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LAKE COUNTY
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**MUNSTER PROFESSIONAL CENTER
CONDOMINIUM**

DECLARATION OF CONDOMINIUM



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MAR 23 2006

PEGGY HOLINGA KATONA
LAKE COUNTY AUDITOR

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MUNSTER PROFESSIONAL CENTER CONDOMINIUM

DECLARATION OF CONDOMINIUM

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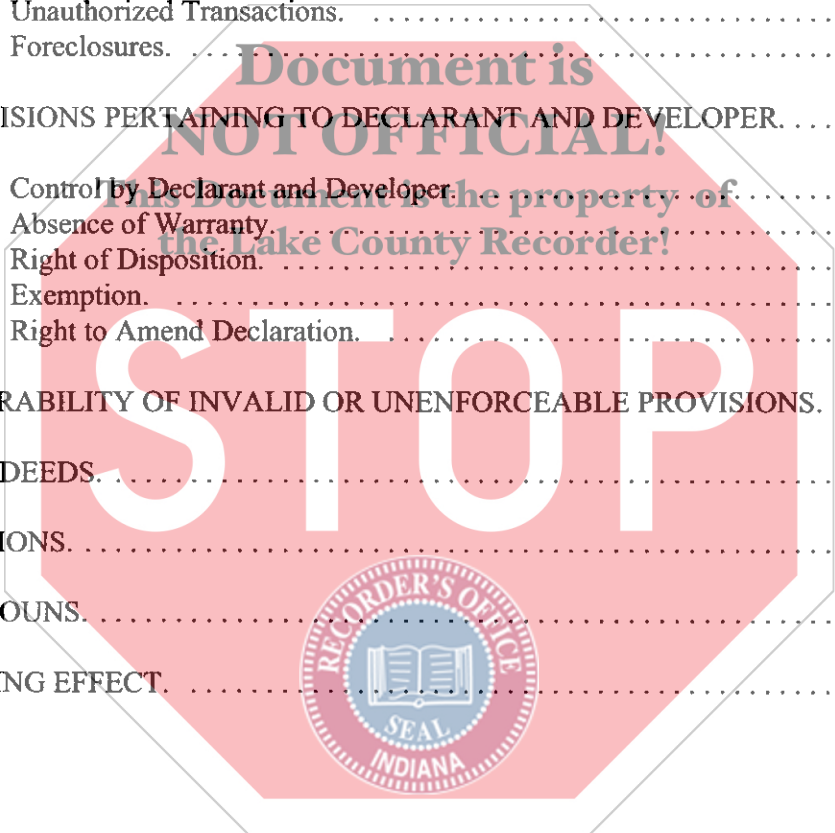
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DECLARATION OF CONDOMINIUM

OF

MUNSTER PROFESSIONAL CENTER CONDOMINIUM

THIS DECLARATION made the ____ day of March, 2006, by Genesis Development, LLC ("Declarant").

RECITALS

A. The Declarant holds fee simple title to certain property located at 8840 Calumet Ave., Munster, Indiana 46321 in the Town of Munster, Lake County, Indiana ("Real Estate") legally described as:

PARCEL 1: (Reference Title Policy #CM 102170 and Plat Book 46, page 23): 231 feet by parallel lines off the entire South side of Lots "F" and "G" in Peter Schoon Subdivision in the Town of Munster, as per plat thereof, recorded in Plat Book 5, page 30 in the Office of the Recorder of Lake County, Indiana except therefrom that part of said Lot "F" taken for the dedication of Jefferson Avenue as shown on the recorded plat of Monaldi's Parkview 3rd Addition to the Town of Munster, as same appears in Plat 46, page 23, in the Recorder's Office, Lake County, Indiana, said exception being also described as commencing at the Southeast corner of Section 24, Township 36 North, Range 10 West of the Second Principal Meridian; thence North 0 degrees East 10 feet; thence South 89 degrees 48 minutes 40 seconds West a distance of 378.05 feet; thence North 0 degrees East 126.386 feet to a point, said point being the point of beginning of this exception and the point of beginning of a non-tangent curve concave Northwesterly; thence Northeasterly along said curve having a radius of 50 feet, a central angel of 59 degrees 14 minutes 30 seconds and a chord length of 49.426 feet a distance of 51.698 feet to a point of tangency; thence continuing North 0 degrees East along a line a distance of 52.202 feet; thence South 89 degrees 12 minutes 25 seconds West 24.45 feet; thence South 0 degrees West along a line to the point of beginning of said exception.

PARCEL 2: The South 231 feet by parallel lines of the following Lot "H" and the West 13 feet 8-1/2 inches of Lot "I" plat of survey and subdivision of the land Peter Schoon, in the Town of Munster, as shown in Plat Book 5, page 30, in Lake County, Indiana.

PARCEL 3: Lot 1 in St. Lukes Addition to Munster as shown in Plat Book 40, page 20, in the Office of the Recorder, Lake County, Indiana.

