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STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

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MICHELLE R. FAJMAN  
RECORDER

**DECLARATION OF COVENANTS, DEDICATIONS, RESTRICTIONS, AND EASEMENTS and BY-LAWS FOR THE ESTATE HOMES AT REGENCY**

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**THIS DECLARATION OF COVENANTS, DEDICATIONS, RESTRICTIONS, AND EASEMENTS and BY-LAWS** ("Declaration") for the Estate Homes at Regency ("Subdivision"), is made as of this 5th day of October, 2010 by Lake County Trust Company as Trustee Under the Provisions of a Trust Agreement dated January 19, 2005 and known as Trust Number 5609 and Lake County Trust Company as Trustee Under the Provisions of a Trust Agreement dated January 19, 2005 and known as Trust Number 5618.

**WITNESSETH:**

**WHEREAS**, the Declarant is the owner of and holds legal title to the parcel of real estate situated in the City of Crown Point, Lake County, Indiana ("Parcel") and legally described in **Exhibit A** attached hereto and made a part hereof.

**WHEREAS**, the Declarant desires to subdivide the Parcel to create a residential single family home community containing permanent common areas (as hereinafter defined) or as otherwise shown or depicted on any recorded plat of subdivision subdividing the Parcel into lots or out lots; and,

**WHEREAS**, Declarant desires to provide for the preservation of the value, attractiveness and desirability of the lots or tracts constituting the Parcel and deems it necessary that all of the Parcel and each part of it, including any subdivided lot or out lot, be held, sold, and conveyed only subject to the Declaration of Master Covenants, Dedications, Restrictions and Easements for the Regency Subdivision ("Master Declaration") and the following easements, covenants, conditions, and restrictions, agreements or obligations which will constitute covenants running with the land and will be binding on all parties or entities having any right, title, or interest in the Parcel or any part of it, their heirs, successors, and assigns, and will inure to the benefit of each owner; and,

**WHEREAS**, Declarant has deemed it desirable for this efficient preservation of the values and amenities in said Subdivision, to create a homeowners' association which shall be compliant with Ind.Code § 32-25.5-1-1, *et seq.* and to which shall be delegated and assigned the powers of maintaining, administering and enforcing this Declaration and collecting and disbursing the assessments and charges hereinafter created and doing all other matters as set forth herein; and,

**WHEREAS**, Declarant has incorporated, or will incorporate, the homeowners' association under the laws of the State of Indiana, as a nonprofit corporation, The Estate Homes at Regency Homeowners Association, Inc.;

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**CTIC Has made an accomodation recording of the instrument.**  
Chicago Title Insurance Company

PEGGY HOLINGA KATONA  
LAKE COUNTY AUDITOR  
\$ 73.00 pd  
CK# 3319

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**WHEREAS**, the legal description and Key Number of the Parcel are as follows:

Legal Description:	See Exhibit A
Location:	City of Crown Point, County of Lake, and State of Indiana
Key Number:	See Exhibit B Attached hereto

**NOW, THEREFORE**, Declarant hereby declares that the Parcel described in **Exhibit A** of this Declaration is and shall be held, sold, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the covenants, restrictions, easements, charges, obligations, liabilities and liens (sometimes referred to as "Declaration") hereinafter set forth.

**ARTICLE I**  
**Definitions**

1.1 **Association:** The Estate Homes at Regency Homeowners Association, Inc., an Indiana nonprofit corporation, its successors and assigns.

1.2 **Architectural Control Committee:** The group of persons who may, from time to time, serve as provided in Section 6.1 hereof.

1.3 **Board:** The Board of Directors of the Association, as constituted at any time or from time to time in accordance with the applicable provisions of Article III.

1.4 **By-Laws:** The provisions for the administration of the Association including, but not limited to, assessment, maintenance, use, occupancy, sale, leasing and alienation, all as hereinafter set forth, or as the same may be from time to time duly amended. Articles III, IV, V, VI, and VIII hereof shall constitute the By-Laws of the Association.

1.5 **City:** The City of Crown Point, Indiana, a political subdivision of the state of Indiana located in Lake County.

1.6 **Common Area:** Those portions of the Parcel and Lots intended or designated to be devoted to the common use and enjoyment of the Owners and other persons described herein which portions are either owned by the Association or to which easements are reserved for the use and benefit of the Owners.

1.7 **Common Facilities:** All those improvements, personal property, structures and other similar items located in or on the Common Area (exclusive of facilities owned or installed by Utility Companies), such as benches, gazebos, playground equipment or other items or property installed in or upon the Common Area or used with respect to the Common Area.

1.8 **Declarant:** Lake County Trust Company as Trustee Under the Provisions of a Trust Agreement dated January 19, 2005 and known as Trust Number 5609 and Lake County Trust Company as Trustee Under the Provisions of a Trust Agreement dated January 19, 2005 and known as Trust Number 5618609.

1.9 **Developer:** The Regency of Crown Point, LLC, an Indiana limited liability company.

1.10 **First Mortgagee:** Any lienholder of a first mortgage encumbering a Lot who has recorded its mortgage and provided written notice to the Association of its lien against a specific Lot.

1.11 **Dwelling Unit:** A residential housing unit, which includes a garage, whether attached or detached, located on a Lot and intended for use exclusively as residential living quarters for one family.

1.12 **Lot:** Any individual parcel of real estate included within the Parcel upon which a Dwelling Unit is situated or to be situated, including a subdivided lot as shown on a recorded plat of subdivision and which is or hereafter may be made subject to this Declaration.

1.13 **Master Association:** The Regency Master Association, an Indiana nonprofit corporation, its successors and assigns, as defined in the Master Declaration.

1.14 **Master Declaration:** The Declaration of Master Covenants, Dedications, Restrictions and Easements for the Regency Subdivision, as amended from time to time recorded in the Office of the Recorder of Lake County, Indiana.

1.15 **Member:** Each person who holds membership in the Association.

1.16 **Owner:** The person or persons whose estates or interest, individually or collectively, aggregate fee simple absolute ownership of a Lot. For the purposes hereof, unless otherwise specifically provided herein, the word "Owner" shall include any beneficiary of a trust or title holding land trust, shareholders of a corporation or partner of a partnership holding title to a Lot or purchasing a Lot.

1.17 **Parcel:** The real estate legally described in Exhibit A.

1.18 **Person:** A natural individual, corporation, partnership, trust or other legal entity capable of holding title to real property.

1.19 **Plat:** The recorded Plat of Subdivision of the Parcel recorded with the Recorder of Lake County, Indiana as it may be amended from time to time.

1.20 **Subsidy Payments:** Payment by Declarant to the Association in an amount equal to the difference between the actual expenses incurred by the Association (not including reserves) and the amount of the Assessments paid by the Owners in accordance with the terms and conditions of this Declaration.

1.21 **Turnover Date:** The earlier of Sixty (60) days after the date upon which the Declarant owns title to less than seventy-five (75%) percent of the Lots, or December 31, 2015 on which date the Declarant shall appoint the initial Board and convey the Common Areas to the Association, if not previously conveyed.

1.22 **Utility or Utilities:** All public and private utility conduits, wires, ducts, pipes, cables and other lines, and all associated equipment, which serve the Parcel, including without limitation, those for the transmission and/or distribution of water, electricity, gas, telephone, sewage, drainage and television and other electronic signals. Said term also includes all standpipes, hydrants, pumps, equipment vaults and other structures and facilities for the provision of fire protection services.

1.23 **Utility Companies:** City, AT&T, Northern Indiana Public Service Company and all other public utility companies serving the Parcel and Dwelling Units, including any utility company providing cable, microwave or other communications service, and all other suppliers of utilities serving the Parcel are hereby granted a non-exclusive perpetual utility easement to install, lay, construct, operate, maintain,

renew, repair and replace conduits, cables, pipes, wires, transformers, mains, switching apparatus and other equipment, including housings for such equipment, into, over, under, on and through the Parcel and the Common Area (excluding a Dwelling Unit) for the purpose of providing and maintaining sewer (storm and sanitary), water, gas, electricity, cable television, telephone and any other utilities as may be necessary to develop, service and maintain the Parcel, the Common Area, and facilities or improvements thereon and the Dwelling Units.

1.24 **Voting Member:** One Person with respect to every Lot who shall be entitled to vote at any meeting of the Members. Such Voting Member may be the Owner or one of the group composed of all the Owners of a Lot or may be some person designated by such Owner or Owners to act as proxy on behalf of such Owner or Owners and who need not be an Owner. Such designation shall be made in writing and shall be revocable at any time by actual notice to the Board by the Owner or Owners.

## **ARTICLE II** **Easements**

2.1 **Easement for Encroachments:** In the event that, by reason of construction, design, settlement or shifting any Dwelling Unit or portion thereof encroaches upon any other Dwelling Unit, Lot, portion thereof or upon any portion of the Common Area, or if by reason of the design or construction thereof, any pipes, conduits, ducts or other utility facilities serving more than one Dwelling Unit encroach or shall hereinafter encroach upon any of the Lot or, if by reason of the design or the construction of any Dwelling Unit it shall be necessary or advantageous for any Owner to occupy or use any portion of the Common Area for any reasonable use appurtenant to said Dwelling Unit, including but not limited to use for any balcony serving a Dwelling Unit, valid easements for the maintenance of such encroachment and for such use of the Common Area are hereby established and shall exist for the benefit of the Owner of the Dwelling Unit so encroaching and the Association, provided, however, that in no event shall a valid easement of any encroachment or use of the Common Area be created in favor of any Owner and/or the Association if such encroachment or use is detrimental to or materially interferes with the reasonable use and enjoyment of the Dwelling Unit or Common Area burdened thereby and such encroachment results from the willful conduct of the Owner of the Dwelling Unit so encroaching.

