Association shall be incorporated under the name of Randolph Commons Condominium Association, Inc., as an Indiana not-for-profit corporation pursuant to Articles of Incorporation, incorporated herein by reference as Exhibit "B".

B. **By-Laws of the Association.** The By-Laws of the Association shall be those as incorporated herein by reference as Exhibit "C".

C. **Rules and Regulations.** The Rules and Regulations shall be those Rules and Regulations which are incorporated herein by reference as Exhibit "D", until the same are amended.

D. **Powers of Association; Professional Management Contracts.** The duties and powers of the Association shall be those set forth in this Declaration, and the Articles of Incorporation, the By-Laws, the Rules and Regulations and the Act, together with those duties or powers reasonably implied to effectuate the purposes of the Association and this Declaration. If there are conflicts or inconsistencies between this Declaration and either the Articles of Incorporation, the By-Laws, or the rules and Regulations, then the terms and provisions of this Declaration shall prevail and the Unit Owners shall vote to approve any amendment to the Articles of Incorporation, the By-Laws and/or Rules and Regulations that will remove or correct any such conflict or inconsistency. The duties and powers of the Association shall be exercised in the manner provided in the Declaration, the By-Laws, and the Rules and Regulations. Any duty or power of the Association which is granted by this Declaration shall be so exercised in accordance with all other Condominium Documents.

Without limiting the generality of the foregoing, the Association shall have the power and authority to enter into binding professional management contracts, for the management of the business and financial affairs of the Association, and for the purpose of performing any and all obligations of the Association as set forth in the Condominium Documents. Any such binding contract shall be for a term of not greater than one (1) year, and may provide for an extension thereof for a like period, If such a binding contract is entered into by the Association with the Developer prior to termination of the control of the Association by the Developer under Article XX.A., said contract shall provide that the Association has the right to terminate said contract without cause, upon ninety (90) days' written notice of same without payment of penalty by the Association.

E. **Notices.** Notices or demands shall be given by Unit Owners to the Association in the manner provided by the By-Laws of the Association.

X. INSURANCE

Insurance coverage shall be provided for the Property in accordance with the following provisions:

A. **Authority to Purchase.** Insurance policies providing coverage for the Property, except as hereinafter provided, shall be purchased by the Association for the benefit of the Unit Owners and their respective mortgagees as their interests may appear, Certificates of Insurance for said policies shall provide mortgage endorsements to the holders of first mortgages on the Units or any of them. If agreeable to the insurance companies, the policies shall also provide that the insurer shall waive its rights of subrogation as to any claim against Unit Owners, the Association and their respective servants, agents and guests. All insurance policies purchased by the Association and endorsements thereto shall be deposited with the Insurance Trustee, as hereinafter defined, who shall acknowledge that the policies and any proceeds therefrom will be held in accordance with the terms hereof.

B. **Unit Owners.** Each Unit Owner may obtain, at his sole expense, Condominium Unit Owner's Insurance providing coverage for personal property, personal liability, alterations, fixtures, improvements or installations which are located within the boundaries of the Unit. All said insurance shall contain, if agreeable, the same waiver of subrogation as that referred to in subparagraph A. hereon. The Association shall not be required to provide insurance coverage for any liability assumed by the Unit Owner pursuant to this subparagraph.

C. **Coverage.**

1. **Casualty.** The Property, including the Building, the Units, and all other insurable improvements upon the Real Estate and all personal property as may be owned by the Association shall be insured in an amount equal to the maximum

insurable replacement value thereof (exclusive of excavation and foundations) as determined annually by the insurance company providing such coverage. The master casualty policy payable as part of the common expenses, shall provide protection against:

a. loss or damage by fire and other hazards covered by the standard extended coverage endorsement;

b. such other risks as from time to time customarily shall be covered with respect to buildings similar in construction, location and use, including but not limited to, vandalism, malicious mischief, windstorm and damage due to water, ice and snow accumulation.

2. Workmen's Compensation policy to meeting the requirements of law.

3. All liability insurance shall contain cross-liability endorsements to cover liabilities of the Unit Owners as a group to a Unit Owner.

D. **Premiums.** Premiums upon insurance policies purchased by the Association shall be paid by the Association and assessed to the Unit Owners as a Common Expense.

E. **Beneficiary of Policies.** All insurance policies purchased by the Association shall be for the benefit of the Association, the Unit Owners and their mortgagees as their respective interests may appear. The insurance policies shall provide that all proceeds payable as a result of casualty losses shall be paid to any bank in Indiana, as Trustee, with trust powers as may be approved by the Association (herein referred to as the "Insurance Trustee").

F. **Insurance Trustee.** The Insurance Trustee shall not be liable for payment of premiums, the renewal of the policies, the sufficiency of coverage, the form or contents of the policies, or the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such insurance proceeds for the benefit of the Association, the Unit Owners and their respective mortgagees, in the following Shares:

1. **Common Areas and Facilities.** Insurance proceeds received on account of damage to Common Areas and Facilities shall be held by the Insurance Trustee for the benefit of the Unit Owners and their mortgagees in the same percentages as appear in the Statement of Interest as shown in Article III.A. of this Declaration.

2. **Units.** Insurance proceeds received on account of damage to Units shall be held by the Insurance Trustee for the benefit of the Unit Owners and their mortgagees in the following undivided Shares:

a. In the event the Building is to be reconstructed or repaired

pursuant to the provisions of Article XI hereof, the insurance proceeds shall be held by the Insurance Trustee for the benefit of the Co-Owners of the damaged Units and their mortgagees in proportion to the cost of repairing the damage sustained by each Unit. Upon the request of the Insurance Trustee, the Board of Directors shall certify to the Insurance Trustee the appropriate portions of the proceeds of insurance, and each Unit Owner and his mortgagee shall be bound by, and the Insurance Trustee may rely upon, such certification.

b. In the event the Building is not to be reconstructed or repaired pursuant to the provisions of Article XI hereof, the insurance proceeds shall be held for the benefit of the Unit Owners and their mortgagees in the same percentage as shown in the Statement of Interest as shown in Article III.A. of this Declaration.

3. Mortgages. In the event a mortgagee endorsement has been issued, the Share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their respective interests may appear.

G. Proceeds of Insurance. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the Unit Owners and their mortgagees after first paying or making provision for the payment of the expense of the Insurance Trustee in the following manner:

1. Reconstruction or Repair. In the event the Building is to be reconstructed or repaired as provided in Article XI hereof, the proceeds shall be paid to cover the cost thereof as hereinafter provided. Any proceeds remaining after paying such costs shall be retained by the Association in the Common Capital Improvement Fund, and allocated to the account therein as the Board of Directors deems appropriate. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by it.

2. Failure to Reconstruct or Repair. In the event the Building is not to be reconstructed or repaired pursuant to Article XI hereof, the insurance proceeds shall be distributed to the Unit Owners and their mortgagees. Any payment to Unit Owners and their mortgagees shall be made jointly. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by it.

3. Certificate. In making distribution to Unit Owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association as to the names of the Unit Owners and their respective Shares of the distribution. Upon request of the Insurance Trustee, the Association forthwith shall deliver such certificate to the Insurance Trustee.

**XI. RECONSTRUCTION OR REPAIR OF
CASUALTY DAMAGE; CONDEMNATION PROCEEDINGS AND PROCEEDS**

A. **Decision to Reconstruct or Repair.** In the event the Property suffers damage due to casualty, a special meeting of the Unit Owners shall be convened to determine whether or not there has been a total destruction of all the Building. At such meeting a vote of two-thirds (2/3) of the Unit Owners shall be necessary to determine that a total destruction has occurred.

1. **Total.** In the event the Unit Owners determine that all of the Building has been totally destroyed, the Building shall not be reconstructed and the insurance proceeds shall be divided among the Unit Owners in the percentage by which each Unit Owner owns an undivided interest in the Common Areas and Facilities as set forth in Article III of this Declaration. The Property shall be considered to be removed from the condominium under Indiana Code 32-25-8-16 and the condominium shall be terminated under the provisions of this Declaration, and shall be subject to the provisions of Indiana Code 32-25-8-12 unless by a vote of two-thirds (2/3) of the Unit Owners a decision is made to rebuild the Building.

2. **Partial.** In the event the Unit Owners determine that the Building has not been totally destroyed, or if totally destroyed that it shall be rebuilt, the damage shall be repaired as hereinafter provided.

3. **Certificate.** The Insurance Trustee may rely upon a certificate of the Association certifying as to whether or not the damaged Property is to be reconstructed or repaired. The Association, upon request of the Insurance Trustee, shall deliver such certificate as soon as practical.

B. **Plans and Specifications; Encroachments.** Any reconstruction or repair of the Property shall be substantially in accordance with the plans and specifications for the original construction of the Property. 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 Unit such encroachment exists, provided that such reconstruction is in substantial accordance with the plans and specifications for the original construction of the Property. Such encroachments shall be allowed to continue in existence for so long as the Building stands.

C. **Reconstruction by Unit Owner.** If the damage is only to that part of a Unit for which the responsibility of maintenance, repair and replacement is that of the Unit owner, then the Unit Owner shall be responsible for reconstruction and repair. Notwithstanding the preceding sentence to the contrary, the Association shall have the right to approve the quality of the reconstruction and repair done by the Unit Owner.