AND ALSO Lot 8, Monaldi's Parkview 3rd Addition to the Town of Munster, as per plat thereof, recorded in Plat Book 46, page 23 in the Office of the Recorder of Lake County, Indiana,

which title is subject to said Declaration of Condominium and is further shown on Exhibit "A" ("Site Plan"), and

B. It is intended by this Declaration that the Real Estate shall be subjected to the provisions of the Indiana Condominium Statute of the State of Indiana (I.C. 32-25-1-1 et seq.) as amended from time to time ("Statute") in accordance herewith.

C. The Site Plan and Floor Plans, as defined in this Declaration were recorded in Book ____, Page ____, on March ____, 2006 in the Office of the Recorder of Lake County, Indiana. Exhibit "A" is representative of the site Plan and the recorded Site Plan shall control.

NOW, THEREFORE, the Declarant hereby declares on behalf of itself, its successors, grantees and assigns and to their grantees and their respective heirs, successors and assigns, as well as to any and all persons having, acquiring or seeking to have or acquire any interest of any nature whatsoever in and to any part of the Real Estate, as follows:

The Real Estate from and after the date of the recording of this Declaration in the Office of the Recorder of Lake County, Indiana, shall be and continue to be subject to each and all of the terms hereof until this Declaration is terminated, amended, or abandoned in accordance with the provision herein elsewhere contained.

1. DEFINITIONS.

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

1.1 Condominium. Condominium means real estate lawfully subjected to this Declaration by the recordation of Condominium Instruments under the Statute.

1.2 Condominium Instruments. Condominium Instruments means this Declaration, Articles of Incorporation of the Munster Professional Building Owners' Association, Inc., By-Laws of the Munster Professional Building Owners' Association, Inc., Rules and Regulation of said Corporation, and plats and floor plans of the condominium together with any exhibits or schedules thereto.

1.3 Condominium Unit. Condominium Unit or Units means an enclosed space consisting of one or more rooms occupying all or part of a floor or floors in a structure of one or more floors, for the operation of a business, with either a direct exit to a public street or highway or an exit to a thoroughfare or to a given common area leading

to a thoroughfare, together with the undivided interest in the common elements appertaining to that enclosed of space.

1.4 Owner. 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 specified and established in the Declaration The term "Owner" is a "Co-Owner" as referred to in the Statute.

1.5 Association of Owners. Association of Owners means all of the Owners as defined in subsection 1.4 of this section Statute as an entity in accordance with the Articles, By-Laws and Declaration.

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

1.7 Building. Building means the structure located on the Property, and all physical property which is to be constructed substantially in accordance with the Site Plan in Exhibit "A." The Building shall have two stories and, initially, will contain five units.

1.8 Declaration or Declaration of Condominium. Declaration or Declaration of Condominium means this instrument by which the Property is submitted to the provisions of the Statute, and as such Declaration may from time to time be amended.

1.9 Developer. Developer means Genesis Development, LLC.

1.10 Common Areas and Facilities. Common Areas and Facilities mean and include the following within the Real Estate:

1.10.1 the Real Estate;

1.10.2 the foundations, columns, girders, beams, supports, walls, and roofs designed to serve several units within a portion of the building, and all physical structures not located within the boundaries of a unit as described herein, including a sign identifying each Owner's business located in the Common Areas;

1.10.3 the yards, service drives, pavement, parking lot facilities, streets, parking lot poles and light bulbs and walks outside the units;

1.10.4 facilities and installations providing electricity, sanitary and storm sewers, water and communication lines;

1.10.5 all other parts of the Property necessary and convenient to its

existence, maintenance and safety, or normally in common use; and

1.10.6 the land and improvements adjacent to the Real Estate and leased or licensed for the benefit of the Condominium and expressly made a part of the Common Areas by separate document.

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

1.11.1 maintenance, management, operation, repair and replacement of the Common Areas and Facilities and those parts of the undivided Units which the Association has the responsibility of maintaining, repairing and replacing;

1.11.2 management and administration of the Association, including but not limited to, compensation paid by the Association to a managing agent, accountants, attorneys, and other employees, if any;

1.11.3 the cost of water and electricity used for and servicing the Common Areas and Facilities;

1.11.4 all sums lawfully assessed against the Owner or Owner by the Association as a common expense;

1.11.5 expenses agreed upon as Common Expenses by the Association;

1.11.6 any other expense declared to be a Common Expense by other provisions of this Declaration, the Condominium Instruments, or required by statute.

1.12 Common Profit. Common Profit means the balance of all income, rents, profits and revenues derived from the Common Areas and Facilities remaining after the deduction of the Common Expenses.

1.13 Majority of Owners. Majority of Owner or Owners means the Owner or Owners with fifty-one percent (51%) or more of the Shares in as set forth in the Statement of Interest in Exhibit "B" ("Statement of Interest").

1.14 Occupant. Occupant means any person operating a business, including the Declarant or Owner, tenants and those operating a business under the approval of the Declarant or Owner.

1.15 Owner. Owner means Genesis Development, LLC.

1.16 Person. Person means the same as under Indiana Code § 32-25-2-17.



1.17 Property. Property means and includes the Real Estate, Buildings, and all improvements and structures thereon, and all easements, rights, and appurtenances belonging thereto.