2.2 **Utility Easements:** Association, City, AT&T, Northern Indiana Public Service Company and all other public Utility Companies serving the Parcel and Dwelling Units, and all other suppliers of utilities serving the Parcel are hereby granted a non-exclusive perpetual utility easement to install, lay, construct, operate, maintain, renew, repair and replace conduits, cables, pipes, wires, transformers, mains, switching apparatus and other equipment, including housings for such equipment, into, over, under, on and through the Parcel and the Common Area (excluding a Dwelling Unit) for the purpose of providing and maintaining sewer (storm and sanitary), water, gas, electricity, cable television, telephone and any other utilities as may be necessary to develop, service and maintain the Parcel, the Common Area, and facilities or improvements thereon and the Dwelling Units. The right is also reserved to Declarant to grant to said Utility Companies and to cause to be recorded by separate instruments such easements. Every Owner is also hereby granted an easement for ingress and egress over and upon the Common Area and any other Parcel for any and all purposes arising out of the construction, installation, repair, maintenance, replacement and inspection of Utilities servicing such Owner's Lot. Easements are also hereby declared and granted to the Developer or its assignee to install, lay, construct, operate, maintain, renew, repair and replace any conduits, cables, pipes, wires or other equipment or components of any utility system or of any community antenna television service system into, over, under, on and through the Common Area and any Lot for the purpose of providing such utility service or television service to any Lot, the Parcel, or to other property.

**2.3 Access Easement over Common Area:** Each Owner of a Lot is hereby granted a perpetual, non-exclusive easement for pedestrian and vehicular ingress and egress over those portions of the Common Area designated for pedestrian or vehicular use provided that no portion of the Common Area shall be used for the parking of motor vehicles. The easements hereinabove granted in this Section 2.3 shall benefit the Owners and other occupants, from time to time, of the Lots and their respective guests and invitees. The Association, through its Board of Directors, shall have the right to establish, and thereafter amend and modify, rules and regulations in respect to the exercise of the easement rights granted in this Section 2.3 by the persons benefited thereby, including, by way of example and not limitation, rules and regulations pertaining to the use of security equipment, towing of illegally parked vehicles and uses other than for pedestrian and vehicular ingress and egress.

**2.4 General Provisions:** All easements described in this Declaration are perpetual, non-exclusive easements appurtenant, running with the land. They shall at all times inure to the benefit of and be binding on the undersigned, the Owners and the mortgagees who hold a lien on any Lot or the Parcel from time to time and their respective heirs, administrators, executors, personal representatives, successors and assigns.

**2.5 Obligation to Maintain Easements Reserved To The Association or Master Association:** Whenever any deed to a Lot reserves or grants an easement over a portion of such Lot to the Association, the Association shall have the sole obligation to maintain and repair such portion and to regulate the use thereof, provided that the Association shall have the right to delegate or assign such obligations to a third party acceptable to the Association.

### **ARTICLE III** **Administration**

**3.1 Association:** The Association has been, or will be, formed as an Indiana nonprofit corporation under the Indiana Nonprofit Corporation Act of 1991 having the name "The Estate Homes at Regency Homeowners Association, Inc." (or name similar thereto) and shall, to the extent hereafter provided and subject to the limitations hereafter contained, be the governing body for the use, maintenance and repair of the Common Areas and the use, maintenance and repair of the Common Facilities.

**3.2 Members:** Every Owner of a Lot shall be a Member of the Association and such membership shall automatically terminate when such Owner ceases to be an Owner. Membership is appurtenant to and shall not be separated from ownership of a Lot. Each Owner, by acceptance of a deed or other conveyance of a Lot thereby becomes a Member, whether or not this Declaration is made a part of, incorporated by reference or expressed in said deed or conveyance. There shall be one Voting Member with respect to every Lot entitled to vote at any meeting of the Members.

**3.3 Voting Rights:** The Association shall have two classes of voting members.

Class A: Class A Members shall be all Owners with the exception of the Declarant. Each Class A Member shall be entitled to one vote for each Lot owned.

Class B: The Class B Member shall be the Declarant who shall at any given time be entitled to one hundred and sixty two (162) votes. The Declarant shall cease to be Class B Member upon the first of any of the following dates to occur ("Turnover Date"):

- (a) Sixty (60) days after the date upon which the Declarant owns title to less than seventy-five (75%) percent of the Lots, or

(b) On December 31, 2015, provided however that if, the Declarant owns Lots, Declarant shall become a Class A Member as to each Lot so owned.

**3.4 Election of Board:** For a period commencing on the date this Declaration is executed and ending upon the election of the directors at the initial meeting of Voting Members, the Declarant or the Developer shall have the right to exercise the powers of the Board of Directors ("Board") as provided herein. Except for directors so designated by Declarant or Developer, each member of the Board shall be an Owner and shall reside in a Dwelling Unit; provided, however, that in the event an Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any person designated by such corporation, partnership, trust, or other legal entity, shall be eligible to serve as a member of the Board, so long as any such designee (other than a person designated by Declarant or Developer) resides in a Dwelling Unit.

**3.5 Election of Directors:**

3.5.1 The initial Board designated by the Declarant or Developer shall consist of three (3) directors who shall serve without compensation. Such initial Board shall serve for a period commencing on a date the Association is formed by the filing of the Articles of Incorporation therefor in the office of the Secretary of State of Indiana and ending upon the qualification of the directors elected at the initial meeting of Voting Members held as provided in Section 3.6 hereof. At the initial meeting held as provided in Section 3.6 hereof, the Voting Members shall elect five (5) directors who shall serve until the first annual meeting. In all elections for members of the Board, each Voting Member shall be entitled to vote on a non-cumulative voting basis and the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed elected. Each Voting Member shall be entitled to cast the number of votes specified in Section 3.3 hereof. At the first annual meeting five (5) Board members shall be elected. The three (3) persons receiving the highest number of votes at the first annual meeting shall be elected to the Board for a term of two (2) years, and the two (2) persons receiving the next highest number of votes, shall be elected to the Board for a term of one (1) year. The election and term of office as between candidates receiving the same number of votes shall be determined by lot. Upon the expiration of the terms of office of the Board members so elected at the first annual meeting and thereafter, successors shall be elected for a term of two (2) years each. The Voting Members having at least two-thirds (2/3) of the total votes may from time to time increase or decrease the number of Board members at any annual or special meeting, provided that such number shall not be less than three (3). Vacancies in the Board, including vacancies due to any increase in the number of persons on the Board shall be filled by the majority vote of all remaining Board members. The Board shall act by majority vote of those present at its meeting when a quorum exists. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt. A majority of the total number of members on the Board shall constitute a quorum.

3.5.2 The Board shall elect from among its members a President who shall preside over both its meetings and those of the Voting Members and who shall be the chief executive officer of the Association, a Secretary who shall keep minutes of all meetings, a Treasurer and such other officers as the Board shall see fit. Except for Directors designated by the Declarant or Developer any Board member may be removed from office by the affirmative vote of Voting Members holding two-thirds (2/3) of the total votes.

**3.6 Meetings of Voting Members:**

3.6.1 Meetings of the Voting Members shall be held at such places and times as shall be designated in any notice of a meeting by the Board. The presence in person or by proxy at any meeting of the Voting Members having a majority of the total votes shall constitute a quorum. Unless otherwise expressly

provided herein, any action may be taken at any meeting of the Voting Members at which a quorum is present upon the affirmative vote of the Voting Members having a majority of the total votes present at such meeting. In the event that a quorum is not present at any meeting of the Voting Members, another meeting may be called by notice from the Board and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting; provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

3.6.2 The initial meeting of Voting Members shall be held within seven days after the Turnover Date; provided that the Declarant or Developer, at any time, may call the initial meeting of the Members by giving a least ten (10) days written notice to the Members. Thereafter, there shall be an annual meeting of the Voting Members on or about the second Tuesday of September following such initial meeting and on or about the second Tuesday of October of each succeeding year thereafter, or on such other reasonable date and at such time, and at such place, as may be designated by written notice from the Board, provided however that no meeting may be held outside Lake County, Indiana.

3.6.3 Special meetings of the Voting Members may be called at any time for any reasonable purpose on not less than ten (10) days notice from a majority of the Board or the Voting Members holding at least one-third (1/3) of the total votes. The Board shall hold a special meeting of the Members if at least ten percent (10%) of the Members submit to the Board at least one (1) written demand for said special meeting and that demand: (a) describes the purpose of the proposed meeting; and (b) is signed by the Members requesting the meeting. Upon receipt of such written notice, the Board shall send out a notice of the date, time and place for the special meeting no more than thirty (30) days after receipt by the Board of a valid written demand. If the Board does not send out such notice, a Member who signed the written demand may set the date, time and place for said special meeting and send out notice to other Members.

3.6.4 Notices of meetings may be delivered personally or by mail to the Voting Members, addressed to each such Voting Member at the address given by such Voting Member to the Board, or if no address shall be given, addressed to such Voting Member at the address of the Dwelling Unit owned by such Voting Member.

**3.7 General Powers of the Board:** To the extent the Board powers do not conflict with the Master Declaration, the Board shall have the following powers:

3.7.1 To adopt rules and regulations governing the use, maintenance and administration of the Lots, Common Facilities and Dwelling Units for the health, comfort, safety and general welfare of the Owners and occupants thereof.

3.7.2 To provide for maintenance, repair and replacement with respect to the Common Areas and Common Facilities and as otherwise required or permitted under the terms of this Declaration, including Article VIII.

3.7.3 To enter into contracts on behalf of, and to purchase or secure in the name of, the Association any materials, supplies, insurance (including directors and officers liability insurance), equipment, fixtures, labor, services (including the services of accountants and attorneys) required by the terms of this Declaration or the Bylaws of the Association, or which in its reasonable opinion shall be necessary or proper for the operation or protection of the Association and its members and for the enforcement of the provisions of this Declaration.

3.7.4 To enter upon, and to have its contractors, subcontractors and agents enter upon, any Lot and the exterior of any Dwelling Unit as may be required to exercise any of the rights and obligations granted to or imposed upon it pursuant to this Declaration or to correct any condition that in the Board's judgment is a nuisance or is damaging to any Owner or occupant.

3.7.5 To enter into contracts, maintain one or more bank accounts (granting authority as the Board shall desire to one or more persons to draw upon such accounts), and generally, to have all the powers necessary and incidental to the operation and management of the Association. The Board may not enter into any contract resulting in a new assessment or increase in an existing assessment payable by affected Members in the amount of more than five hundred dollars (\$500.00) per year for each affected Member unless: (a) the Board holds at least two (2) meetings regarding the contract; (b) the contract is approved by two-thirds (2/3) of the affected Members. Notice of the first such meeting in (a) above shall be given to each Member at least seven (7) calendar days before the date the meeting occurs. However, this latter provision does not apply to a contract entered into by the Board that resolves, settles, or otherwise satisfies an action for enforcement against the Association for violation of any state or local law.