D. **Reconstruction by Association.** The Association shall repair or reconstruct

that portion of the Property which the Association has the responsibility for maintaining, repairing or replacing after it has been determined to reconstruct or repair the damage under the provisions of Article XI.A., in the following manner:

1. Estimate of Costs. Immediately after a casualty causing damage to Property, the Association shall obtain reliable and detailed estimates of the cost to repair or reconstruct the Property. Such costs may include professional fees and premiums for such bonds as the Board of Directors may require.

2. Assessments. If the proceeds of insurance are not sufficient to pay the estimated costs of reconstruction and repair by the Association (including the aforesaid fees and premiums, if any), then assessments shall be made by the Board of Directors against all Unit Owners in sufficient amounts to provide funds to pay the difference between the insurance proceeds and the estimated costs of reconstruction and repair. If at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, additional assessments shall be made against all Unit Owners in sufficient amounts to provide funds for the payment of such costs.

3. Construction Funds. The funds for the payment of the costs of reconstruction and repair consisting of the proceeds of insurance held by the Insurance Trustee and funds collected by the Association for assessment against Unit Owners, if any, shall be disbursed in payment of such costs in the following manner:

a. Association. If the amount of the estimated costs of reconstruction and repair exceeds the total of the annual assessments for the Common Expense Account set forth in Article XIII.D.1.a. made during the year in which the casualty occurred, the funds collected by the Association from assessments against Unit Owners to meet such costs shall be deposited by the Association with the Insurance Trustee. In all other cases, the Association shall hold the funds collected by the Association from assessments against Unit Owners and disburse the same in payment of the costs of reconstruction and repair.

b. Insurance Trustee. The proceeds of insurance collected on account of a casualty, and the sums deposited with the Insurance Trustee by the Association from assessments collected 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:

(1) Unit Owner. The portion of insurance proceeds received as a result of damage to a Unit for which the Unit Owner has the responsibility of reconstruction and repair, shall be disbursed to such

contractors, suppliers and personnel that work or supply the materials or services required for such reconstruction or repair, in such amounts and at such times as the Unit Owner may direct, or if there is a mortgage endorsement, then to such payee as the Unit Owner and the first mortgagee jointly direct. Nothing contained herein, however, shall be construed so as to limit or modify the responsibility of the Unit Owner to make such reconstruction or repair.

(2) Association - Minor Damage. If the amount of the estimated costs of reconstruction and repair is less than the total of the annual assessments for the Common Expense Account set forth in Article XIII.D.1.a. made during the year in which the casualty occurred, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors; 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 for the reconstruction and repair of major damage.

(3) Association - Major Damage. If the amount of the estimated costs of reconstruction and repair is more than the total of the annual assessments for the Common Expense Account set forth in Article XIII.D.1.a. made during the year in which the casualty occurred, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association with approval of an architect qualified to practice in Indiana and employed by the Board of Directors to supervise the work.

(4) Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds; and if there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be allocated as hereinbefore provided in Article X.G.1.

(5) Division of Proceeds. When the damage is to both Common Areas and Facilities and Units, the insurance proceeds shall be applied first to the costs of repairing the Common Areas and Facilities and the balance to the Units in the manner determined by the Board of Directors.

4. Insurance Adjustments. The Board of Directors is hereby irrevocably appointed agent for each Unit Owner to adjust with insurance companies all claims arising under policies purchased by the Association in which Unit Owners have or

may have an interest, subject to the rights of mortgagees of such Unit Owners.

E. **Condemnation Proceedings and Proceeds.** In the event of the condemnation of all or any part of the Property, the Association shall act as and be the representative of all Unit Owners in any and all proceeds, negotiations, settlements or agreements respecting same, and each Unit Owner does hereby irrevocably appoint the Association as its attorney in fact for such purposes. Any and all condemnation proceeds received as a result of such proceedings, negotiations, settlements or agreement shall be made payable to the Association for the benefit of all of the Unit Owners, and such proceeds shall be held in trust by the Association Owners for the benefit of all Unit Owners, to be applied or paid in accordance with such proceedings, negotiations, settlements or agreement.

XII. REAL ESTATE TAXES AND SPECIAL ASSESSMENTS

A. **Assessment and Real Estate Taxes.** Real Estate taxes, assessments, sanitary sewer surcharges, and other charges or liens of the State of Indiana, any political subdivision thereof, any special improvement district, or any other taxing or assessing authority shall be assessed against and collected on each individual Unit and paid by each Unit Owner.

B. **Payment by Association.** During the period of time that taxes, special government assessments and other charges or liens upon the Common Areas of the Property or any portion thereof are not assessed to individual Unit Owners, then the taxes, government assessments, sanitary sewer surcharges and other charges shall be included in the annual budget of the Association and shall be paid by the Association as a Common Expense. The Association shall assess each Unit Owner in accordance with the Share of ownership specified herein.

C. **Personal Property Tax.** All personal property tax levied or assessed against personal property of the Association and all federal and state income taxes levied or assessed against the Association shall be paid by the Association and shall be included as a Common Expense in the annual budget of the Association. Any personal property tax levied or assessed against the personal property of the Unit Owner shall be paid by the Unit Owner.

XIII. ASSESSMENTS

A. **Authority to Assess.** The Board of Directors of the Association shall assess Unit Owners for their Share of all Common Expenses of the condominium in accordance with their percentage of the ownership of the condominium as set forth in the Statement of Interest as shown in Article III A. of this Declaration. The Board of Directors shall also have the authority to assess individual Unit Owners for any expense incurred by the Association as a result of the failure of the Unit Owner to perform any of its responsibilities

set forth in the Condominium Documents, or for any intention or negligent act of the Unit Owner to the extent the expense is not covered by insurance purchased by the Association, in the manner and as set forth in Article X. The Association shall be obligated to establish and levy assessments in accordance herewith not later than the date on which the Owner's and Developer's right to control the Association expires pursuant to Article XX.

B Determination of Assessment.

1. Annual Assessment of Common Expenses. The Board of Directors of the Association shall prepare and adopt an annual budget of the estimated Common Expenses of the condominium in accordance with the By-Laws of the Association. The total annual assessment shall be equal to the total estimated Common Expenses contained in said budget, and it shall be paid by the Unit Owners as assessed by the Board of Directors at such times and in the manner determined by the Board of Directors.

2. Special Assessments. The Board of Directors may levy special assessments from time to time against Unit Owners as a result of extraordinary or unanticipated items of expense not contained in the annual budget in accordance with their percentage of the ownership of the condominium as set forth in Article III A. of this Declaration.

3. Assessment Roll. 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 Association for inspection at all reasonable times by Unit Owners or their duly authorized representatives. The assessment 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 Association as to the status of a Unit Owner's assessment account shall limit the liability of any person (other than the Unit Owner) who receives and relies upon such certificate. The Association will issue such certificates to such persons as a Unit Owner may request in writing.

C. Payment of Assessment.

1. Liability for Assessment. The Owners of each Unit shall be personally liable, jointly and severally, for the payment of all assessments levied by the Board of Directors against their Unit and for all costs of collecting such assessment including interest and reasonable attorney fees. In a voluntary conveyance the grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid assessments against the Unit up to the date of the conveyance without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. A purchaser of a Unit at a judicial or foreclosure sale or a first mortgagee who accepts a deed in lieu of foreclosure shall be liable only for the assessments which become payable after the acquisition of title. Liability for payment of any

assessment may not be avoided by a waiver of use or enjoyment of any Common Area and Facilities or by abandonment of the Unit.

2. Lien for Assessment. In the event of the failure of a Unit Owner to pay any assessment when due, the unpaid amount of said assessment shall constitute a lien upon the Unit and all appurtenances thereto from the time of said assessment. This lien shall have priority over all other liens upon the Unit and all appurtenances thereto from the time of said assessment. This lien shall have priority over all other liens upon the Unit except for tax liens on the Unit in favor of any governmental assessing Unit and special district and all sums unpaid on a first mortgage of record on the Unit.

3. Perfection of Lien. The Board of Directors shall perfect the lien by filing a notice thereof with the Recorder of Lake County, Indiana within sixty (60) days from the date any assessment or any installment thereof becomes due and payable, and it may foreclose the lien under the laws of the State of Indiana governing mechanics' and materialmen's liens. The notice shall perfect a lien for all assessments which are due and unpaid on the date the notice is filed. In the event of foreclosure, the delinquent Unit Owner shall be required to pay a reasonable rental for the Unit and the Association shall be entitled to the appointment of a receiver to collect all delinquent assessments. The Association may also file suit to recover a money judgment for any unpaid assessments and such action shall not constitute a waiver of the lien securing such unpaid assessment. If the Board of Directors files a foreclosure action to collect the unpaid assessments, it shall have the power to bid on the Unit at the foreclosure sale, and to acquire and hold, lease, mortgage and convey title thereto.

4. Application of Payments. Assessments and installments thereof which are paid more than twenty (20) days after the date when due shall bear interest at the rate of twelve percent (12%) per annum from the date when due until paid. All payments upon account shall be applied first to interest and then to the assessment payment first due. All interest collected shall be credited to the Common Ordinary Expense Fund.