1.18 Share. Share means the percentage interest attributed to each unit as set forth in the Statement of Interest.

1.19 By-Laws. By-Laws of Association means those defined in Section 8.2.

1.20 Articles of Incorporation. Articles of Incorporation mean those articles attached in Exhibit "C."

2. COMMON AND LIMITED COMMON AREAS AND FACILITIES.

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

2.1 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.

2.2 Rules and Regulation Promulgated by Association. No Person shall use the Common Areas 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 Areas 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.

2.3 Collection of Expenses. Expenses incurred or to be incurred for the maintenance, repair, replacement, alteration, management and operation of the Common Areas and Facilities shall be collected from Owners in such amounts as may be assessed in accordance with provisions contained herein.

2.4 Use of Common and Limited Common Areas and Facilities. Subject to the Rules and Regulations from time to time pertaining thereto, all Owners may use the Common Areas and Facilities in such manner as will not restrict, interfere with or impede the use thereof by other Owners. All Owners having an interest in the Limited Common Areas and Facilities may use such areas and facilities in such manner as will not restrict, interfere with or impede the use thereof by other Owners having an interest therein.

2.5 Repair of Common and Limited Common Area and Facilities.

Maintenance, repair, management and operation of the Common and Limited Common Area and Facilities shall be the responsibility of the Association, but nothing herein contained however, shall be construed so as to preclude the Association from delegating to persons, firms, or Associations of its choice, such duties as may be imposed upon the Association by the terms of this Section 2.5, and as are approved by the Board of Directors of the Association.

2.6 Alterations and Improvements.

The Association shall have the right to make or cause to be made such alterations and improvements to the Common and Limited Common Area and Facilities as may be deemed necessary, provided the making of such alterations and improvements are first approved by the Board of Directors of the Association, and if required by law or Statute, the approval of the first mortgagees of individual units shall be obtained. In the event the Declarant or Owners request that alterations or improvements be made, the cost of making such alterations and improvements shall be assessed as Common Expenses, unless in the judgment by a majority of the Board of Directors, such alterations and improvements are exclusively or substantially exclusively for the benefit of the Declarant or Owners requesting the same, in which case such requesting Declarant or 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.

2.7 Shares of Owners.

The Shares of the Owners in the Common Area and Facilities shall be as stated in the Statement of Interest and may be altered only as provided in this Declaration or by its amendment.

2.8 Interest in Common and Limited Common Areas and Facilities.

The Share of an Owner in the Common and Limited Common Area and Facilities is appurtenant to the Unit owned by the Owner, inseparable from the Ownership of a Unit.

3. MAINTENANCE, REPAIR, REPLACEMENT AND ALTERATION OF UNITS AND COMMON AREAS.

3.1 By the Owner.

3.1.1 Maintenance, Repair, and Replacement. It shall be the responsibility of the Owner to clean, maintain, repair, and replace at the Owner's expense all portions of the Unit within the boundaries of the unit as described in Section 4 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 Section 3.2. The Owner shall secure the prior written approval of the Association as to the Person selected by the Owner to perform all work.

3.1.2 Alterations. An Owner may alter any portion of the Unit within the boundaries of the Unit as described in Section 4, except that:

3.1.2.1 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 Section 3.2.

3.1.2.2 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 in any manner effect the use, possession or occupancy of other Units within the Building, or the Building itself.

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

3.1.3.1 No 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 Owner's Unit as described in Section 4, or which are within said boundaries but with respect to which the Association has the responsibility for maintenance, repair, replacement, and alteration under Section 3.2.

3.1.3.2 All 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 with the Association under Section 3.2. below.

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

3.1.3.4 It shall be the responsibility of each Owner to notify the Board of Directors, in writing, of any intended alteration under Section 3.2 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 determines that the proposed alteration would be in violation of Section 3.1.2.2 of this Declaration.

3.1.3.5 All Owners shall perform their responsibilities in such manner so as to not unreasonably disturb Occupants within the building.

3.2 By the Association.

3.2.1 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 the Units as described in Section 4 below.

3.2.2 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 Section 4 all portions of the Building structures, and all portions of the Unit which contribute to the support of the Building 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 Section 3.2.

3.2.3 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 of individual units shall also be obtained. In the event Owners request that alterations 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 Owner or Owners requesting the same. In that event, the requesting 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 terms "alteration and improvement" as used in this Section shall not be construed to include repair or replacement due to casualty loss or damage under Section 10.

3.2.4 General Obligations and Restrictions.

3.2.4.1 Nothing herein contained shall be construed so as to preclude the Association from delegating to Persons of its choice such duties as may be imposed upon the Association under this Section 3.2 as are approved by the Board of Directors of the Association.

3.2.4.2 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 nor 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.

4. DESCRIPTION OF UNITS.

4.1 Real Property. Each Unit, the space within it as shown on the Plans attached hereto as Exhibit "A" 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 Statute.

4.2 Boundaries. Each Unit shall be bounded as to both horizontal and vertical boundaries as shown on the Plans attached as Exhibit "A," 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. Each Unit shall consist of the space enclosed and bounded by the planes defined as follows:

4.2.1 Horizontal Boundaries:

4.2.1.1 the interior surface of the ceiling above and abutting the Unit;

4.2.1.2 the interior top surfaces of the flooring below the finished floor covering and abutting the Unit.