3.7.6 To adjust the amount, collect and use any insurance proceeds to repair damaged or replace lost property, and if proceeds are insufficient to repair damaged or replace lost property, to assess the appropriate Members in proportionate amounts to cover the deficiency.

3.7.7 To take such action as may be required to enforce the provisions of this Declaration and the rules and regulations made hereunder.

3.7.8 To take such action as may be required or reasonably necessary to enforce the provisions of the Master Declaration as applicable to the Association and the rules and regulations made thereunder.

3.7.9 To grant non-exclusive easements in respect to, and to dedicate to or as directed by governmental authorities, portions of the Common Facilities and to execute and cause to be recorded such instruments as may be required with respect thereto.

3.7.10 To borrow money in the name of the Association to provide for the maintenance, repair or replacement of the Common Facilities, provided, however, that the Board shall not secure any such borrowings by encumbering the Common Facilities with a mortgage or deed of trust. The Board shall, however, have the power to secure such borrowings by pledging and granting a security interest in the assessments due the Association hereunder. The Association may not, on behalf of the Association, borrow money during a calendar year in an amount exceeding the greater of five thousand dollars (\$5,000) or an amount equal to ten percent (10%) of the previous annual budget (assuming Association operated under an annual budget in the prior calendar year) unless said borrowing is approved by the affirmative vote of a majority of the Voting Members.

3.7.11 To enter into a contract for the management of the Parcel with a professional manager or management company on such reasonable terms as the Board shall determine; provided that, any such contract shall be cancelable by the Association at the end of three (3) years from the date of recording of this Declaration.

3.7.12 To exercise any and all powers, rights and authorities provided in the Indiana Nonprofit Corporation Act, as amended from time to time.

3.7.13 To enter into covenant agreements with third party landowners, whereby the covenants contained in said covenant agreements benefit both the Association. Said covenants contained in such agreements shall run with the land owned by the Association and the third party landowner.



Notwithstanding anything aforesaid to the contrary and subject to the initial meeting of Members, except for (i) litigation seeking to enforce any remedy available to the Association at law or in equity in the case of a violation of any provision of this Declaration or the rules and regulations of the Association, including by way of example and not limitation, failure by a Member to pay their assessments; (ii) litigation in connection with real estate tax assessments on the Lots; (iii) litigation against a contractor by reason of the claimed breach of a contract entered into by the Board, or (iv) litigation against an insurance carrier arising out of a claim of the Association under any policy of insurance wherein the Association is a named insured, the Board shall have no authority to commence any litigation without the prior consent of not less than three-fourths (3/4) of the Voting Members.

**3.8 Insurance on Common Facilities:** To the extent the following insurance is not covered under a policy owned by the Master Association, the Board shall have the authority to and shall obtain insurance for the Common Area and Common Facilities as follows:

3.8.1 Comprehensive General Liability insurance covering bodily injury and property damage insuring against hazards of premises and operations, death, personal injury liability (with standard exclusions (a) and (c) deleted), independent contractors and other endorsements as deemed necessary by the Board. Such insurance shall name the Association and managing agent as insured, provide limits of liability as deemed desirable by the Board, but in no event for less than One Million Dollars (\$1,000,000.00) for each occurrence. Such policy shall be endorsed to cover cross-liability claims of one insured against the other;

3.8.2 Worker's Compensation and Employer Liability (minimum amount \$100,000.00) as necessary to comply with applicable laws.

3.8.3 Fidelity bond insurance covering any officer, director, managing agent or other person who handles or is responsible for funds of the Association, in an amount necessary to comply with the insurance requirements of the Federal National Mortgage Association; and,

3.8.4 Such other insurance, which may include, without limitation, any or all of the following, in such amount as the Board shall deem desirable: directors and officers liability insurance for the officers and members of the Board; and medical payments coverage for members of the public (not Owners) injured on the Common Facilities, without regard to liability of the Board or the Association.

3.8.5 The premium for the above-described insurance shall be paid from the assessments described in Article IV.

3.8.6 All insurance provided for in this Section 3.8 shall be effected under valid and enforceable policies issued by insurance companies authorized and licensed to transact business in the State of Indiana. If possible, all such policies shall provide a minimum of thirty (30) days advance notice of cancellation in writing to the insureds thereunder and the holder of each first mortgage on a Dwelling Unit if requested in writing by such mortgagee unless such cancellation is for non-payment of premium in which case ten days (10) advance written notice shall be sufficient.

**3.9 Liability of the Board:** Neither directors of the Board nor the officers of the Association shall be individually liable to the Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such Board members and officers except for any acts or, omissions found by a court to constitute gross negligence or fraud. The Owners shall indemnify and hold harmless each of the directors of the Board and each of the officers of the Association against all contractual and other liabilities to others arising out of contracts made by or other acts of the Board and officers of the Association on behalf of the Owners or arising out of their status as Board members, Directors or officers

unless any such contract or act shall have been made fraudulently or with gross negligence or contrary to the provisions of this Declaration. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement), reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or other, in which any member of the Board or officers of the Association may be involved by virtue of such persons being or having been such member or officer, provided however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties as such member, director or officer, or (b) any matters settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such person being adjudged liable for gross negligence or fraud in the performance of his duties as such member or officer.

**3.10 Books and Records:** The books and records of the Association may be examined by any Owner and any holder of a first mortgage on a Lot at the office where such books and records are maintained, during normal business hours for any proper purpose upon prior, written notice to the Board.

#### **ARTICLE IV** **Assessments**

4.1 **Personal Obligation:** Each Owner (except for the Declarant or as otherwise set forth hereafter) by acceptance of a deed for a Lot, whether or not it shall be so expressed in any such deed, or other conveyance for such Lot, does hereby covenant and agree to pay to the Association such assessments and fees as are levied pursuant to the provisions of this Declaration and the Bylaws of the Association. Such assessments and fees, whether special or otherwise, not paid when due, together with interest thereon at the rate of ten percent (10%) per annum, late fees of \$25.00 per month (or such other amount as the Board shall from time to time determine) and costs of collection, including attorneys fees incurred with respect thereto whether or not suit shall be instituted, shall be a charge and a continuing lien upon the Lot against which such assessment is made. Furthermore, each such assessment, together with such interest, costs, late fees and other fees, shall be the personal obligation of each person who was an Owner of such Lot on the date upon which such assessment became due. The Declarant, to the extent that it shall be an Owner of a Lot that is leased to any person, shall, as to each such leased Lot, be subject to the provisions of this Article from and after the first day of the month in which the Declarant first receives rent for such Lot. Except as provided in the preceding sentence, the Declarant shall not be liable for the payment of assessments hereunder and portions of the Parcel owned by the Declarant shall not be subject to liens hereunder.

4.2 **Purpose of Assessments:** The assessments and fees levied by the Association shall be used for the purpose of promoting the health, safety and welfare of the Members and, in particular, for (a) paying the cost of maintenance and repair of the Common Facilities and Common Area, including the cost of labor, equipment, services (including utilities and security services, accountants', attorneys' and other professional fees, licenses and permits); and the materials in connection therewith; (b) the establishment of such reasonable reserves ("Capital Reserve"), if any, as the Board deems appropriate, (c) the performance of the duties of the Board as set forth in this Declaration and the bylaws of the Association, including the enforcement of the provisions thereof, (d) paying the cost of any maintenance and repair of the exterior of the Dwelling Units and Lots to the extent that such costs are not assessed against the particular Owners benefited by such services pursuant to Section 8.3; (e) the assessment of the Master Association; and (f) in general, carrying out the purposes of the Association as stated herein and in the Articles of Incorporation of the Association.

4.3 **Annual Assessments:** Each year on or before December 1, the Board shall estimate the total amount (the "Aggregate Annual Assessment") necessary to provide the materials and services which will be required for the ensuing calendar year in the operation of the Association (which estimate shall include a reasonable amount considered by the Board to be desirable for contingencies and reserves and may also include any amounts to be received by third parties, particularly the Master Association) and shall notify each Owner in writing as to the amount of the Aggregate Annual Assessment, with a reasonable itemization thereof and of the amount thereof allocable to such Owner. Each Owner (with the exception of the Declarant except as otherwise hereunder provided) shall be allocated that portion of the Aggregate Annual Assessment as shall be determined by dividing the Aggregate Annual Assessment by the total number of Dwelling Units on Lots. On or before January 1 of the ensuing year, and on the first day of each and every month of said year, each Owner, jointly and severally, shall be personally liable for and obligated to pay one-twelfth (1/12) of the portion of the Aggregate Annual Assessment allocated to such Owner. On or before April of each calendar year following the initial meeting of Voting Members, the Board shall furnish each Owner with an itemized accounting of the expenses for the preceding calendar year and the amount collected from the Owners.

4.4 **Special Assessments:** In addition to the annual assessments authorized pursuant to Section 4.3, the Board may at any time or from time to time levy special assessments. Special assessments shall be levied for the purpose of defraying, in whole or in part, the cost incurred by the Association for any repair, replacement, maintenance, service, labor or materials not provided for in the Aggregate Annual Assessment for the then current calendar year. Except for special assessments which shall not exceed in any one twelve month period the sum \$200 per assessed Lot, any such special assessment shall first be approved by the affirmative votes of not less than one-half (1/2) of the votes cast at the annual or a special meeting of the Members called and held in accordance with the provisions of Section 4.5 hereof. Special assessments shall be allocated to each Owner in the same manner as such Owner's respective share of the Aggregate Annual Assessment. The Declarant shall be liable for the payment of special assessments on only those Lots for which the Declarant is obligated to pay a regular assessment.

4.5 **Notice and Quorum:** Written notice of any meeting called for the purpose of authorizing any special assessment requiring approval pursuant to Section 4.4 hereof shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At such meeting, the presence in person or by proxy of Members entitled to cast one-half (1/2) of all votes shall constitute a quorum.

4.6 **Proof of Payment:** Upon written demand of an Owner or first mortgagee at any time, the Association shall furnish such Owner or first mortgagee a written certificate signed by an officer of the Association setting forth whether there are any unpaid assessments or special assessments levied against such Owner's Lot. Such certificate shall be conclusive evidence of payment of any annual or special assessments not stated therein as unpaid.