D. Funds and Accounts. All assessments collected by the Association shall be placed in either the Common Ordinary Expense Fund or the Common Capital Improvement Fund, pursuant to the By-Laws of the Association. The monies collected from the assessments shall be credited to and paid from appropriate accounts within the funds in accordance with the annual budget adopted by the Board of Directors as follows:

1. Common Ordinary Expense Fund. The Common Ordinary Expense Fund shall include the following account:

a. Common Expense Account. This account shall consist of those assessments collected from Unit Owners for paying budgeted Common

Expenses, other than for capital improvements. This Account shall further consist of all income received by the Association from the rental or licensing of any part of the Common Areas and Facilities, any interest earned on the Common Ordinary Expense Fund, and all other forms of income, except for income earned on the investment of assessments for the Common Capital Improvement Fund.

2. Common Capital Improvement Fund.

a. Common Capital Improvement Account. This account shall consist of those assessments collected from Unit Owners for alteration and improvement of the Common Areas and Facilities of a capital improvement nature. This account shall also consist of those assessments collected from Unit Owners for reconstruction and replacement of the Common Areas and Facilities of a capital improvement nature and all income received by the Association from interest earned on the Common Capital Improvement Fund.

3. Other Funds. Such other funds and accounts, including reserve accounts, as may be created by the Board of Directors in accordance with generally accepted principles of accounting and the statutes of the State of Indiana.

4. Title to Funds. All funds and the titles of all properties acquired by the Association and the proceeds thereof after deducting therefrom the costs incurred by the Association in acquiring the same shall be held for the benefit of the Unit Owners for the purposes herein stated.

XIV. ENFORCEMENT

Each Unit Owner and occupant shall be governed by and shall comply with the terms of all the Condominium Documents and the Rules and Regulations adopted pursuant thereto as they may be amended from time to time. A default or violation by a Unit Owner or occupant shall entitle the Association or any other Unit Owner or Owners to the following remedies:

A. Authority and Administration Enforcement and Procedures.

1. Authority. The condominium shall be used only for those uses and purposes set out in this Declaration, and subject to the covenants and restrictions set forth herein, and in the By-Laws and Rules and Regulations promulgated pursuant to Article IX.B., and elsewhere herein. The Board of Directors shall have the power and authority to impose reasonable special assessments in addition to those provided by Article XIII.B.2., which shall constitute a lien upon the Unit Owner's Unit and to suspend an Owner's right to use the Common Areas and Facilities, and to vote, and to approve other appropriate sanctions in the event that it is determined in accordance with this Article XIV that an Owner or occupant has

violated any provision of this Declaration, the By-Laws, or the Rules and Regulations as duly promulgated.

2. Procedure. The Board of Directors shall not impose a special assessment, suspend the right to use the Common Areas and Facilities, or the right to vote, or infringe upon any other rights of an Owner or occupant for any such violations unless and until the following procedure is followed:

a. Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying: (i) the alleged violation; (ii) the action required to abate the violation; and (iii) a time period, no less than ten (10) days, during which the violation may be abated without further sanction.

b. Notice. If the violation continues past the period allowed in the demand for abatement without sanction, the Association shall serve the violator with written notice of a hearing. The notice shall contain: (i) the nature of the alleged violation; (ii) the time and place of the hearing, which time shall be not less than ten (10) days from the giving of the notice; (iii) an invitation to attend the hearing and produce any statements, evidence and/or witnesses in his/her behalf; and (iv) the proposed sanction to be imposed.

c. Hearing. The hearing shall be held in executive session by the Board of Directors pursuant to the notice affording the violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice, the invitation to be heard, the written result and statements of the sanction shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer or director who delivered such notice. The notice requirement shall be deemed satisfied if a violator appears at the meeting.

3. Sanctions. The Board of Directors' power and authority to impose sanctions shall be governed by the following provisions:

a. All special assessments imposed upon a violator under this Article shall bear a reasonable relationship to the violation, considering all the circumstances, which may include, but shall not be limited to, the following:

(1) The actual costs and expenses incurred by the Board of Directors and the individual directors in the exercise of the power and authority under this Article XIV, and in otherwise attempting to remedy the violation, including attorney fees and Court costs.

(2) The amount of actual damage done to the Common Areas and Facilities, to other Unit Owners and occupants and/or to the Association arising out of the violation or the efforts to remedy the effects of same.

(3) The amount which would be reasonably required to compensate the Association for the disruption of and inconvenience to the condominium community, the Association or any member thereof, or occupant of a Unit therein.

(4) The extent to which the violation is or was flagrant, and the extent to which the violator cooperated or hindered in any effort to remedy the violation.

b. All special assessment amounts imposed hereunder as a sanction shall be deemed to be part of the Share of the Common Expenses attributable to the Unit occupied by the violator, and shall be assessed against said Unit and its Unit Owner as a special assessment to be due and payable on the date that the next regular assessment would be due, and any such special assessments which are not paid as of that date shall become a lien on such Unit, and shall be collected and enforced in the same manner as regular assessments under the provisions of Article XIII.

c. Nothing herein contained shall be construed as granting to the Board of Directors the power or authority to impose such a special assessment which is punitive in nature, or to suspend a Unit Owner's right to vote, unless the Board of Directors finds, by specific special findings of fact in accordance with the foregoing procedure, that the violator's conduct was willful, malicious, oppressive and outrageous in nature. Said special findings of fact shall specifically set forth all facts and circumstances.

d. All other sanctions imposed shall be reasonably related to the violation found.

e. The decision of the Board of Directors made in accordance with the foregoing procedures shall be final.

B. Legal Remedies. In addition to the administrative remedies set forth in Article XIV.A., the legal remedies may include, without limiting the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien, an action to enforce the sanctions imposed by administrative procedure, or any combination thereof. The prevailing party shall be entitled to recover the costs of any legal proceeding including reasonable attorney's fees. Notwithstanding any provision hereof to the contrary, in the event that the remedy sought is in the nature of summary abatement involving the alteration or demolition of any item of construction, judicial proceedings shall be instituted

before such action can be taken.

C. **No Waiver of Rights.** The failure of the Association or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents or by law shall not constitute a waiver of the right of the Association or Unit Owner to enforce such right, provision, covenant or condition in the future.

D. **No Election of Remedies.** All rights, remedies and privileges granted to the Association or any Unit Owner pursuant to any terms, provisions, covenants or conditions of the Condominium Documents or by law shall be deemed 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.

XV. AMENDMENT

The Condominium Documents may be amended in the following manner:

A. **Declaration.** Amendments to the Declaration shall be proposed and adopted as follows:

1. **Notice.** Notice of the subject matter of any proposed amendment shall be included in the Notice of any meeting of the Board of Directors or Unit Owners at which any proposed amendment is to be considered.
2. **Resolution.** Except as provided in subparagraph 4. hereof, a resolution to amend the Declaration may be adopted by the affirmative vote of not less than three-fourths (3/4) of the Shares of ownership of the condominium at any regular or special meeting of the Unit Owners called and held in accordance with the By-Laws; provided, however, that any such amendment must also be approved and ratified by not less than two-thirds (2/3) of the Board of Directors.
3. **Recording.** The amendment shall not be effective until a certified copy thereof is recorded in the Office of the Recorder of Lake County, Indiana. A copy of any such amendment shall also be sent to each Unit Owner and his mortgagee by registered or certified mail; provided, however, the mailing of such amendment shall not constitute a condition precedent to the effectiveness of such amendment.
4. **Share of Ownership.** The Shares of ownership set forth in Article III of this Declaration may not be changed, altered or amended either directly or indirectly, without the express, prior written consent of all Unit Owners and their first mortgagees, except as provided in paragraph A.5 of this Article.

5. Amendment by Declarant. Notwithstanding any other provision of the Condominium Documents, the Declarant alone may amend this Declaration, or any of the other Condominium Documents, without the consent of the Unit Owners, the Association, the Board of Directors or any mortgagee, or any other person, (a) to correct scrivener's errors, minor defects or omissions, or (b) to comply with the requirements of the Act, or (c) to comply with the requirements of any governmental agency, public authority, or title insurance company, or (d) to comply with the requirements of the Federal National Mortgage Association, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by each entities, or (e) to update and establish current shares of ownership set forth in Article III of this Declaration. This paragraph 5. shall constitute an irrevocable special power of attorney to Owner on behalf of all Unit Owners and any and all other persons having an interest of any kind in the Property, for so long as Owner owns any Unit or until the expiration of five (5) years form the date on which this Declaration is recorded, whichever occurs first. The amendment shall be signed by the Owner and it shall become effective upon the recording of a copy thereof in the Office of the Recorder of Lake County, Indiana. A copy of such amendment shall also be sent to all Unit Owners and their mortgagees in the manner provided in subparagraph 3 hereof.

B. Articles of Incorporation, By-Laws, and Rules and Regulations. The Articles of Incorporation, By-Laws, and Rules and Regulations of the Association shall be amended in the manner provided by such documents or by law.