4.2.2 Vertical Boundaries:

4.2.2.1 the interior surfaces of the boundary walls of each Unit.

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

4.3.1 an undivided Share of the Common and Limited Common Areas and Facilities, as provided in Exhibit "A" attached hereto;

4.3.2 the heating and air conditioning system located within the boundaries of the Unit;

4.3.3 Easements for the benefit of the Unit;

4.3.4 Association membership and funds and assets held by the Association for the benefit of the Owner;

4.3.5 all other rights and obligations of an Owner under the Condominium Instruments;

4.3.6 any sign or signs affixed to the front wall of the Unit.

4.4 Easements. Each Unit, the boundaries thereof and the appurtenances thereto shall be subject to the easements established pursuant to the provisions of Section 5 hereof.

5. ESTABLISHMENT OF EASEMENTS.

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

5.1 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 Instruments.

5.2 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. Use of these easements, however, for access to the Units shall be limited to reasonable hours, except that access may be had at any time in case of emergency.

5.3 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.

5.4 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 Buildings, 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.

5.5 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. Owners shall not install or allow to be installed locks, security devices or other equipment which will or might impair such easement unless

otherwise provided in the Rules and Regulations of the Association.

5.6 Access. Use of any of said easements for access to Units shall be unlimited.

5.7 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.

5.8 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.

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

6. 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 Property administration of the Property, the use of the Property shall be subject to the following provisions:

6.1 Use of Unit. The Unit shall be used only for medical and professional office space as restricted in this Declaration. In no event may the Unit be used for residential purposes.

6.2 Approval by Association. No Unit shall be occupied by any Person 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 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.

6.3 Nuisances. No nuisances shall be allowed upon the Property nor shall any use or practice be allowed which would annoy 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 Owners or the Association. This provision shall not be construed to prohibit or limit the enforcement of any provision of the Condominium Instruments which does not constitute a nuisance, or to prohibit the Association from

adopting Rules and Regulations prohibiting conduct which does not constitute a nuisance.

6.4 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 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 Section 3 hereof.

6.5 Insurance. A 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 and Limited Common Areas and Facilities or any portion of the Property.

6.6 Signs. Each Owner may display one 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. Each Owner may, with all other Owners, equally share the advertising space on a free standing sign located in that part of the Common Areas and Facilities selected by the Board of Directors.

6.7 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 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.

6.8 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 Owners and subtenants to leased units. In addition to the limitations and restrictions set forth in this Section and Section 7 hereof, under no circumstances shall a Unit be leased or sublet for non-professional or non-medical use without the written approval of the Board of Directors, which approval may be withheld. In the event a Unit is to be leased or sublet, the Declarant 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 Instruments. 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 Declarant, including attorney fees and Court costs.

7. CONVEYANCES.

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

7.1 Sale or Lease. Subject to the provisions of Section 7.4, 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.

7.1.1 Notice to Board of Directors. An 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 Owner to the Association and any purchaser or lessee produced by the Association as hereinafter provided, that the Owner believes the proposal to be bona fide in all respects.

7.1.2 Approval by Board of Directors. The Board of Directors shall, within 15 days after receipt of the notice to sell or lease, either approve the transaction or provide the Owner with the name of an acceptable purchaser or lessee. The approval of the Board of Directors shall not be unreasonably withheld. The failure of the Board of Directors to either accept or reject the transaction within the 15 day time period shall be deemed to constitute approval of the transaction. In the event the transaction is approved by failing to reject the transaction, the approval of the Board shall be delivered to the 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 Owner the name of an acceptable purchaser or lessee within said 15 day time period who will accept the transaction upon terms as favorable to the 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 30 days after the name of an acceptable purchaser or lessee has been furnished to the Owner. The 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.

7.2 Acquisition by Gift. Subject to the provisions of Section 7.4, 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.

7.2.1 Notice to Board of Directors. A 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 Subsection 7.2.2 as if it had been given such notice on the date of receipt of such knowledge.

7.2.2 Approval by Board of Directors. Within 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 Owner and the person to obtain such title. In the event the Association fails to take any action pursuant to this Subsection within such 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 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 30 day period, the Owner and the person to obtain such title, of the name of a purchase 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 M.A.I. appraisers, one of whom shall be selected by the proposed purchaser, one by the Owner and one by the two appraisers so selected; (b) by mutual agreement by the purchaser and the Owner; or (c) by one M.A.I. appraiser mutually agreed upon by the purchaser and the 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 30 days after the determination of the purchaser price. Simultaneously upon notification to the Owner and the person to obtain such title that the Board has a purchaser for the Unit, the Owner and such purchaser shall execute a contract providing for the acquisition of such Unit in accordance with the terms of this Declaration.

7.3 Mortgage. Owners or prospective purchasers of Units shall not mortgage a Unit or any interest therein to any person other than the Declarant, a bank, life insurance company, or federal or state savings and loan association, any commercial lender/mortgagee, or any other lender/mortgagee approved by the Federal National Mortgage Association, without the prior written approval of the Board of Directors. The approval of any mortgagee not set forth herein shall be upon terms and conditions determined by the Board of Directors.