4.7 **Nonpayment of Assessments:** Any assessment, which is not paid when due shall be deemed delinquent. If an assessment is not paid within ten (10) days after the delinquency date, such assessment shall bear interest at the rate provided in Section 4.1 from the delinquency date and the Board may impose a late fee as provided in Section 4.1. In the event of the failure of any Owner to pay any assessment, maintenance charge, interest charge, late fee or other fees or costs of collection, when due, the amount thereof shall constitute a lien on the Lot of such Owner. In the event such Owner fails to pay such assessment within thirty (30) days after notice from the Board of such default, the Board may accelerate the maturity of the remainder of the installments of assessments due from such Owner for the balance of the calendar year and may enforce collection thereof. The Board shall, in the name of and on behalf of the Association, have all rights and remedies to enforce such collections as shall from time to time be permitted by law, including bringing an action at law or in equity against such Owner and foreclosing the

aforesaid lien. All expenses of the Association in connection with such action or proceedings, whether or not suit shall be instituted, including attorneys' fees and court costs and other fees and expenses shall be charged to and assessed against such Owner (and shall constitute a personal liability of such Owner) and shall be added to and deemed part of the assessment attributable to the Lot of such Owner and the Association shall have a lien for all of the same upon the Lot of such Owner.

**4.8 Subordination of Lien to Mortgagee:** The lien of the assessments provided for herein shall be subordinate to the lien of any prior, recorded mortgage or deed of trust on a Lot made to any bank, savings and loan association or other institutional lender except for the amount of any assessment which becomes due and payable from and after the date such lender obtains title to such Lot pursuant to a judgment of foreclosure of any other proceeding in lieu of foreclosure. Such transfer of title shall not relieve such Lot from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

**4.9 Exemption from Assessment on Lots Owned by Declarant:** In order that those Lots which are improved with Dwelling Units and conveyed or leased by Declarant may, with reasonable promptness, receive the benefits of maintenance by the Association for the enjoyment of the residents of the Parcel, and also be subject to assessments therefor, and so as not to discourage the Declarant from voting for such assessments at such times as the Declarant may still own a substantial number of unoccupied Lots, and inasmuch as assessments levied against such Lots impose a burden on the Declarant without the Declarant desiring, or receiving the benefits of maintenance upon such Lots as may from time to time be provided by the Association, it is therefore expressly provided that no Lot owned by the Declarant, or an entity in which a member of Declarant or a member of a member of Declarant has an ownership interest, shall be subject to the assessments, charges and liens provided for herein except as provided in Article XII or tenants of a Dwelling Unit owned by Declarant have commenced to pay rental therefor or sold pursuant to installment contract or articles of agreement for deed. Upon the conveyance or leasing by Declarant of a Lot which was theretofore entitled to the foregoing exemption from assessments, such Lot and the Owner thereof shall immediately become subject to the payment of all assessments and other charges and the liens provided for herein.

**4.10 Initial Assessments:** Except as provided in Section 4.9 or otherwise set forth in this Declaration, each Owner, including the initial purchaser of a Lot, shall pay to the Association, at the time of the an concurrent with the closing thereof, an amount equal to three times the then monthly assessment allocable to such Lot. The amounts so collected shall be utilized to fund the operating expenses for the Association and shall not be refundable or applied as a credit against the Owner's monthly assessment. The foregoing shall be a continuing obligation of the Owner.

## ARTICLE V

### **Covenants and Restrictions as to Use and Occupancy**

**5.1 Residential Use:** Each Dwelling Unit shall be used for private, residential purposes and no other purposes. No industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, conducted for profit, altruism or otherwise shall be conducted, maintained or permitted in a Dwelling Unit or on a Lot provided, however, that nothing contained in this section shall be construed in such a manner as to prohibit an Owner from: (i) maintaining a personal professional library; (ii) keeping personal business or professional records or accounts; (iii) handling personal business or professional telephone calls and correspondence; (iv) maintaining a computer or other office equipment; or (v) having occasional business visitors. Such uses are expressly declared customarily incident to the principal resident use and not in violation of this Section 5.1. Notwithstanding the foregoing, no Owner shall suffer or permit the regular or consistent entry of customers or clients.

5.2 **Leasing:** Except as to Dwelling Units owned by the Declarant or a First Mortgagee, or their respective successors and assigns or as otherwise set forth herein, no Dwelling Unit may be leased for "transient purposes." For purposes of this Section 5.2, "transient purposes" shall mean a lease for a term of less than twelve (12) months, except for a month-to-month lease by a lessee immediately following a lease by and between the same lessee and the lessor with a term of not less than twelve (12) months. All leases shall be in writing and shall require the lessee to observe and comply with the provisions of this Declaration and any rules and regulations from time to time enacted by the Board. Any Owner who leases a Dwelling Unit shall provide the Association prior to occupancy by a tenant, with (a) a copy of such lease; (b) the names of all persons who will occupy the Dwelling Unit, and (c) the lessee's telephone number at the Dwelling Unit. The Board may enact reasonable rules and regulations in connection with the leasing of Dwelling Units.

5.3 **Restrictions:** Except for acts or activities of the Declarant or Developer:

5.3.1 No animals, reptiles, rabbits, livestock, fowl or poultry of any kind shall be raised, bred, or kept in any Dwelling Unit or in the Common Area, except that dogs (no more than two dogs per Dwelling Unit), cats (no more than two cats per Dwelling Unit) or other usual household pets may be kept in Dwelling Units, subject to rules and regulations adopted by the Board, provided that they are not kept, bred, or maintained for any commercial purpose; provided further that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Dwelling Unit or Lot upon three (3) days written notice from the Board; after a majority vote for said action, provided further that the Board may restrict pets from access to any portion of the Common Area, and may designate other portions of the Common Area to accommodate the reasonable requirements of Owners who keep pets.

5.3.2 No noxious, offensive or illegal activity shall be carried on in any Dwelling Unit or on any Lot, nor shall anything be done therein or thereon, either willfully or negligently, which may be or become an annoyance or nuisance to the other Owners or occupants.

5.3.3 No campers, trucks, mobile homes, snowmobiles, buses, commercial vehicles, vans, vehicles not bearing a current license, inoperable vehicles, boats, motorcycles, bicycles, sleds or other recreational vehicles shall be parked on any Lot except inside the garage of a Dwelling Unit. No maintenance of any vehicle shall be performed on a Lot. No vehicle shall be parked on any portion of the Common Area. The foregoing restriction shall not apply to any trucks or other vehicles owned by the Declarant, Developer or their respective contractors, subcontractors, material suppliers, agents and employees which may be parked on any portion of the Parcel or Lot owned by the Declarant or Developer during the construction and marketing of Dwelling Units by the Declarant or Developer or necessary to make service calls.

5.3.4 No clotheslines, clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of a Lot. All rubbish, trash and garbage shall be placed in closed, plastic bags, deposited in closed trash receptacles and regularly removed from each Lot. No trash receptacles shall be kept outside a Dwelling Unit and no burning of trash shall be permitted.

5.3.5 With the exception of machinery, equipment, building materials and supplies and similar items which the Declarant or Developer may store or permit to be stored upon any portion of the Parcel owned by the Declarant or Developer during construction and marketing of Dwelling Units, no machinery, equipment, building materials and supplies or similar items may be stored, kept or maintained on any part of a Lot. No lawn furniture, swing sets or other recreational or playground equipment or barbecues may be placed or used on any part of the Common Facilities or on any part of a Lot except within the patio area adjacent to a Dwelling Unit. No basketball goals shall be permitted to be affixed to the exterior of any Dwelling Unit. No above ground swimming pools other than portable, non-permanent children's wading pools shall be permitted on any Lot.

5.3.6 All exterior lighting, seasonal lighting and decorating shall be subject to rules, regulations and limitations adopted by the Board and all seasonal lighting and decorating shall be removed no later than thirty (30) days after the holiday.

5.3.7 No radio or television antennas shall be affixed to or placed in, through or upon the exterior walls, roof, or windows of a Dwelling Unit or shall be installed on any part of a Lot. No shortwave radio or other type of radio transmitter shall be permitted in or about any Dwelling Unit, which may interfere with the radio or television reception to any other Dwelling Unit. Satellite dishes may be installed provided that such do not exceed twenty (20) inches in diameter and shall be subject to such other rules and regulations as the Board may adopt.

5.3.8 No window air conditioning units shall be installed in any Dwelling Unit without the prior written approval of the Architectural Control Committee.

5.3.9 Garage doors shall remain closed at all times except when vehicles are being moved.

5.3.10 No Owner shall be permitted to alter the grading of a Lot from the grading originally installed by the Declarant or Developer.

5.3.11 No sign, billboard, or other advertising device of any character shall be erected or maintained upon any part of a Lot or Dwelling Unit, excepting by the Declarant or Developer. One "For Sale" sign containing no more than six (6) square feet may be exhibited on a Lot in such location(s) as shall be approved by the Board but in no event in a window.

5.3.12 No fences shall be constructed without approval from the Architectural Control Committee. Approved materials for fencing are vinyl, cedar and wrought iron or aluminum fabricated similar to wrought iron. No chain link fences are allowed.

5.3.13 No exterior addition to or exterior change or alteration in a Dwelling Unit including windows, railings or flower boxes shall be made without the approval of the Architectural Control Committee. Any such exterior addition to or exterior change or alteration to a Dwelling Unit approved by the Architectural Control Committee shall be of color, design, material and construction equal to that of the Dwelling Unit as originally constructed, shall comply with all applicable building, zoning and fire laws, statutes and ordinances and any other requirements of the City or other governing entity, shall be performed in a good and workmanlike manner, and shall harmonize, to the reasonable satisfaction of the Architectural Control Committee as to design, color, location and size, with surrounding structures and topography.

5.3.14 Garbage and receptacles therefore shall not be placed out-of-doors for pick up until after 6:00 p.m. the night before pickup of garbage is scheduled and garbage receptacles shall be placed indoors the same day pickup is made.

5.4 **Remedies:** The violation of any covenant, condition, restriction, rule or regulation adopted by the Board, or the breach of any provision herein contained shall give the Board the following rights, upon not less than ten (10) days notice (or immediately in the event of any matter of an emergency nature which might result in damage to persons or property), in addition to the rights set forth in the next succeeding section.