XVI. TERMINATION
This Document is the property of
the Lake County Recorder!

The condominium may be terminated only in the following manner:

A. By Agreement. The condominium may be terminated by the agreement of all Unit Owners and their first mortgagees. The agreement shall be evidenced by a written instrument or instruments executed in the manner required for conveyances of land. The termination shall become effective when such agreement has been recorded in the Office of the Recorder of Lake County, Indiana.

B. Destruction. In the event it is determined that the Buildings are totally destroyed as provided in Article XI.A.1. herein, then the Property shall be considered removed from the provisions of the Act and this condominium shall terminate. The determination not to reconstruct shall be evidenced by a written instrument executed by the Association and the termination shall not become effective until the instrument is recorded in the Office of the Recorder of Lake County, Indiana.

C. Ownership of Property after Termination. In the event of termination of this condominium, the Property shall be owned by the Unit Owners as tenants in common. The

undivided interest of each Unit Owner in the Property shall be a percentage which is equal to the percentage of undivided interest previously owned by each Unit Owner in the Common Areas and Facilities as set forth in Article III of this Declaration; provided, however, such Unit Owner shall continue to be responsible and liable for his Share of the assessments as herein provided, and any and all liens or mortgages shall continue to run with the Property and shall encumber the respective undivided interests of the Unit Owners as tenants in common.

D. **Personal Property.** All personal property, including but not limited to, all funds and insurance proceeds, owned or held by the Association shall continue to be owned or held by the Association for the benefit of the Unit Owners in the same percentage as set forth in Article III of this Declaration. The expenses incurred by the Association in connection with a termination shall be a Common Expense.

E. **Sale after Termination.** Upon termination of the condominium, the Property may be partitioned and sold upon the application of any Unit Owner; provided, however, if the Association determines by a vote of three-fourths (3/4) of all the Unit Owners to accept an offer for the sale of the Property, then each Unit Owner shall be bound to execute such deeds and other documents as may be reasonably required to effectuate such sale at such times and in such forms as the Board of Directors shall determine. 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.

F. **Association.** The rights and powers of the Association hereunder shall not terminate until all the affairs of the condominium have been concluded.

XVII. COVENANTS RUNNING WITH THE LAND

All provisions of the Condominium Documents shall be construed to be covenants running with the land and with every part thereof and every interest therein including, but not limited to, every Unit and the appurtenances thereto.

XVIII. LIENS

A. **Protection of Property.** All liens against a Unit other than for taxes, special assessments and permitted mortgages 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.

B. **Notice of Lien.** A Unit Owner shall give notice to the Association of every lien upon his Unit other than for taxes, special assessments and permitted mortgages within five (5) days after notice that a lien has attached.

C. **Notice of Suit.** A Unit Owner shall give notice to the Association of every suit or other proceeding which will or may affect the title to his Unit or any other part of the Property, within five (5) days after the Unit Owner receives notice thereof.

D. **Effect.** Failure to comply with this Article will not affect the validity of any judicial sale.

E. **Register of Mortgages.** The Association may maintain a register of all mortgages, which shall include the name and address of each mortgagor and a description of the Unit upon which the mortgage is a lien.

XIX. JUDICIAL SALES

A. **Judicial Sales.** A judicial sale of any Unit or any interest therein shall not be valid unless the sale is to a purchaser approved by the Board of Directors of the Association except as provided in subparagraph C. hereof. The approval shall be in recordable form and shall be delivered to the purchaser and recorded in the Office of the Recorder of Lake County, Indiana.

B. **Unauthorized Transactions.** Any sale, mortgage or lease which is not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved by the Board of Directors of the Association.

C. **Foreclosures.** In the event proceedings are instituted to foreclose any mortgage on any Unit, the Association, on behalf of one or more Unit Owners, shall have the right to redeem the mortgage for the amount due thereon or to purchase such Unit at the foreclosure sale for the amount due to the mortgagee in the foreclosure proceedings. In the event of redemption by the Association, the Association shall take and have absolute fee simple title to the Unit free from any claim or right of any person claiming by, or through such mortgagor. Any permitted mortgagee hereunder shall have the right to accept title to the Unit in settlement and satisfaction of said mortgage or to foreclose the mortgage in accordance with the terms thereof and the laws of the State of Indiana. The permitted mortgagee shall also have the right to bid upon said Unit at the foreclosure sale. A permitted mortgagee taking title to the Unit on such foreclosure sale or taking title in lieu of a foreclosure sale, may acquire, occupy, let, relet, sell and resell the Unit without complying with the restriction limiting the occupation or conveyance of said Unit to persons approved by the Association. If the Association redeems the mortgage, it shall have a lien against the Unit for all sums expended in connection therewith, and it shall have the same rights to collect such sums as in the case of a delinquent assessment.

XX. PROVISIONS PERTAINING TO OWNER AND DEVELOPER

A. **Control by Owner and Developer.** The Owner and Developer shall have the right to elect a majority of the Board of Directors of the Association for a period of twelve

(12) months after ninety percent (90%) of the Units existing in the building have been conveyed by Owner.

B. **Absence of Warranty.** The Owner and Developer specifically disclaim any warranty or representation in connection with the Property or the Condominium Documents except as specifically set forth therein; and no person shall rely upon any warranty or representation not specifically set forth therein. Any estimates of assessments are believed to be accurate, but no warranty or guaranty is made or intended, nor may one be relied upon.

C. **Right of Disposition.** Notwithstanding the provisions of Article VIII hereof, the Owner shall have the absolute right to lease, sell, convey, transfer, mortgage, or encumber any Unit Owned by the Owner.

D. **Exemption.** The Owner may not exempt himself from any liability for payment of any expenses properly assessed against any Unit which he owns.

E. **Right to Amend Declaration.** The Owner shall have the right to amend the Declaration, and any of the Condominium Documents, in accordance with Article XV.A.5.

XXI. SEVERABILITY OF INVALID OR UNENFORCEABLE PROVISION

If any term, covenant, provision, phrase or other element of the Condominium Documents is held to be invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify or impair in any manner whatsoever any other term, covenant, provision, phrase or other element of the Condominium Documents.

If any part of this Declaration, or any terms, covenant, provision, phrase or other element, 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 any other term, covenant, provision, phrase or other element in other circumstances shall not be affected thereby.

XXII. UNIT DEEDS

Any transfer of a Unit by deed or otherwise shall include all appurtenances thereto whether or not specifically described.

XXIII. 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 or any of the text of the Condominium Documents.

XXIV. PRONOUNS

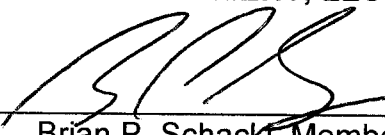
Any reference to the masculine, feminine or neuter gender herein shall, unless the context clearly requires the contrary, be deemed to refer to and to include the masculine, feminine and neuter genders. Words in the singular shall include and refer to the plural and words in the plural shall include the singular when appropriate.

XXV. BINDING EFFECT

This Declaration shall be binding upon and inure to the benefit of the Owner, its successors, grantees, assigns and the legal representatives thereof.

IN WITNESS WHEREOF, the Owner has caused this instrument to be executed this 28th day of April, 2005.

ALPHA DEVELOPMENT, LLC

By: 
Brian P. Schackl, Member

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Document is NOT OFFICIAL!

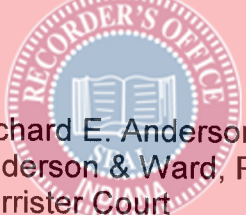
I, a Notary Public in and for said County and State aforesaid, do hereby certify that Brian P. Schackl, Member of Alpha Development, LLC, appeared this day in person as his free and voluntary act, and as the free and voluntary act of Alpha Development LLC, for the uses and purposes therein contained, and did affix the said corporate seal to said instrument for the uses and purposes therein set forth.

Given my hand and notarial seal this 28th day of April, 2005.


Denise Kessler, Notary Public

My Commission Expires: 6/25/08
County of Residence: Porter

This instrument prepared by: Richard E. Anderson, #2408-45
Anderson & Ward, P.C.
Barrister Court
9211 Broadway
Merrillville, IN 46410
(219) 769-1892