7.4 Sales, Leases and Transfers not Requiring Approval. The provisions of this Section shall not apply to a sale, lease, or any other conveyance to a child, parent or spouse of a Owner or to a trust in which the Owner, or the son, daughter, or spouse of a 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 Instruments; and provided further that any and all leases entered into under this Section 7.4., shall nevertheless conform in all respects to the Rules and Regulations on leasing as set forth in Exhibit "E" to this Declaration, as they may be amended from time to time, and the provisions of Section 6.8.

8. ADMINISTRATION.

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

8.1 Organization of Association. The Association has been incorporated under the name of The Munster Professional Building Owners' Association, Inc., as an Indiana nonprofit corporation pursuant to Articles of Incorporation, incorporated herein by reference as Exhibit "A."

8.2 By-Laws of Association. The By-Laws of the Association shall be those as incorporated herein by reference as Exhibit "D."

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

8.4 Powers of Association; Professional Management Contracts. The duties and powers of the Association shall be those set forth in this Declaration, the Articles of Incorporation, the By-Laws, the Rules and Regulations, and the Statute, 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 Owners shall vote to approve any amendment to the Articles of Incorporation, the By-Laws 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 Instruments.

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 Instruments. Any such binding contract shall be for a term of not greater than one 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 Section 19.1, said contract shall provide that the Association has the right to terminate said contract without cause, upon 90 days' written notice of the same without payment of penalty by the Association.

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

9. INSURANCE.

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

9.1 Authority to Purchase. All insurance policies providing coverage for the Property, except as hereinafter provided, shall be purchased by the Association for the benefit of the Owners and their respective mortgagees as their interest 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 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 in Section 9.5, who shall acknowledge that the policies and any proceeds therefrom will be held in accordance with the terms hereof.

9.2 Owners. Each Owner shall obtain, at his sole expense, Condominium Owner's Insurance providing coverage for personal property, personal liability, and real property additions, 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 Subsection 9.1 hereof. The Association shall not be required to provide insurance coverage for any liability assumed by the Owner pursuant to this Subsection.

9.3 Coverage.

9.3.1 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 coverage shall provide protection against:

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

9.3.1.2 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.

9.3.2 Liability and property damage in such amounts and in such forms as shall be required by the Association, including but not limiting the same to water damage, legal liability, hired automobile, non-owned automobile and off-premises employee coverages, which cover the Association of Owners, the Board of Directors, the managing agent, if any, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Condominium, all Condominium Owners, and all other persons entitled to occupy any unit or other portions of the Condominium.

9.3.3 Workman's Compensation policy to meet the requirements of law.

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

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

9.5 Beneficiary of Policies. All insurance policies purchased by the Association shall be for the benefit of the Association, the 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").

9.6 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 Owners and their respective mortgagees, in the following shares:

9.6.1 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 Owners and their mortgagees in the same percentages as appear in the Statement of Interest.

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

9.6.2.1 In the event the Building is to be reconstructed or repaired pursuant to the provisions of Section 10 hereof, the insurance proceeds shall be held by the Insurance Trustee for the benefit of the 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 Owner and his mortgagee shall be bound by, and the Insurance Trustee may rely upon, such certification.

9.6.2.2 In the event the Building is not to be reconstructed or repaired pursuant to the provisions of Section 10 hereof, the insurance proceeds shall be held for the benefit of the Owners and their mortgagees.

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

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

9.7.1 Reconstruction or Repair. In the event the Building is to be reconstructed or repaired as provided in Section 10 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.

9.7.2 Failure to Reconstruct or Repair. In the event the Building is not to be reconstructed or repaired pursuant to Section 10 hereof, the insurance proceeds shall be distributed to the Owners and their mortgagees. Any payment to 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.

9.7.3 Certificate. In making distribution to Owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association as to the names of the Owners and their respective distribution based on the insurance proceeds for the Unit and the respective share of the Common Area and Facilities. Upon request of the Insurance Trustee, the Association forthwith shall deliver such certificate to the Insurance Trustee.

10. RECONSTRUCTION OR REPAIR OF CASUALTY DAMAGE;

CONDEMNATION PROCEEDINGS AND PROCEEDS.

10.1 Decision to Reconstruct or Repair. In the event the Property suffers damage due to casualty, a special meeting of the Owners shall be convened to determine whether or not there has been a total destruction of all the Building or Buildings. At such meeting a vote of 75% of the Owners shall be necessary to determine that a total destruction has occurred.

10.1.1 Total. In the event the Owners determine that all of the Building or Buildings have been totally destroyed, the Building shall not be reconstructed and the insurance proceeds shall be distributed to the Owners based on the insurance proceeds for the Unit and as to the insurance proceeds for the Common Area and Facilities in the percentage by which each Owner owns an undivided interest in the Common Areas and Facilities as set forth in Exhibit "A." 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 75% of the Owners a decision is made to rebuild the Building or Buildings.

10.1.2 Partial. In the event the Owners determine that the Building or Buildings have not been totally destroyed, or if totally destroyed that it shall be rebuilt, the damage shall be repaired as hereinafter provided.

10.1.3 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 s soon as practical.

10.2 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 Owner upon whose Unit such encroachment exists, provided that such reconstruction as 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.