5.4.1 The Board may enter (without breach of the peace) upon that part of any Lot where such violation or breach exists and summarily abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and

the Declarant, its beneficiaries, or their successors or assigns, the Board, or its agents, shall not thereby be deemed liable in any manner for trespass; or

5.4.2 The Board may enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or

5.4.3 The Board may levy fines in such reasonable amounts and pursuant to such procedures for hearing and appeals, as the Board shall from time to time determine.

5.4.4 All expenses of the Board in connection with such actions or proceedings, including court costs and attorneys' fees and other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the rate of ten percent (10% ) per annum until paid, shall be charged to and assessed against such defaulting Owner, and shall be added to and deemed part of the respective share of the expenses of the Association of such defaulting Owner, and the Association shall have a lien, for all of the same upon the Lot of such defaulting Owner and upon all additions and improvements thereto. Any and all of such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board.

## **ARTICLE VI** **Architectural Control Committee**

6.1 **Membership:** The Architectural Control Committee shall consist of three persons who shall be appointed by the Board. Until the initial meeting of Voting Members, the Declarant or the Developer shall designate the members of the Architectural Control Committee. Thereafter, until the Declarant shall have sold and conveyed title to all Lots, the Declarant or Developer shall designate one member of the Architectural Control Committee and the two remaining members shall be appointed by the Board. Upon the sale and conveyance by the Declarant of all of the Lots, the Board shall appoint all three members. Except for members designated by the Declarant, each member of the Architectural Control Committee shall be an Owner and shall reside within a Dwelling Unit. In the absence of any appointment as provided for herein the Board shall serve as the Architectural Control Committee.

6.2 **Powers and Duties:** The Architectural Control Committee shall have the following powers and duties:

- (a) to review requests by Owners for approval of any exterior addition to, or modification of, or alteration to a Dwelling Unit or other matter described in this Declaration as requiring approval of the Architectural Control Committee and, subject to final approval by the Board, to render decisions thereon;
- (b) to propose to the Board rules, regulations and procedures concerning exterior maintenance, repair, landscaping, fences, trash removal and the enforcement of the provisions of the Declaration in relation thereto; and
- (c) such other power and duties as the Board shall from time to time delegate.

6.3 **Procedures:** Any matter requiring the approval of the Architectural Control Committee shall be submitted to the Architectural Control Committee in writing and, if approval of any alteration or addition to a Dwelling Unit or Lot shall be requested, shall include preliminary design drawings, plans and specifications, elevations, landscaping schemes and descriptive materials showing the size, color, design, configuration, height, shape and materials of such alteration or addition. Within a reasonable time not exceeding thirty (30) days after receipt of all such items, the Architectural Control Committee shall advise

such Owner and the Board in writing:

- (a) whether such Owner's request has been approved or denied and if denied, the specific reasons therefor; or
- (b) whether the Architectural Control Committee requires additional information, plans or other materials to render a decision, in which case such additional items shall be furnished as expeditiously as possible.

If additional items shall be required pursuant to subsection (b) above, within a reasonable period of time not exceeding ten (10) days from the date of receipt of all such items, the Architectural Control Committee shall advise such Owner and the Board in writing whether such Owner's request has been approved or denied and if denied, the specific reasons therefor. If such Owner's request for approval shall have been denied, such Owner shall have the right to appeal the decision of the Architectural Control Committee to the Board pursuant to Section 6.4 hereof.

**6.4 Right of Appeal:** Any adverse decision of the Architectural Control Committee may be appealed to the Board, which shall render a final decision as to the matter in question. An Owner desiring to appeal shall so advise the Board in writing. The Board shall consult with the Architectural Control Committee and such Owner, shall review the plans and other materials submitted by such Owner and shall render a written decision as to the matter under consideration as expeditiously as practical. In rendering its decision, the Board shall take into consideration the criteria set forth in Sections 5.3, 5.3.1 through 5.3.14 and 6.5, the manner in which the Architectural Control Committee has applied such criteria to the matter under review and such other factors as the Board deems relevant in respect to the overall enhancement of the value and desirability of the Lots and Parcel.

**6.5 Review Criteria:** In evaluating requests by Owners for approvals required of the Architectural Control Committee hereunder, the factors to be considered by the Architectural Control Committee shall include those set forth in Section 5.3.1 through 5.3.14 and the following:

- (a) the architectural integrity and compatibility of any proposed exterior modification to a Dwelling Unit with a design, color scheme and materials of such Dwelling Unit as originally constructed in regard to which the Architectural Control Committee shall not have the authority to approve an exterior alteration or addition that:
  - (i) changes color schemes or architectural styles from those originally constructed by the Declarant;
  - (ii) substitutes materials of lesser quality than those originally furnished by the Declarant; or
  - (iii) results in a change in the grade of a Lot or the elevation, size or basic exterior design as to door and window placement from that originally provided by the Declarant.
- (b) the aesthetic effect of any proposed modification of landscaping, exterior fences or exterior lighting; and
- (c) such other factors as the Architectural Control Committee deems relevant in assessing the overall effect of the Owner's request upon the maintenance, aesthetic effect and operation of the Parcel.



6.6 **Final Board Approval:** There is hereby reserved to the Board the power to reverse any decision of the Architectural Control Committee, whether approving or denying an Owner's request, if, in the Board's judgment, which shall not be subject to challenge or review, the Architectural Control Committee, in rendering such decision, has failed to correctly apply the criteria set forth in Sections 5.3 and 6.5 or any other relevant criteria.

## ARTICLE VII

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## ARTICLE VIII

### **Insurance and Maintenance**

8.1 **Insurance:** Each Owner shall maintain in full force and effect, with a company licensed to conduct business in the state of Indiana, a policy or policies of insurance covering the Dwelling Unit and Lot owned against loss or damage by fire and against loss or damage by occurrences now or hereafter indemnified by standard extended coverage and vandalism and malicious mischief for one hundred percent (100%) of the full insurable replacement cost of such Dwelling Unit. Each Owner shall deliver to the Board a certificate of insurance confirming that such insurance is in effect and a certificate of all renewals thereof. In the event of the failure of an Owner to maintain the insurance required herein, the Association shall have the right, but not the obligation, to obtain such insurance in the name of such Owner and to add the cost thereof to the assessments due from such Owner.

8.2 **Maintenance by Association:** The Association shall be responsible for, to the extent not maintained by the Regency Master Association or any utility company, the maintenance, repair and replacement of all Common Facilities. Nothing herein contained shall impose upon the Association any greater duty with respect to snow removal than is otherwise imposed by law.

8.3 **Damage or Destruction:** In the event of any damage to a Dwelling Unit by fire or other casualty, the Owner of such Dwelling Unit shall repair, restore and rebuild the portion of such Dwelling Unit so damaged or destroyed to its original condition as near as possible, immediately preceding such fire or other casualty as rapidly as possible but in all instances within 120 days after the occurrence of such damages, unless prevented by inclement weather or other causes beyond such Owner's reasonable control in which event reconstruction shall be completed within 180 days after the occurrence of such damage. Should such Owner fail to reconstruct such Dwelling Unit as aforesaid, the Association may undertake to do such construction, as it deems necessary, and to charge such Owner the costs thereof. Any amounts so charged to a Unit Owner shall bear interest and constitute a lien in the same manner as provided in Section 4.1 hereof.

8.4 **Repair of Dwelling Unit and Lot.** In the event an Owner fails to keep and maintain its Dwelling Unit or Lot in good repair and condition, including its lawn mowed, as reasonably determined by the Board, then the Association shall have the right, but not the obligation, to maintain, repair and replace the such Dwelling Unit or Lot. In the event the Association elects to take on the aforesaid, the Association shall have the right to charge the costs thereof back to the Owner. In addition, the Association shall have the right to record a lien upon the affected Owner's Lot with the Office of the Recorder of Deeds of Lake County, Indiana in the event the Owner fails to pay or reimburse the Association for the costs expended by the Association. In addition, the Association shall have the right to collect its reasonable attorney's fees and court costs in enforcing the terms and conditions of this Declaration as well as charge interest on monies advanced by the Association at the rate of eighteen percent (18%) per annum from the date incurred through the date in which the Association has been fully reimbursed.

**ARTICLE IX**  
**Rights Reserved to Declarant and Developer**

9.1 **Declarant's Promotional Rights:** The right is reserved to the Declarant and Developer to place and maintain on any area of the Parcel, with the exception of a Lot which has been sold and conveyed or sold on contract, or sold pursuant to an installment contract or articles of agreement for deed to an Owner, model Dwelling Units, construction trailers, sales offices, parking facilities, fencing, flag poles, advertising signs, banners and lighting in connection therewith and other promotional facilities at such locations and in such forms as shall be determined by Declarant or Developer for construction, sales and leasing purposes.

There is also reserved to the Declarant and the Developer, its agents, employees and prospective purchasers and tenants, the right of ingress, egress and transient parking in and through the Parcel for such sales, administrative, leasing and other purposes reserved to Declarant or Developer. The Declarant also reserves unto itself and grants to Developer the right to maintain on the Parcel without charge (a) a general office for the purpose of exercising the rights reserved in Sections 9.1 and 9.2 hereof, (b) a general construction office for Developer or Declarant's contractors and subcontractors, and (c) appropriate parking facilities for its guests, prospective purchasers, employees, agents, contractors or representatives of Developer or Declarant. Developer and Declarant's reserved rights shall continue for so long as Declarant or Developer is engaged in the construction, sale or leasing of Dwelling Units or Lots on any portion of the Parcel.

9.2 **Declarant's Easements:** The Declarant reserves unto itself and hereby grants to Developer a non-exclusive easement through, over, under and across the Parcel and all portions thereof for the purpose of exercising the rights reserved to the Declarant and Developer pursuant to this Declaration, and for the purpose of implementing the overall development of the Parcel including, without limitation, the planning, construction, marketing, leasing, management and maintenance of improvements in any portion of the Parcel for so long as Declarant or Developer is engaged in the construction, sale or leasing of Dwelling Units on any portion of the Parcel. All rights and easements in favor of the Owners created by this Declaration shall be subject and subordinate to the development rights and easements of Declarant, whether or not inconvenience to any Owner shall result therefrom. The rights and easements reserved pursuant to this Section 9.2 and Section 9.3 shall inure to the benefit of the Declarant and Developer, its respective successors and assigns including any successor to or assignee of the Developer or Declarant's rights under this Declaration.