WILLIAM J. KRULL
REG. ENGINEER No. 235
KEVIN A. KRULL
REG. SURVEYOR No. 20100075

KRULL & SON

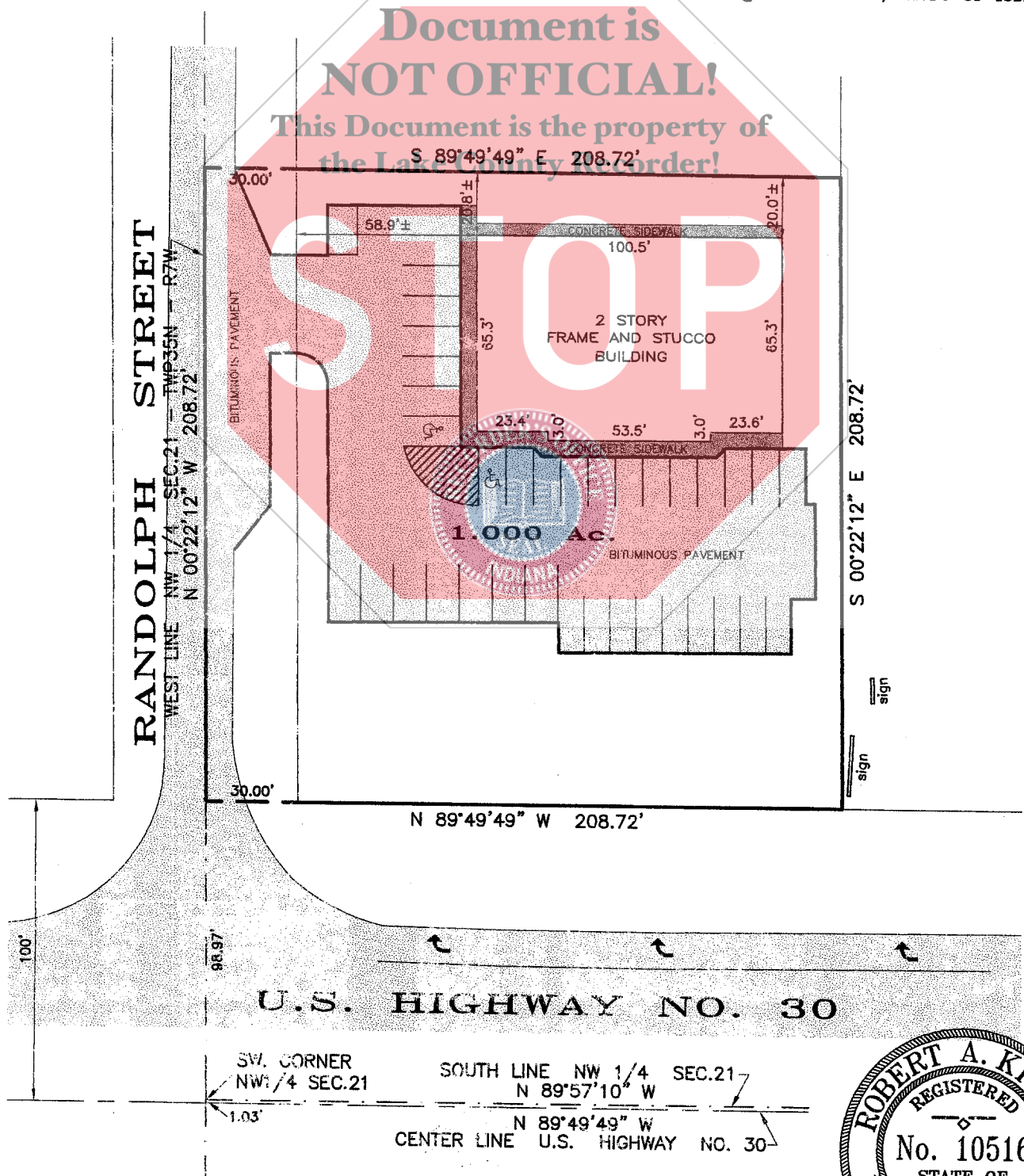
ENGINEERS AND SURVEYORS
ESTABLISHED 1914

P.O. BOX 422
206 MAIN STREET
HOBART, INDIANA 46342
OFFICE PHONE 219-947-2568

ROBERT A. KRULL
REG. ENGINEER No. 3892
REG. SURVEYOR No. 10516

RANDOLPH COMMONS

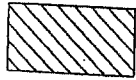
DESCRIPTION OF PROPERTY: Part of the Southwest corner of the SW 1/4 of the NW 1/4 of Section 21, Township 35 North, Range 7 West of the 2nd P.M., in Lake County, Indiana, described as follows: Commencing at the Southwest corner of said NW 1/4; thence North 00°22'12" West, along the West line of said NW 1/4, 98.97 feet to the North right-of-way line of U.S. Highway No. 30 and the point of beginning; thence continuing along said West line North 00°22'12" West, 208.72 feet; thence South 89°49'49" East, parallel to said North right-of-way line, 208.72 feet; thence South 00°22'12" East, parallel to said West line, 208.72 feet to said North right-of-way line; thence North 89°49'49" West, along North right-of-way line, 208.72 feet to the point of beginning, containing 1.000 acres, more or less.