10.3 Reconstruction by 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 Owner, then the Owner shall be responsible for reconstruction and repair. In all other instance, the responsibility of reconstruction and repair shall be that of the Association.

10.4 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 Section 10.1, in the following manner:

10.4.1 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.

10.4.2 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 Owners in sufficient amounts to provide funds to pay the difference between the insurance proceeds and the estimated costs of 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 Owners in sufficient amounts to provide funds for the payment of such costs.

10.4.3 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 from Assessment against Owners, if any, shall be disbursed in payment of such cost in the following manner:

10.4.3.1 Association. If the amount of the estimated costs of reconstruction and repair exceeds the total of the annual Assessments for the Common Ordinary Expense Fund set forth in Section 12.4.1 made during the year in which the casualty occurred, the funds collected by the Association from Assessments against 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 Owners and disburse the same in payment of the costs of reconstruction and repair.

10.4.3.2 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 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:

10.4.3.2.1 Owner. The portion of insurance proceeds received as a result of damage to a Unit for which the 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 Owner may direct, or if there is a mortgage endorsement, then to such payee as the Owner and the first mortgagee jointly direct. Nothing contained herein, however, shall be construed so as to limit or modify the responsibility of the Owner to make such reconstruction or repair.

10.4.3.2.2 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 Ordinary Expense Fund set forth in Section 12.4.1 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.

10.4.3.2.3 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 Ordinary Expense Fund set forth in Section 12.4.1 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.

10.4.3.2.4 Surplus. It shall be presumed that the first moneys 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 Section 9.7.1.

10.4.3.2.5 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.

10.4.4 Insurance Adjustments. The Board of Directors is hereby irrevocably appointed agent for each Owner to adjust with insurance

companies all claims arising under policies purchased by the Association in which Owners have or may have an interest, subject to the rights of mortgagees of such Owners.

10.5 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 Owners in any and all proceedings, negotiations, settlements or agreements respecting same, and each 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 agreements shall be made payable to the Association for the benefit of all of the Owners, and such proceeds shall be held in trust by the Association for the benefit of all Owners, to be applied or paid in accordance with such proceedings, negotiations, settlements or agreement.

11. TAXES AND SPECIAL ASSESSMENTS.

11.1 Assessment and Taxes. 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 Owner.

11.2 Payment by Association. During the period of the 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 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 Owner in accordance with the Share of ownership specified herein.

11.3 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.

12. ASSESSMENTS.

12.1 Authority to Assess. The Board of Directors of the Association shall assess 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. The Board of Directors shall also have the authority to assess individual Owners for any expense incurred by the Association as a result of the failure of the Owner to perform any of its responsibilities set forth in the Condominium Instruments, or for any intentional or negligent Statute of the Owner to the extent the

expense is not covered by insurance purchased by the Association, in the manner and as set forth in Section 13. The Association shall be obligated to establish and levy Assessments in accordance herewith not later than the date on which the Declarant's and Developer's right to control the Association expires pursuant to Section 19.

12.2 Determination of Assessments.

12.2.1 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 Owners as assessed by the Board of Directors at such times and in the manner determined by the Board of Directors.

12.2.2 Special Assessments. The Board of Directors may levy special Assessments from time to time against 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 the Statement of Interest.

12.2.3 Assessment Roll. The Assessments against all 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 Owners or their duly authorized representatives. The Assessment roll shall indicate for each Unit the name and address of the Declarant 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 Owner's Assessment account shall limit the liability of any person (other than the Owner) who receives and relies upon such certificate. The Association will issue such certificates to such persons as a Owner may request in writing.

12.3 Payment of Assessments.

12.3.1 Liability for Assessment. The Owner 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.

12.3.2 Lien for Assessment. In the event of the failure of a 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 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.

12.3.3 Perfection of Lien. The Board of Directors shall perfect the lien by filing a notice thereof with the Recorder of Lake County, Indiana 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 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.

12.3.4 Application of Payments. Assessments and installments thereof which are paid more than 20 days after the date when due shall bear interest at the rate of 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.

12.4 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. 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:

12.4.1 Common Ordinary Expense Fund. This account shall consist of those Assessments collected from 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.

12.4.2 Common Capital Improvement Fund. This account shall consist of those Assessments collected from all Declarants 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 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.

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

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

13. ENFORCEMENT.

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

13.1 Authority and Administration Enforcement and Procedures.

13.1.1 Authority. The Condominium shall be used only for the uses and purposes set out in this Declaration, and supplement the covenants and restrictions set forth herein, and the Articles, By-Laws and Rules and Regulations promulgated pursuant to Section 8.2, and elsewhere herein. The Board of Directors shall have the power and authority to impose reasonable special Assessments in addition to those provided by Section 12.2.2, which shall constitute a lien upon the 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 Section 13 that an Declarant or Occupant has violated any provision of this Declaration, the By-Laws, or the Rules and Regulations as duly promulgated.

13.1.2 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 Declarant or Occupant for

any such violations unless and until the following procedure is followed:

13.1.2.1 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, not less than 10 days, during which the violation may be abated without further sanction.

13.1.2.2 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 10 days from the giving of the notice; (iii) an invitation to attend the hearing and produce any statements, evidence and witnesses in their behalf; and (iv) the proposed sanction to be imposed.