9.3 **Rights of Declarant to Make Dedications to Grant Utility Easements:** Declarant hereby reserves the following rights and easements:

- (a) to add additional Lots to this Association by December 31, 2015.
- (b) to dedicate streets and street lights, walks, malls, parkways, parkland, drives, open space and water rights to any governmental authority and to make such other dedications as may be required to comply with the ordinances of any governmental authority from time to time applicable to the Parcel and to the public improvements therein.
- (c) to dedicate space in the Parcel or any portion thereof to any public or quasi-public Utility or to any governmental authority for the location of Utilities serving any portion of the Parcel.
- (d) to reserve or grant easements in, over, under, to and across the Parcel or any portion thereof or ingress and egress to, and for installation, construction and maintenance of, any or all of the utilities.

- (e) to record plats of subdivision and resubdivision of any portion of the Parcel.
- (f) to Amend this Declaration to the extent not inconsistent with the intent and purpose hereof.

Any rights hereby reserved to the Declarant, to the extent affecting the Common Facilities, may be exercised by the Developer and furthermore may be assigned and transferred by the Declarant to any successor Declarant, the Master Association or to the Association by an instrument in writing, executed by the Declarant and recorded in the office of the Lake County Recorder of Deeds, following which the rights so assigned and transferred shall be exercised by such successor Declarant or the Association as the case may be. Upon such assignment, Declarant and Developer shall have no further obligations under this Declaration. Until Declarant's rights under Section 9.2 hereof are terminated, Declarant shall have the right to tap into any and all Utility lines and may use any Utilities for the purpose of exercising all such rights.

Notwithstanding anything aforesaid to the contrary, none of the rights of the Declarant set forth in this Section 9.3 shall exist so as to alter or amend the legal description of any Lot previously conveyed by Declarant. All said rights of Declarant shall terminate upon conveyance to Owners of all the real estate described in Exhibit A.

**9.4 Contracts:** The Declarant or the Developer shall have the right to enter into contracts on behalf of the Association prior to the date of the initial meeting of Members; provided, however, that with the exception of contracts for cable television service and security systems, any such contracts shall be terminable by the Association without penalty on not less than ninety (90) days prior notice.

**9.5 Leasing:** So long as the Declarant or a First Mortgagee owns a Lot or all or portion of the Parcel, Declarant or Developer may enter into any such leases of any Dwelling Unit upon terms and conditions as shall be determined by Declarant or Developer in their sole discretion.

#### **ARTICLE X** **Rights of First Mortgagees**

10.1 In addition to all other rights of First Mortgagees pursuant to this Declaration, and notwithstanding any other provisions herein to the contrary, upon written request, any First Mortgagee of a Lot shall be entitled to and shall receive, upon written request from the Association, notices of any of the following:

- (a) Any condemnation loss or casualty loss that affects a material portion of the Parcel and any phases annexed thereto or the Lot on which its mortgage is a lien;
- (b) Delinquency of assessments that remain uncured for a period of sixty (60) days or more;
- (c) Any lapse, cancellation, or modification of any insurance policy or fidelity bond maintained by the Association;
- (d) Any restoration or repair of the Parcel or Subdivision and any phases annexed thereto after partial condemnation or damage; and,
- (e) Any termination of the legal status of the Parcel or Subdivision and any phases annexed thereto.

Any termination of legal status as provided in Subsection (e) above, shall require the consent of the holders of the mortgages on at least fifty-one percent (51%) of the Lots contained in the Parcel and any phases annexed thereto at the time thereof.

10.2 In addition to all other rights of First Mortgagees pursuant to this Declaration and notwithstanding any other provisions herein to the contrary, at least fifty-one (51%) percent of the First Mortgagees (based on one vote for each First Mortgagee of an Owner) of individual lots have seen this prior written approval, the Association shall not be entitled to:

- (a) **Amendment.** By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any real estate or improvements thereon which are owned, directly or indirectly, by the Association for the benefit of the Lots and Owners. The granting of easements for public utilities or for other purposes consistent with the intended use of such property by the Association shall not, for purposes of the foregoing, be deemed to be a transfer.
- (b) **Change in Determination of Assessments.** Change the method for determining the obligations, assessments, dues, reserves for maintenance, repair and replacement of Common Area, or other charges which may be levied against a Lot and the Owner thereof as provided in Article V.
- (c) **Enforcement.** By act or omission waive, abandon or materially change any scheme or regulations or enforcement thereof pertaining to the architectural design or the exterior appearance of any dwelling or garage on a Lot, the exterior maintenance of any such Dwelling Unit or garage, the maintenance of party walls or driveways, or the upkeep of plantings on the Parcel or Lots.
- (d) **Insurance.** Fail to maintain fire and extended coverage insurance on any improvements constructed on the Common Area in the amount of one hundred percent (100%) of the full insurable replacement costs.
- (e) **Use of Insurance Proceeds.** Use hazard insurance proceeds for losses to any improvements to the Common Area for other than the repair, replacement or reconstruction of such improvements.
- (f) **Maintenance Responsibility.** Change the responsibility for maintenance and repairs of the Common Area or Lots thereof as provided in Article IV.
- (g) **Self Management.** Change to self-management when professional management had been required previously by an eligible First Mortgagee.
- (h) **Change Interest in Common Area.** Change the interests in the Common Area or rights to their use.
- (i) **Boundaries.** Change the boundaries of any Lot.
- (j) **Voting Rights.** Change the voting rights of any Member of the Association.
- (k) **Restrictions.** Except as provided herein, impose any restrictions on an Owner's right to sell or transfer his or her Lot.

- (l) **Legal Status.** By act or omission, seek to terminate the legal status of the Association after substantial destruction or condemnation.

10.3 **Books and Records.** First Mortgagees shall have the right to examine the books and records of the Association at reasonable times during normal business hours.

10.4 **Rights of First Mortgagees.** First Mortgagees may, jointly or singularly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for the Common Area and First Mortgagees making such payments shall be owed immediate reimbursement therefore from the Association.

10.5 **Notice of Default.** Any First Mortgagee, upon its written request, shall be entitled to written notice from the Board of any default by the mortgagor of such Lot in the performance of such mortgagor's obligations hereunder or under the By-Laws or rules and regulations of the Association which is not cured within sixty (60) days.

10.6 **Written Notice.** First Mortgagees are entitled to timely written notice, if requested of:

(a) **Condemnation.** Any condemnation or casualty loss that affects either a material portion of the Parcel or the Lot securing its mortgage;

(b) **Lot Delinquency.** Any sixty (60) day delinquency in the payment of assessments or charges owed by the Owner of any Lot on which it holds the first mortgage;

(c) **Lapse of Insurance.** A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and,

(d) **Consent.** Any proposed action that requires the consent of a specified percentage or eligible First Mortgagees.

(e) **Amendment.** This Article may be amended only with the written consent of seventy-five percent (75%) of the First Mortgagees (based upon one vote for each first mortgage owned).

## **ARTICLE XI**

### **Special Declarant and Declarants Designees' Rights**

11.1 **Declarant.** Until the Turnover Date, the Developer shall have all the rights and powers herein granted to the Association and shall be authorized and empowered to take all such actions as the Board would have been authorized and empowered to take as herein provided.

11.2 **Declarant Maintains Common Area.** Until the Turnover Date, Developer may, in its sole and absolute discretion, elect to maintain the Common Area and all signs and monuments located thereon and may pay all expenses and costs in connection with the Common Area, including without limitation, the costs of improving and maintaining the Common Area (and any signs and monuments located thereon) and general real estate taxes payable in connection with the Common Area and such payments shall be credited against any amounts due the Association from Declarant, including in Subsidy Payments. To the extent that any real property taxes payable for the Parcel after the Turnover Date are attributable to the period prior to the Turnover Date, Declarant shall reimburse the Association, on a *pro rata* basis, for such real property taxes. Declarant shall, not later than the Turnover Date, convey to the Association that portion of the Common Area to be owned by the Association by quitclaim deed.

11.3 **Declarant and Declarant's Designees' Use of Parcel.** Declarant and its designees shall be entitled at all times to conduct sales and leasing of Lots and Dwelling Units from the Parcel and shall have the right, for itself and its agents, employees, guests, and invitees, to utilize roads, streets, Common Area, including any clubhouse or party room, and all other portions of the Parcel including use of the Common Facilities, excluding Lots conveyed to a purchaser thereof, for such purposes, at no cost or expense, until all Lots are sold. Declarant and its designees may at all times utilize, without cost, signage, lighting and establish temporary construction and sales and leasing offices, buildings and trailers and construct model homes to conduct its construction, sales and marketing of the Parcel.

11.4 **Declarant Assessment.**

11.4.1 **Prior to the Turnover Date.** Notwithstanding anything contained in this Declaration, prior to the Turnover Date, the Declarant and its designees shall not be obligated to pay any amounts to the Association as an Assessment (either general or special). Prior to the Turnover Date, the Declarant may elect to pay to the Association Subsidy Payments. The Declarant shall make Subsidy Payments as needed, as solely determined by Declarant, during such period. A final accounting shall be made between Declarant and the Association with respect to the Subsidy Payments as soon as practicable after the Turnover Date. The Declarant shall not be responsible for the payment of any amounts to the Capital Reserve. Upon reaching the Turnover Date, the Declarant shall have no further obligation for payment of the Subsidy Payments.

11.4.2 **After the Turnover Date.** Notwithstanding anything contained in this Declaration, after the Turnover Date, Declarant shall not be obligated to pay any amounts to the Association as an Assessment, either general or special. Any entity or party that purchases one or more Lots from Declarant for the purpose of building a Dwelling Unit on the Lot to be sold to a *bona fide* purchaser shall not be obligated to pay any amounts to the Association as an Assessment, either general or special, for a period of one year from the date such entity or person purchases the Lot or Lots from Declarant. A party or entity purchasing a Lot from Declarant for the purpose of building a home on the Lot in which the purchaser shall reside shall be obligated to pay amounts to the Association as required herein, either general or special.