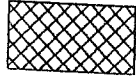
KRULL & SON

ENGINEERS AND SURVEYORS
ESTABLISHED 1914
P.O. BOX 422
206 MAIN STREET
HOBART, INDIANA 46342
OFFICE PHONE 219-947-2568

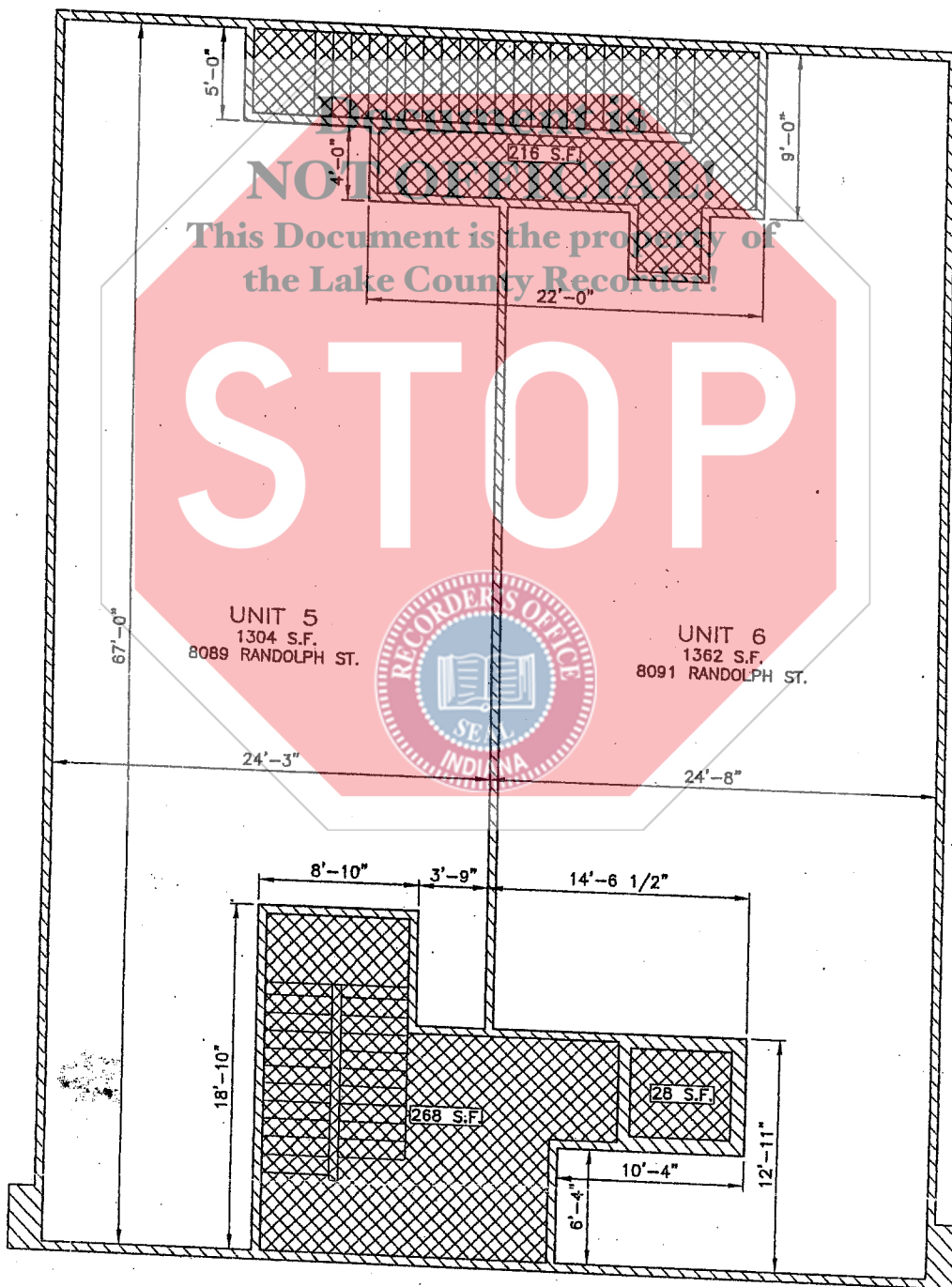
RANDOLPH COMMONS



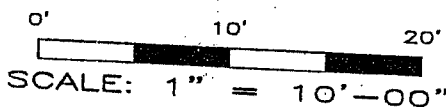
= COMMON AREA FOR ALL UNITS



= COMMON AREA FOR UNITS 5 AND 6



SECOND FLOOR

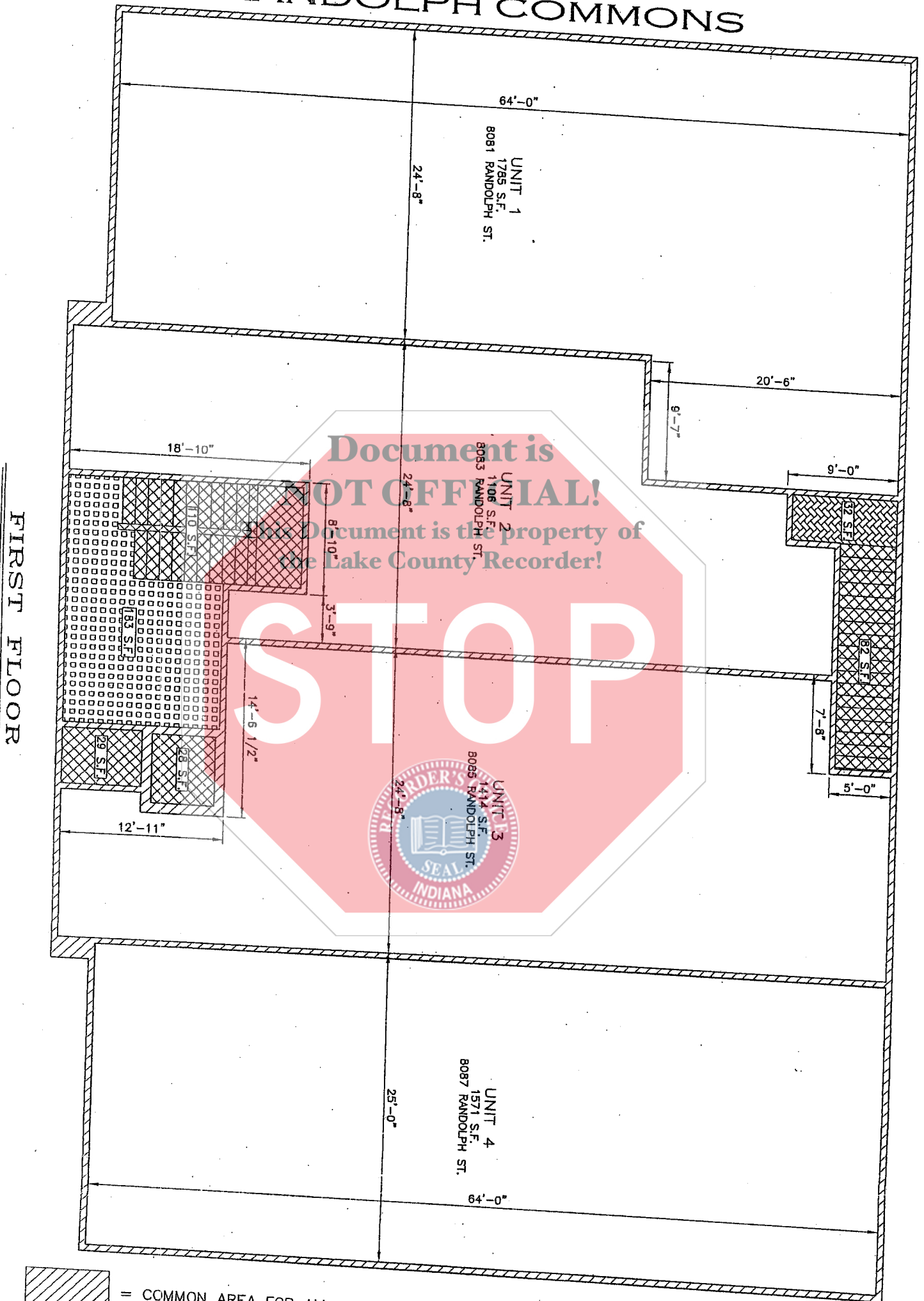


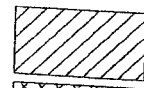



KRULL & SON

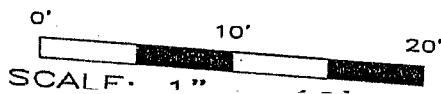
ENGINEERS AND SURVEYORS
ESTABLISHED 1914

P.O. BOX 422
206 MAIN STREET
HOBART, INDIANA 46342
OFFICE PHONE 219-947-2566

RANDOLPH COMMONS



-  = COMMON AREA FOR ALL UNITS
-  = COMMON AREA FOR UNITS 5 AND 6
-  = COMMON AREA FOR UNITS 2, 5 AND 6
-  = COMMON AREA FOR UNITS 2, 3, 5 AND 6



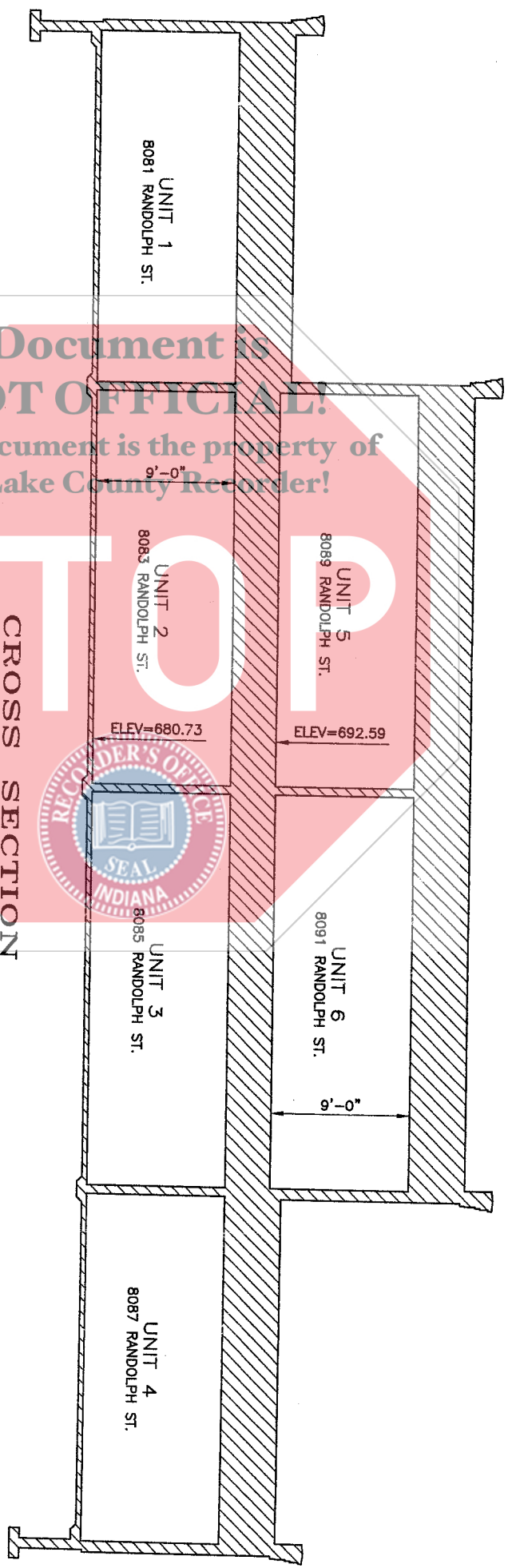
WILLIAM J. KRULL,
REG. ENGINEER NO. 235
KEVIN A. KRULL,
REG. SURVEYOR NO. 20100075

KRULL & SON

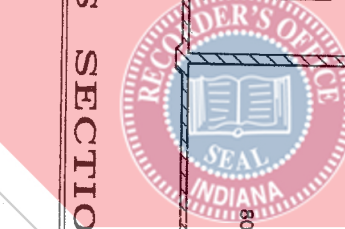
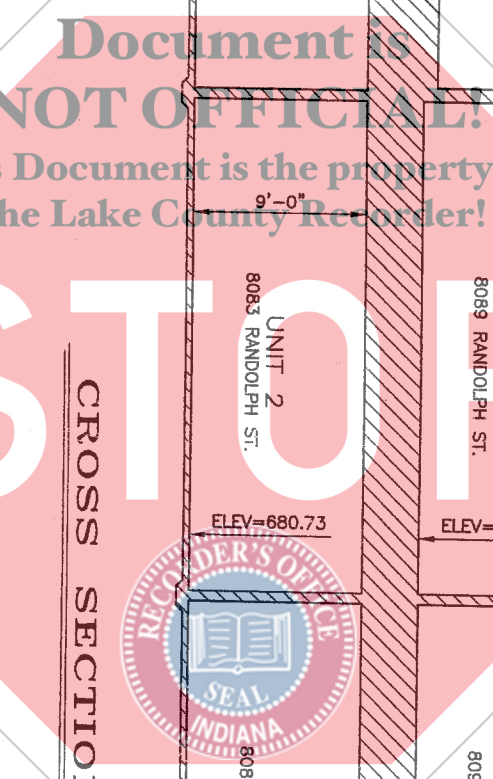
ENGINEERS AND SURVEYORS
ESTABLISHED 1914
P.O. BOX 422
206 MAIN STREET
HOBART, INDIANA 46342
OFFICE PHONE 219-947-2568

RANDOLPH COMMONS

ROBERT A. KRULL
REG. ENGINEER NO. 3892
REG. SURVEYOR NO. 10516

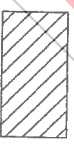


CROSS SECTION

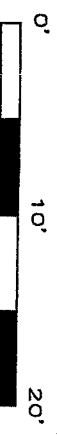


NOTES:

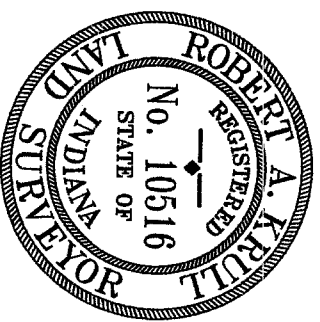
1. The Vertical boundaries of each unit are the planes formed by the interior surfaces of the unfinished drywall of the boundary walls of each unit.
2. The horizontal boundaries of each unit are the planes formed by the top of the unfinished floor and the bottom of the acoustical ceiling tile of each unit.
3. Building dimensions on the hereon drawn plans were obtained from the Building plans by Stephen Pease, Architect, for the First American Corporation Office Building.
4. USGS benchmark Z139, elevation 675.03 from NAVD 86, was used to determine first and second floor elevations.