13.1.2.3 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.

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

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

13.1.3.1.1 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 Section 13, and in otherwise attempting to remedy the violation, including attorney fees and Court costs.

13.1.3.1.2 The amount of actual damage done to the Common Areas and Facilities, to other Owners and Occupants or to the Association arising out of the violation or the efforts to remedy the effects of same.

13.1.3.1.3 The amount which would be reasonably required to compensate the Association for the disruption of an inconvenience to the Condominium community, the Association or any member thereof, or Occupant of a Unit therein.

13.1.3.1.4 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.

13.1.3.2 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 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 Section 12.

13.1.3.3 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 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.

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

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

13.2 Legal Remedies. In addition to the administrative remedies set forth in Section 13.1, 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 procedures, 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.

13.3 No Waiver of Rights. The failure of the Association or of a Owner to enforce any right, provision, covenant or condition which may be granted by the

Condominium Instruments or by law shall not constitute a waiver of the right of the Association or Owner to enforce such right, provision, covenant or condition in the future.

13.4 No Election of Remedies. All rights, remedies and privileges granted to the Association or any Owner pursuant to any terms, provision, covenants or conditions of the Condominium Instruments or by law shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges.

14. AMENDMENT.

The Condominium Instruments may be amended in the following manner:

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

14.1.1 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 Owners at which any proposed amendment is to be considered.

14.1.2 Resolution. Except as provided in Subsection 14.1.4 hereof, a resolution to amend the Declaration may be adopted by the affirmative vote of not less than 75% of the Shares of ownership of the Condominium at any regular or special meeting of the 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 66% of the Board of Directors.

14.1.3 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 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.

14.1.4 Share of Ownership. The Shares of ownership set forth in Exhibit “ ” attached hereto may not be changed, altered or amended either directly or indirectly, without the express, prior written consent of all Owners and their first mortgagees, except as provided in Subsection 14.1.5 of this Section and elsewhere in this Declaration.

14.1.5 Amendment by Declarant. Notwithstanding any other provision of the Condominium Instruments, the Declarant alone may amend this Declaration, or any of the other Condominium Instruments, without the consent of

the 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 Statute, 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 Exhibit "___" attached hereto. This Section 14.1.5 shall constitute an irrevocable special power of attorney to Declarant on behalf of all Owners and any and all other persons having an interest of any kind in the Property, for so long as Declarant owns any Unit. The amendment shall be signed by the Declarant 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 Owners and their mortgagees in the manner provided in Subsection 14.1.3 hereof. Such amendment shall not substantially alter the rights of the Owners under this Declaration.

14.2 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.

15. TERMINATION.

The Condominium may be terminated only in the following manner.

15.1 By Agreement. The Condominium may be terminated by the agreement of all 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.

15.2 Destruction. In the event it is determined that the Building is totally destroyed as provided in Section 10.1.1 herein, then the Property shall be considered removed from the provisions of the Statute 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.

15.3 Ownership of Property After Termination. In the event of termination of this Condominium, the Property shall be owned by the Owners as tenants in common. The undivided interest of each Owner in the Property shall be a percentage which is equal to the percentage of undivided interest previously owned by each Owner in the Common Areas and Facilities as set forth in the Statement of Interest, and as amended

from time to time; provided, however, such 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 interest of the Owners as tenants in common.

15.4 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 Owners in the same percentage as set forth in the Statement of Interest. The expenses incurred by the Association in connection with a termination shall be a Common Expense.

15.5 Sale After Termination. Upon termination of the Condominium, the Property may be partitioned and sold upon the application of any Owner; provided, however, if the Association determines by a vote of 75% of all the Owners to accept an offer for the sale of the Property, then each 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 hereto.

15.6 Association. The rights and powers of the Association hereunder shall not terminate until all the affairs of the Condominium have been concluded.

16. COVENANTS RUNNING WITH THE LAND.

All provisions of the Condominium Instruments 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.

17. LIENS.

17.1 Protection of Property. All liens against a Unit other than for taxes, special Assessments and permitted mortgages shall be satisfied or otherwise removed within 30 days from the date the lien attaches. All taxes and special Assessments upon a Unit shall be paid before becoming delinquent.

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

17.3 Notice of Suit. A 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 party of the Property, within five days after the Owner receives notice thereof.

17.4 Effect. Failure to comply with this Section will not affect the validity of any judicial sale.

17.5 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.

18. JUDICIAL SALES.

18.1 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 the Subsection 18.3 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.

18.2 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.

18.3 Foreclosures. In the event proceedings are instituted to foreclose any mortgage on any Unit, the Association, on behalf of one or more 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 and 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.

19. PROVISIONS PERTAINING TO DECLARANT AND DEVELOPER.

19.1 Control by Declarant and Developer. For so long as the Declarant continues to own at least one Unit subject to this Declaration, the Developer shall have the right to elect a majority of the Board of Directors.

19.2 Absence of Warranty. The Declarant and Developer specifically disclaim any warranty or representation in connection with the Property or the Condominium Instruments 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.