11.5 **Marketing and Sales.** Developer and Declarant's designees shall have the right, in its discretion, to maintain on the Parcel model units or dwellings, sales, construction, administrative and leasing offices, displays, signs and other forms of advertising and shall have the unfettered right to access for ingress and egress in, upon, on or over any portion of the Parcel, for the purpose of showing the Parcel or portions thereof, Dwelling Units or Lots to prospective purchasers or lessees of Dwelling Units. All of the foregoing and any other right of Declarant or its designees set forth herein otherwise set forth in this Declaration shall be without the payment of any fee or charge whatsoever. The Declarant and its designees shall have a non-exclusive access easement over and across the walkways located on the Parcel, including any Lot and the Common Area, for ingress and egress in order to exercise rights reserved under this Section or as elsewhere set forth in this Declaration. The Declarant shall have the right and power to sell or lease a Dwelling Unit to whomever it chooses on whatever terms it, in its sole discretion, shall deem appropriate. Declarant shall also have the right without cost or expense to use all or a portion of any clubhouse located in or upon the Parcel and to otherwise install and construct parking lots, landscaping and other attendant facilities to use in connection with the foregoing.

11.6. **Leasing.** Developer or Declarant shall have the right to lease any Dwelling Unit to an occupant on such terms and conditions determined by Developer or Declarant in their absolute sole discretion.

11.7 **Other Rights of Declarant.** Declarant shall have all other rights as are reserved or created by this Declaration.

**ARTICLE XII**  
**Rights of First Mortgagees**

12.1. **Books and Records.** First Mortgagees shall have the right to examine the books and records of the Association at reasonable times during normal business hours.

12.2. **Rights of First Mortgagees.** First Mortgagees may, jointly or singularly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for the Common Area and First Mortgagees making such payments shall be owed immediate reimbursement therefore from the Association.

12.3. **Notice of Default.** Any First Mortgagee, at its written request, shall be entitled to written notice from the Board of any default by the mortgagor of such Lot in the performance of such mortgagor's obligations hereunder or under the By-Laws or rules and regulations of the Association which is not cured within thirty (30) days.

12.4. **Written Notice.** First Mortgagees are entitled to timely written notice, if requested in writing of:

**Condemnation.** Any condemnation or casualty loss that affects either a material portion of the project or the Lot securing its mortgage;

**Lot Delinquency.** Any sixty (60) day delinquency in the payment of assessments or charges owed by the owner of any Lot on which it holds the mortgage;

**Lapse of Insurance.** A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and

**Consent.** Any proposed action that requires the consent of a specified percentage or eligible mortgage holders.

The request must include the Association, stating both its name and address, and the Lot address of the Lot it has a mortgage on.

12.5 **Amendment.** This Article X may be amended only with the written consent of seventy-five percent (75%) of the First Mortgagees (based upon one (1) vote for each first mortgage owned).

12.6 **Leasing.** A First Mortgagee shall have the right to lease any Dwelling Unit it acquires by reason of (a) the foreclosure of the lien of its mortgage or (b) conveyance in lieu of foreclosure to an occupant on such terms and conditions determined by such First Mortgagee in its absolute sole discretion.

**ARTICLE XIII**  
**General**

13.1 **Amendment:** This Declaration may be amended by recording an instrument executed and acknowledged by not less than three-quarters of the Voting Members.

13.2 **Severability:** Invalidation of all or any portion of any of the covenants, restrictions, easements, conditions, reservations, liens and charges imposed by this Declaration, by legislation, judgment or court order shall in no way affect any other provisions of this Declaration, all of which shall remain in full force and effect.

13.3 **Enforcement:** Enforcement by the Association or any Owner of the covenants and restrictions contained in this Declaration shall be had by any proceeding at law or in equity against any person or persons violating or attempting to violate any such covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any covenant or restriction shall in no event be deemed a waiver of the right to do so thereafter.

13.4 **Notices:** Any notice required to be sent to any Member of the Association or to an Owner under the provision for this Declaration shall be deemed to have been properly delivered when mailed, postage prepaid, to the last know address of such Member or Owner as it appears on the records of the Association at the time of such mailing.

13.5 **Title Holding Land Trust:** In the event title to any Lot is conveyed to a title holding trust, under the terms of which all power of management, operation and control of such Lot remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be responsible for payment of all obligations, liens or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Lot. No claim shall be made against any such title holding trustee personally for payment of any lien or obligations hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon such Lot and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to such Lot.

13.6 **Duration:** The covenants, restrictions, conditions, reservations, liens and charges imposed or established by or created under this Declaration shall run with and bind the land for a period of forty (40) years from the date of the recording of this Declaration and may be enforced by the Association or any Owner through any proceeding at law or in equity. Failure by the Association or any Owner to so enforce shall in no event be deemed a waiver of the right to do so thereafter. After the expiration of said forty (40) year period, all of such covenants, restrictions, conditions, reservations, liens and charges shall continue to run with and bind the land for successive periods of ten (10) years each unless revoked, changed or amended in whole or in part, by an instrument in writing which is executed by the Owners of not less than two-thirds of the Lots and recorded in the Office of the Recorder of Deeds for Lake County, Indiana. Except in case of condemnation or destruction of a substantial portion of the Dwelling Units, the legal



13.7 **Captions:** The Articles and Section headings herein are intended for convenience only and shall not be construed with any substantive effect in this Declaration.

**IN WITNESS WHEREOF**, the Declarant hereto has caused these presents to be signed by its proper officers and its corporate seal to be hereunto affixed as of the date first above written.

Declarant:

**SUBJECT TO TRUSTEE'S ATTACHED EXCULPATION**

Lake County Trust Company as Trustee Under the Provisions of a Trust Agreement dated January 19, 2005 and known as Trust Number 5609

By: *Elaine M. Sievers*  
Elaine M. Sievers

Its: Trust Officer

Lake County Trust Company as Trustee Under the Provisions of a Trust Agreement dated January 19, 2005 and known as Trust Number 5618

By: *Elaine M. Sievers*  
Elaine M. Sievers

Its: Trust Officer

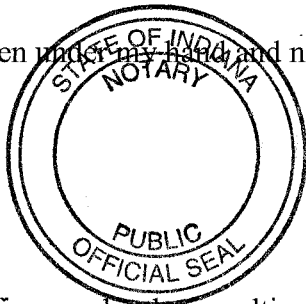
STATE OF INDIANA)

) SS

COUNTY OF LAKE )

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named officer of Lake County Trust Company, who acknowledged the execution of the foregoing instrument as the free and voluntary act of said Corporation and as his or her free and voluntary act, acting for such Corporation, as Trustees of the Trusts aforesaid.

Given under my hand and notary seal this 15th day of October 2010.



*Hesta Smith*  
Notary Public Hesta Smith  
Lake County, IN. resident

Commission Expires: 10-11-15

I affirm, under the penalties for perjury, I have taken reasonable care to redact each Social Security number in this document, unless required by law.

*William Laytin*

### **TRUSTEE'S EXCULPATION**

It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the warranties, indemnities, representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal warranties, indemnities, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said Trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against LAKE COUNTY TRUST COMPANY on account of this instrument or on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

Nothing contained herein shall be construed as creating any liability on LAKE COUNTY TRUST COMPANY, personally under the provisions of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) or the Indiana Responsible Property Transfer Law (the Act) as amended from time to time or any other Federal, State or local law, rule or regulation. LAKE COUNTY TRUST COMPANY, personally is not a "Transferor or Transferee" under the Act and makes no representations concerning any possible environmental defects. In making any warranty herein the Trustee is relying solely on information furnished to it by the beneficiaries and not of its own knowledge and specifically exculpates itself from any liabilities, responsibilities or damages as a result of including any warranty in this instrument.

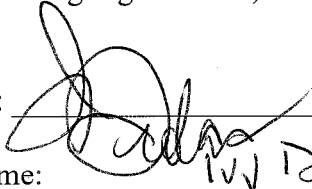
The information contained in this instrument has been furnished the undersigned by the beneficiaries under aforesaid Trust and the statements made therein are made solely in reliance thereon and no responsibility is assumed by the undersigned, in its individual capacity for the truth or accuracy of the facts herein stated.

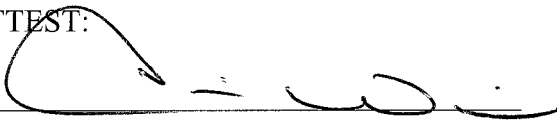
**MORTGAGEE'S CONSENT**

First National Bank of Illinois, a banking organization, holder of a Note secured by certain Mortgages (a) dated January 21, 2005 and recorded with the Recorder of Deeds of Lake County, Indiana on June 1, 2005, as Document No. 2005-044493, and later modified by a Modification and Assumption Agreement dated March 9, 2006, and recorded with the Recorder of Deeds of Lake County, Indiana on September 11, 2006, as Document No. 2006-079387 and (b) dated September 10, 2008, and recorded with the Recorder of Deeds of Lake County, Indiana on, October 10, 2008 as Document #2008-070362, made by Lake County Trust Company as Trustee Under the Provisions of a Trust Agreement dated January 19, 2005 and known as Trust Number 5609 and Lake County Trust Company as Trustee Under the Provisions of a Trust Agreement dated January 19, 2005 and known as Trust Number 5609, hereby consents to the execution and recording of the within DECLARATION OF COVENANTS, DEDICATIONS, RESTRICTIONS, AND EASEMENTS and BY-LAWS FOR THE COURTYARDS AT REGENCY, but such consent shall not be construed or deemed to subject the Bank to any terms, covenants conditions, restrictions, assessments or obligations arising out of or contained in the Declaration and the Declarant hereby acknowledges and agrees that (a) the Bank shall have no obligations on the Declaration as set forth above, (b) it shall not enforce the terms, provisions or obligations of the Declaration against the Bank and (c) this Declaration is subordinate in all respect to the Mortgages.

IN WITNESS WHEREOF, First National Bank of Illinois has caused its imprimatur to be affixed hereunto by virtue of its name being signed by its VICE PRESIDENT and attested to by its VICE PRESIDENT this 13<sup>TH</sup> day of October 2010.

First National Bank of Illinois,  
a banking organization,

By:   
Name: IVY IDROBAC  
Its: VICE PRESIDENT

ATTEST:   
Its: VICE PRESIDENT

**EXHIBIT A**

**LEGAL DESCRIPTION**

LOTS 26 THROUGH 129, BOTH INCLUSIVE, OUTLOT A, AND OUTLOT F IN THE REGENCY-UNIT NO. 2-PHASE 1, BEING A SUBDIVISION OF PART OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 34 NORTH, RANGE 8 WEST OF THE SECOND PRINCIPAL MERIDIAN, ACCORDING TO THE FINAL PLAT THEREOF RECORDED AUGUST 22, 2008 IN PLAT BOOK 103, PAGE 19 AS DOCUMENT 2008 059896 IN THE OFFICE OF THE RECORDER, LAKE COUNTY, INDIANA.