= COMMON AREA FOR ALL UNITS



SCALE: 1" = 10'-00"



State of Indiana
Office of the Secretary of State

CERTIFICATE OF INCORPORATION

of

RANDOLPH COMMONS CONDOMINIUM ASSOCIATION, INC.

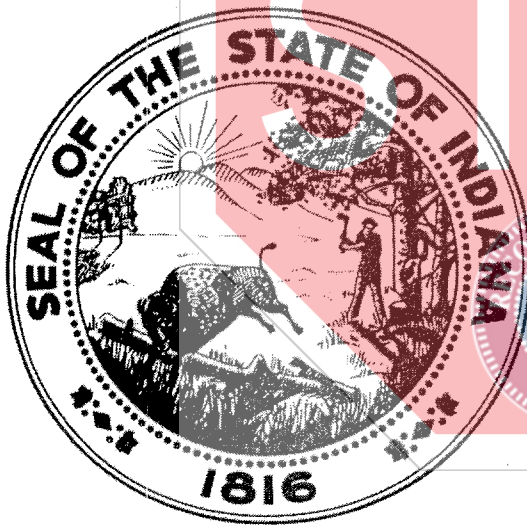
I, TODD ROKITA, Secretary of State of Indiana, hereby certify that Articles of Incorporation of the above Non-Profit Domestic Corporation have been presented to me at my office, accompanied by the fees prescribed by law and that the documentation presented conforms to law as prescribed by the provisions of the Indiana Nonprofit Corporation Act of 1991.

Document is
NOT OFFICIAL!

This Document is the property of
the Lake County Recorder!

NOW, THEREFORE, with this document I certify that said transaction will become effective
Thursday, April 21, 2005.

In Witness Whereof, I have caused to be
affixed my signature and the seal of the
State of Indiana, at the City of Indianapolis,
April 21, 2005.



Todd Rokita

TODD ROKITA,
SECRETARY OF STATE

2005042200227 / 2005042270489

EXHIBIT "B"



ARTICLES OF INCORPORATION FOR A NONPROFIT CORPORATION

Slate Form 4162 (R10 / 1-03) Corporate Form No. 364-1 (October 1984)
Approved by State Board of Accounts 1995

TODD ROKITA
SECRETARY OF STATE
CORPORATIONS DIVISION
302 W. Washington St., Rm. E018
Indianapolis, IN 46204
Telephone: (317) 232-6576

- NOTES:**
1. Nonprofit corporations must qualify with the Internal Revenue Service and the Indiana Department of Revenue. It is strongly suggested you do not complete or file this form before contacting both agencies.
 2. Article VII must be completed appropriately. Please see (1) above.

Indiana Code 23-17-3-2
FILING FEE: \$30.00

- INSTRUCTIONS:**
1. Use 8 1/2" x 11" white paper for attachments.
 2. Present original and one (1) copy to the address in the upper right corner of this form.
 3. Please type or print.
 4. Please visit our office on the web at www.sos.in.gov.

ARTICLES OF INCORPORATION

The undersigned incorporator or incorporators, desiring to form a corporation (hereinafter referred to as the "Corporation") pursuant to the provisions of the Indiana Nonprofit Corporation Act of 1991 (hereinafter referred to as the "Act"), execute the following Articles of Incorporation.

ARTICLE I - Name and Principal Office

Name of the Corporation: (the name must include the word "Corporation", "Incorporated", "Limited", "Company" or one of the abbreviations thereof):
Randolph Commons Condominium Association, Inc.

Principal Office: The address of the principal office of the Corporation is:

Post office address 262 Tall Timbers Ct.	City Valparaiso	Indiana	ZIP code 46385
---	--------------------	---------	-------------------

ARTICLE II - Purpose (optional)

The purposes for which the Corporation is formed are:

The Association is organized for the purpose of providing a convenient means of administering and providing for the maintenance, repair, replacement, administration, operation and preservation of the common areas and facilities of the condominium property.

This Document is the property of the Lake County Recorder!

ARTICLE III - Type of Corporation (check only one)

The Corporation is a:

- public benefit corporation, which is organized for a public or charitable purpose;
- religious corporation, which is organized primarily or exclusively for religious purposes; or
- mutual benefit corporation (all others).

ARTICLE IV - Registered Agent and Registered Office

Registered Agent: The name and street address of the Corporation's Registered Agent and Registered Office for service of process are:

Name of Registered Agent

Brian P. Schacki

Address of Registered Office (street or building)

262 Tall Timbers Ct.

City

Valparaiso

Indiana

ZIP code

46385

ARTICLE V - Membership

Indicate if Corporation will have members:

- Yes No

(Continued on the reverse side)

ARTICLE VI - Incorporator(s)

Name(s) and address(es) of the incorporator(s) is/are as follows:

Name	Number and Street or Building	City	State	ZIP code
Brian P. Schacki	262 Tall Timbers Ct.	Valparaiso	IN	46385

ARTICLE VII - Distribution of Assets on Dissolution or Final Liquidation

Refer to Indiana Code 23-17-22-5 for permitted activities following Dissolution.

Upon the voluntary or involuntary dissolution or final liquidation of the Corporation, the Board of Directors shall, after paying or making provision for payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation in such manner as the Board of Directors shall determine.

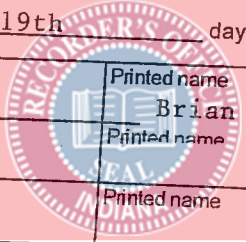


* Please note this section must be completed.

THIS DOCUMENT MUST BE SIGNED BY ALL INCORPORATORS.

In witness whereof, the undersigned incorporator(s) of said Corporation execute(s) this document, and verify(ies) subject to penalties of perjury that the facts contained herein and true this 19th day of April, 2005.

Signature		Printed name	Brian P. Schacki
Signature		Printed name	
Signature		Printed name	



This instrument was prepared by: (name) Richard E. Anderson, #2408-45			
Address	City	State	ZIP code
9211 Broadway	Merrillville	IN	46410

BY-LAWS
OF
RANDOLPH COMMONS CONDOMINIUM ASSOCIATION, INC.

**A Not-for-Profit Corporation
under the Laws of the State of Indiana**

SECTION A.

IDENTITY

A.1 These are the By-Laws of Randolph Commons Condominium Association, Inc., a not-for-profit corporation under the laws of the State of Indiana, subject to the Charter granted to it by the Secretary of State and the Declaration affecting the land and improvements thereof known as Randolph Commons Condominium.

A.2 The office of the Association shall be located on the Property and shall be identified to each Unit Member on January 1 of each year.

A.3 The fiscal year of the Association shall be the calendar year, unless otherwise established by the Board of Directors.

A.4 The seal of the corporation shall bear the name of the corporation and the words "Corporation Not-for-Profit" and the year of incorporation.

A.5 The condominium Developer herein is Alpha Development, LLC, an Indiana limited liability company.

A.6 Words and phrases used herein shall have the same meaning as that term or phrase is defined in the Declaration of Condominium.

SECTION B.

MEMBERS

B.1 The annual meeting of the Unit Members shall be held at the office of the corporation at 7:00 o'clock p.m. on the last Tuesday in January each year for the purpose of electing directors and for transaction any other business authorized to be transacted by the members; provided, however, if that day should be a legal holiday, the meeting shall be held the same hour on the next succeeding day.

EXHIBIT "C"

B.2 Special members' meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors and must be called by such officers upon receipt of a written request from three-fourths (3/4) of the entire membership.

B.3 Notice of all members' meetings stating the time and place and the object for which the meeting is called shall be given by the President or Vice President or Secretary unless waived in writing. Such notice shall be in writing to such member at his address as it appears on the books of the Association and shall be mailed not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.

B.4 The votes of the Owner of a Unit owned by more than one person shall be cast by the person named in a certificate signed by all of the Owners of the Unit and filed with the Secretary of the Association, such that only one Unit Owner shall be entitled to cast the votes for each Unit described in Section B.5. Such certificate shall be valid until revoked by a subsequent certificate. If such certificate is not on file, the votes of such Unit Owner shall not be considered in determining the requirement for a quorum nor for any other purpose.

B.5 Each voting member of the Association shall be entitled to cast one vote for each percent interest (and fraction thereof) in the Common Areas and Facilities appurtenant to the Unit, as set forth in the Statement of Interest in Article III of the Declaration of Condominium.

B.6 A quorum at members' meetings shall consist of persons entitled to cast fifty percent (50%) of the votes of the entire membership. The joining of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such member for the purpose of determining a quorum.

B.7 Proxies. Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.