19.3 Right of Disposition. Notwithstanding the provisions of Section 7 hereof, the Declarant shall have the absolute right to lease, sell, convey, transfer, mortgage, or encumber any Unit owned by the Declarant. All such actions shall be subject to this Declaration and any amendments thereto.

19.4 Exemption. The Declarant may not exempt itself from any liability for payment of any expense properly assessed against any Unit which it owns.

19.5 Right to Amend Declaration. The Declarant shall have the right to amend the Declaration, and any of the Condominium Instruments, in accordance with Section 14.1.5.

20. SEVERABILITY OF INVALID OR UNENFORCEABLE PROVISIONS.

If any term, covenant, provision, phrase or other element of the Condominium Instruments 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, provisions, phrase or other element of the Condominium Instruments.

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 the remainder of this Declaration and the application of any other term, covenant, provision, phrase or other element in other circumstances shall not be affected thereby.

21. UNIT DEEDS.

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

22. CAPTIONS.

Captions used in the Condominium Instruments 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 Instruments.

23. 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.

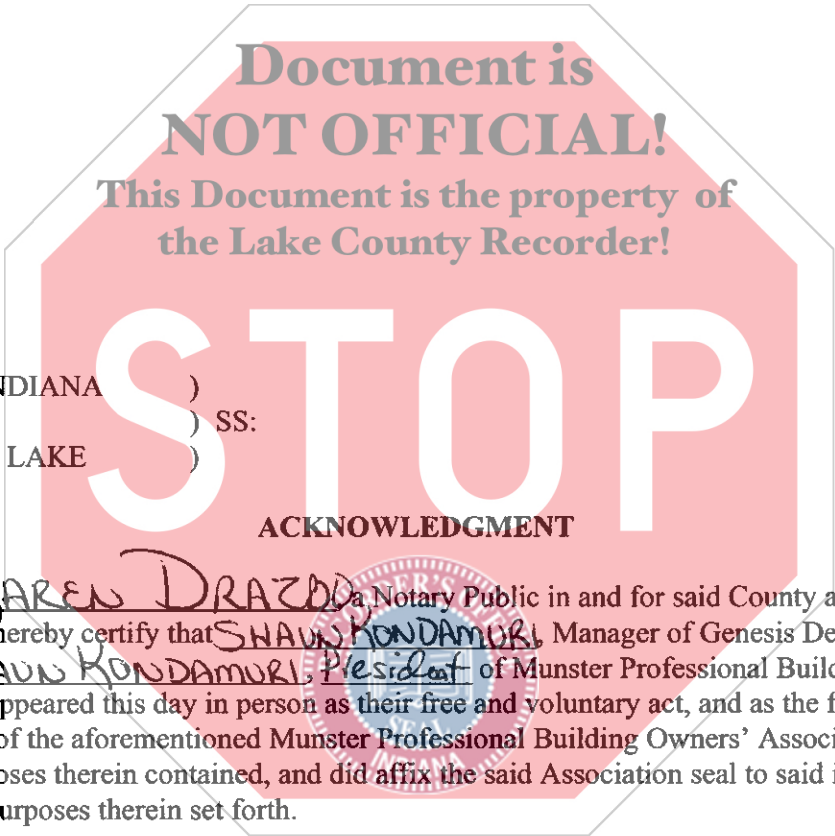
24. BINDING EFFECT.

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

20 IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed this day of March, 2006.

Genesis Development, LLC

By: Shub _____, Manager



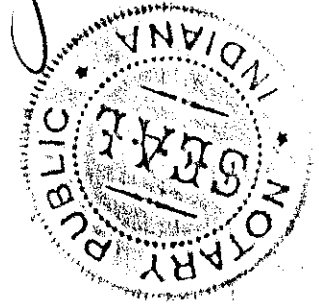
STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

I, KAREN DRAZDA a Notary Public in and for said County and State aforesaid, do hereby certify that SHAUN KONDAMURI Manager of Genesis Development, LLC and SHAUN KONDAMURI, President of Munster Professional Building Owners' Association, appeared this day in person as their free and voluntary act, and as the free and voluntary act of the aforementioned Munster Professional Building Owners' Association, for the uses and purposes therein contained, and did affix the said Association seal to said instrument for the uses and purposes therein set forth.

Given my hand and notarial seal this 20TH day of March, 2006.

My Commission Expires: 4/6/07
My County of Residence: LAKE

Karen Drazbo
KAREN DRAZBO, NOTARY PUBLIC



This instrument prepared by:

Todd A. Etzler, Esq.
Burke Costanza & Cuppy, LLP
57 Franklin Street, Suite 203
Valparaiso, IN 46383
(219) 531-0134



Prescribed by the
County Form 170
State Board of Accounts
(2005)

Declaration

This form is to be signed by the preparer/verifier of a document and recorded with each document in accordance with IC 36-2-7.5-5(a)

I, the undersigned verifier of the attached document, in accordance with IC 36-2-7.5, do hereby affirm under the penalties of perjury:

1. I have reviewed the attached document for the purpose of identifying and, to the extent permitted by law, redacting all Social Security numbers.
2. I have redacted, to the extent permitted by law, each Social Security number in the attached document.

I, the undersigned, affirm under the penalties of perjury, that the forgoing declarations are true.