B.8 Approval or disapproval of a Unit Owner upon any matter, whether or not the subject of an Association meeting, shall be by the same person who would cast the votes of such Unit Owner if in an Association meeting.

B.9 Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

B. 10 The order of business at annual members' meetings, and as far as practical at all other members; meetings, shall be:

- a. Call to order by the Association President or his designate.
- b. Calling of the roll and certifying of proxies.
- c. Proof of notice of meeting or waiver of motion.
- d. Reading and disposal of any unapproved minutes.
- e. Reports of officers.
- f. Reports of committees.
- g. Election of inspectors of elections.
- h. Election of Directors. Unfinished business.
- j. New business.
- k. Adjournment.

SECTION C.

**Document is
DIRECTORS
NOT OFFICIAL!**

C.1 The Board of Directors shall consist of three (3) persons, who shall serve until the date of the annual meeting of members following the date of the expiration of the Developer's rights under the Declaration and By-Laws. Each member of the Board of Directors shall be either an Owner of a Unit or be designated by the Developer as provided in the Declaration and the Articles of Incorporation.

C.2 Election of Directors shall be conducted in the following manner:

a. Members of the Board of Directors shall be elected by a plurality of the votes cast at the annual meeting of the members of the Association.

b. Vacancies in the Board of Directors may be filled until the date of the next annual meeting by a majority of the remaining Directors (not a majority of a quorum).

C.3 The term of each Director's service shall extend until the next annual meeting of the members and thereafter until his or her successor is duly elected and qualified or until he or she is removed.

C.4 The organization meeting of a newly-elected Board of Directors shall be held within ten (10) days of their election at such time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary providing a quorum shall be present.

C.5 Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph at least three (3) days prior to the day named for such meeting unless such notice is waived.

C.6 Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of two-thirds (2/3) of the votes of the entire Board. Not less than three (3) days' notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

C.7 A quorum at Directors' meetings shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors except as specifically otherwise provided in the Declaration of Condominium, or elsewhere herein. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At an adjourned meeting any business which might have been transaction at the meeting as originally called may be transaction without further notice. The joining of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

C.8 The presiding officer of Directors' meetings shall be the President. In the absence of the presiding officer, the Vice President shall preside.

C.9 Directors' fees, if any, shall be determined by the members.

SECTION D.

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association shall be exercised by the Board of Directors including those existing under the common law and statutes, the Articles of Incorporation of the Association and the Declaration of Condominium. Such powers and duties of the Board of Directors shall be exercised in accordance with the provisions of the Declaration of Condominium.

SECTION E.

OFFICERS

E.1 The executive officers of the corporation shall be a President, who shall be a Director, a Vice President, who shall be a Director, a Treasurer and Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by a vote of the Directors at any meeting. Any person may hold two or more offices except that neither the President nor the Vice President shall also be the Secretary. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

E.2 The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the president of an association, including but not limited to the power to appoint committees from among the members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association.

E.3 The Vice President shall in the absence or disability of the President exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the President of the Directors.

E.4 The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an Association and as may be required by the Directors or the President.

E.5 The Treasurer shall have custody of all property of the Association, including funds, securities and evidence of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

E.6 The compensation to all officers and employees of this Association shall be fixed by the Board of Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association nor preclude the contracting with a Director for the management of the condominium.

SECTION F.

FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

F.1 Assessment Roll. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each unit. Such an account shall designate the name and address of the Unit Owner, the name and address of holders of mortgages or other secured interest in the Unit, the amount of each assessment against the Owners, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due upon assessments.

F.2 Budget. The Board of Directors shall adopt an annual budget which shall contain estimates of the cost of performing the functions of the Association, including, but not limited to, the following items:

a. Common Ordinary Expense Fund Budget

- (1) For the Common Expense Account; estimates of the cost of:
- Maintenance and operation of Common Areas and Facilities
 - Landscaping, lawn mowing, snow removal
 - Maintenance of paved areas, streets and walkways, parking facilities, and standing sign, if any, in Common Areas
 - Utility services in Common Areas
 - Liability insurance
 - Casualty insurance
 - Administration
 - Taxes on Common Area property
 - Water and sewer assessments

- Legal, accounting and other professional services
- All income to be received except for the income (or interest) earned on assessments collected for the Common Capital Improvement Fund.
- All funds needed to defray the cost of an emergency, except for an emergency, the expenditure for which would constitute a common capital improvement.

b. Common Capital Improvement Fund Budget

(1) For the Common Capital Improvement Account, estimates of the cost of:

- Alteration and improvement of the physical facilities of a capital improvement nature.
- Reconstruction and Replacement of the physical facilities of a capital improvement nature, which are not covered by insurance.
- All income to be received from investment of assessments for the Common Capital Improvement Fund.
- All funds needed to defray the cost of an emergency, the expenditure for which would constitute a common capital improvement.

c. Assessments for both Funds shall be based upon the difference between the expected expenses and the expected income.

F.3 The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board of Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks or withdrawal orders signed by such persons as are authorized by the Board of Directors. The books, records and financial statements of the Association (including the Condominium Documents, as may be amended) shall be available for inspection by Unit Owners and the holders, insurers and guarantors of first mortgages, at reasonable times during normal business hours.

F.4 A compilation of the books, records and accounts of the Association shall be made annually, and financial statements shall be furnished to each member not later than May 1 of the year following the year for which the statements are made.

F.5 Maintenance, repair, replacement and alteration of the Property and the method of paying for same, and the designation and removal of personnel necessary for same, and the manner of collecting assessments for Common Expenses, shall be as set forth in the Declaration of Condominium as established herein.

SECTION G.

PARLIAMENTARY RULES

Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and By-Laws of the corporation or with the Statutes of the State of Indiana, or the Declaration of Condominium.

SECTION H.

PROMULGATION AND AMENDMENT OF RULES AND REGULATIONS

H.1 The Board of Directors shall promulgate and may amend the Rules and Regulations in accordance with the provisions of the Declaration of Condominium by a vote of a majority of all of the Directors (not a majority of a quorum). No Rule or Regulation shall be valid if it is in conflict with the Declaration of Condominium or Indiana law.

H.2 The Rules and Regulations of the Association shall be enforced in accordance with Article XIV of the Declaration of Condominium.

SECTION I.

AMENDMENTS

I.1 Amendments to the By-Laws shall be proposed and adopted in the following manner, to-wit:

a. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered. Notice shall also be given to the holder, insurer or guarantor of all first mortgages of any amendment affecting any expense provision for the benefit of same, if request for such notice is given in writing to the Association by same.

b. A resolution adopting a proposed amendment must receive approval of all of the Directors and seventy-five percent (75%) of a quorum of the members. In addition, any amendment affecting any expense provision for the benefit of a first mortgagee, shall require the approval of fifty-one percent (51%) of all first mortgagees entitled to notice under Section I.1 .a.

c. **Effective Date.** An amendment, when adopted shall become effective only after being recorded in the Office of the Recorder of Lake County, Indiana.

d. These By-Laws shall be amended, if necessary, so as to make the same consistent with the provisions of the Declaration of Condominium.

Authorized, adopted and approved at the First Meeting of the Board of Directors, this day of _____, 2005.



RANDOLPH COMMONS CONDOMINIUM

RULES AND REGULATIONS

1. **Unsightly Objects.** No unsightly objects may be placed or stored on the exterior of any Unit or Common Areas.
2. **Window Cleaning and Glazing.** The cleaning of the interior of all Unit windows is the Unit Owner's responsibility. All glazing for the repair or replacement of a Unit window shall be at the Unit Owner's cost.
3. **External Maintenance.** All external maintenance of the Buildings (except for windows as provided in Paragraph 2, and any sign affixed to the exterior outside wall of each Unit) shall be the responsibility of the Association.
4. **Storage.** All personal property and effects of the Unit Owner shall be stored within the confines of the Unit. Common Areas and Facilities shall not be used for storage except as authorized by the Association's Board of Directors. In no event shall any combustible or flammable materials be stored in any Unit on the Property.
5. **Window Coverings.** Draperies or window coverings are the responsibility of the Unit Owner; however, all externally exposed windows must be draped or covered in either white, grey or beige.
6. **Insurance.** No Unit Owner shall take occupancy in, nor shall he remain in occupancy of, any Unit without evidencing compliance with the insurance coverage requirements in the Declaration.
7. **Refuse and Garbage.** The Unit Owner shall place all refuse and garbage in containers and dumpsters assigned by the Association.
8. **Minimum Heat.** The minimum heat in every Unit shall not be less than 60 degrees Fahrenheit between November 1 and April 15 each year.
9. **Noise.** Loud noise or music which may be objectionable to any other Unit Owner is prohibited at all times.
10. **Water Usage.** All charges made for the well water used on the Property by the Unit Owners are a common expense shared equally by the Co-Owners. Therefore, the unreasonable use of water or the wasting of water will not be tolerated. Unit Owners who violate this rule will be charged additional special assessments to reimburse the Association for such unreasonable use or waste.

EXHIBIT "D"

11. **Vehicle Storage.** No Owner shall, except during business hours, store any vehicle in the parking lot or other Common Areas without the approval of the Association. At no time shall any Unit Owner store a motor home, a recreational vehicle, a commercial vehicle or a boat upon the property.