TOGETHER WITH:

OUTLOT B IN THE REGENCY-UNIT NO. 2-PHASE 1, BEING A SUBDIVISION OF PART OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 34 NORTH, RANGE 8 WEST OF THE SECOND PRINCIPAL MERIDIAN, ACCORDING TO THE FINAL PLAT THEREOF RECORDED AUGUST 22, 2008 IN PLAT BOOK 103, PAGE 19 AS DOCUMENT 2008 059896 IN THE OFFICE OF THE RECORDER, LAKE COUNTY, INDIANA, EXCEPT THAT PART DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF SAID OUTLOT B; THENCE SOUTH 89 DEGREES 45 MINUTES 05 SECONDS EAST ALONG THE NORTH LINE OF SAID OUTLOT B, 65.55 FEET; THENCE SOUTH 69 DEGREES 30 MINUTES 31 SECONDS EAST ALONG SAID NORTH LINE, 52.95 FEET; THENCE SOUTH 89 DEGREES 45 MINUTES 05 SECONDS EAST ALONG SAID NORTH LINE, 47.15 FEET TO THE WEST LINE OF A PARCEL DESCRIBED IN DOCUMENT 2000 043446; THENCE SOUTH 00 DEGREES 02 MINUTES 14 SECONDS WEST, ALONG SAID WEST LINE, 15.00 FEET; THENCE NORTH 89 DEGREES 45 MINUTES 05 SECONDS WEST, 162.42 FEET TO THE EAST RIGHT-OF-WAY LINE OF CLEVELAND STREET; THENCE NORTH 00 DEGREES 14 MINUTES 55 SECONDS EAST ALONG SAID EAST LINE, 33.32 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH:

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 34 NORTH, RANGE 8 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SOUTHEAST QUARTER; THENCE NORTH 89 DEGREES 44 MINUTES 59 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SOUTHEAST QUARTER, 1016.59 FEET TO THE EASTERLY LINE OF THE REGENCY-UNIT NO. 2-PHASE 1, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 22, 2008 IN PLAT BOOK 103, PAGE 19 AS DOCUMENT 2008 059896; THENCE NORTHERLY ALONG SAID EASTERLY LINE FOR THE FOLLOWING FIFTEEN (15) COURSES: 1)THENCE NORTH 00 DEGREES 15 MINUTES 01 SECONDS EAST, 240.00 FEET; 2)THENCE SOUTH 89 DEGREES 44 MINUTES 59 SECONDS EAST, 135.00 FEET; 3)THENCE NORTH 00 DEGREES 15 MINUTES 01 SECONDS EAST, 70.00 FEET; 4)THENCE NORTH 34 DEGREES 15 MINUTES 16 SECONDS EAST, 58.09 FEET; 5)THENCE NORTH 75 DEGREES 43 MINUTES 27 SECONDS EAST, 63.92 FEET; 6)THENCE NORTH 59 DEGREES 49 MINUTES 59 SECONDS EAST, 260.25 FEET; 7)THENCE NORTH 50 DEGREES 22 MINUTES 47 SECONDS EAST, 152.38 FEET; 8)THENCE NORTH 37 DEGREES 24 MINUTES 27 SECONDS EAST, 89.74 FEET; 9)THENCE NORTH 00 DEGREES 21 MINUTES 58 SECONDS EAST, 280.58 FEET; 10)THENCE NORTH 22 DEGREES 04 MINUTES 03 SECONDS WEST, 189.84 FEET; 11)THENCE NORTH 67 DEGREES 55 MINUTES 57 SECONDS EAST, 75.00 FEET; 12)THENCE NORTH 72 DEGREES 31 MINUTES 08 SECONDS EAST, 66.31 FEET; 13)THENCE SOUTH 89 DEGREES 38 MINUTES 02 SECONDS EAST, 145.00 FEET; 14)THENCE NORTH 00 DEGREES 21 MINUTES 58

SECONDS EAST, 185.77 FEET; 15)THENCE SOUTH 89 DEGREES 38 MINUTES 02 SECONDS EAST, 184.44 FEET TO THE EAST LINE OF SAID SOUTHEAST QUARTER; THENCE SOUTH 00 DEGREES 13 MINUTES 01 SECONDS WEST ALONG SAID EAST LINE, 826.51 FEET TO THE INTERSECTION WITH THE NORTHEASTERLY EXTENSION OF THE NORTH LINE OF OUTLOT A IN SAID THE REGENCY-UNIT NO. 2-PHASE 1; THENCE SOUTH 50 DEGREES 22 MINUTES 47 SECONDS WEST ALONG SAID EXTENSION AND SAID NORTH LINE, 624.99 FEET TO THE NORTHWEST CORNER OF SAID OUTLOT A; THENCE SOUTH 00 DEGREES 15 MINUTES 01 SECONDS WEST ALONG THE WEST LINE OF SAID OUTLOT A AND THE SOUTHERLY EXTENSION OF SAID WEST LINE, 137.97 FEET TO SAID SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 20; THENCE NORTH 89 DEGREES 44 MINUTES 59 SECONDS WEST ALONG SAID SOUTH LINE, 536.60 FEET TO THE POINT OF BEGINNING.

Exhibit B

Key Numbers

Key Number	Lot Number
45-16-20-429-004.000-042	Lot 26
45-16-20-429-003.000-042	Lot 27
45-16-20-429-002.000-042	Lot 28
45-16-20-429-001.000-042	Lot 29
45-16-20-427-021.000-042	Lot 30
45-16-20-427-020.000-042	Lot 31
45-16-20-427-019.000-042	Lot 32
45-16-20-427-018.000-042	Lot 33
45-16-20-427-017.000-042	Lot 34
45-16-20-427-016.000-042	Lot 35
45-16-20-427-015.000-042	Lot 36
45-16-20-427-014.000-042	Lot 37
45-16-20-427-013.000-042	Lot 38
45-16-20-427-012.000-042	Lot 39
45-16-20-427-011.000-042	Lot 40
45-16-20-427-010.000-042	Lot 41
45-16-20-427-009.000-042	Lot 42
45-16-20-427-008.000-042	Lot 43
45-16-20-427-007.000-042	Lot 44
45-16-20-427-006.000-042	Lot 45
45-16-20-427-005.000-042	Lot 46
45-16-20-427-004.000-042	Lot 47
45-16-20-427-003.000-042	Lot 48
45-16-20-427-002.000-042	Lot 49
45-16-20-427-001.000-042	Lot 50
45-16-20-426-005.000-042	Lot 51
45-16-20-426-006.000-042	Lot 52
45-16-20-426-007.000-042	Lot 53
45-16-20-426-008.000-042	Lot 54
45-16-20-426-009.000-042	Lot 55
45-16-20-426-010.000-042	Lot 56
45-16-20-426-011.000-042	Lot 57
45-16-20-426-012.000-042	Lot 58
45-16-20-426-013.000-042	Lot 59
45-16-20-426-014.000-042	Lot 60

45-16-20-426-015.000-042	Lot 61
45-16-20-426-016.000-042	Lot 62
45-16-20-426-017.000-042	Lot 63
45-16-20-426-018.000-042	Lot 64
45-16-20-426-019.000-042	Lot 65
45-16-20-426-020.000-042	Lot 66
45-16-20-426-021.000-042	Lot 67
45-16-20-426-022.000-042	Lot 68
45-16-20-426-023.000-042	Lot 69
45-16-20-426-024.000-042	Lot 70
45-16-20-426-025.000-042	Lot 71
45-16-20-426-026.000-042	Lot 72
45-16-20-426-027.000-042	Lot 73
45-16-20-426-028.000-042	Lot 74
45-16-20-426-032.000-042	Lot 75
45-16-20-426-031.000-042	Lot 76
45-16-20-426-030.000-042	Lot 77
45-16-20-426-029.000-042	Lot 78
45-16-20-428-002.000-042	Lot 79
45-16-20-428-003.000-042	Lot 80
45-16-20-428-004.000-042	Lot 81
45-16-20-428-005.000-042	Lot 82
45-16-20-428-006.000-042	Lot 83
45-16-20-428-007.000-042	Lot 84
45-16-20-428-008.000-042	Lot 85
45-16-20-428-009.000-042	Lot 86
45-16-20-428-010.000-042	Lot 87
45-16-20-476-019.000-042	Lot 88
45-16-20-476-020.000-042	Lot 89
45-16-20-476-021.000-042	Lot 90
45-16-20-476-022.000-042	Lot 91
45-16-20-476-023.000-042	Lot 92
45-16-20-476-024.000-042	Lot 93
45-16-20-476-025.000-042	Lot 94
45-16-20-476-026.000-042	Lot 95
45-16-20-476-027.000-042	Lot 96
45-16-20-476-018.000-042	Lot 97
45-16-20-476-017.000-042	Lot 98

45-16-20-476-016.000-042	Lot 99
45-16-20-476-015.000-042	Lot 100
45-16-20-476-014.000-042	Lot 101
45-16-20-451-020.000-042	Lot 102
45-16-20-451-019.000-042	Lot 103
45-16-20-451-018.000-042	Lot 104
45-16-20-451-017.000-042	Lot 105
45-16-20-451-016.000-042	Lot 106
45-16-20-451-015.000-042	Lot 107
45-16-20-451-014.000-042	Lot 108
45-16-20-451-013.000-042	Lot 109
45-16-20-451-012.000-042	Lot 110
45-16-20-478-023.000-042	Lot 111
45-16-20-478-022.000-042	Lot 112
45-16-20-478-021.000-042	Lot 113
45-16-20-478-020.000-042	Lot 114
45-16-20-478-019.000-042	Lot 115
45-16-20-478-018.000-042	Lot 116
45-16-20-478-017.000-042	Lot 117
45-16-20-478-016.000-042	Lot 118
45-16-20-478-015.000-042	Lot 119
45-16-20-478-014.000-042	Lot 120
45-16-20-478-013.000-042	Lot 121
45-16-20-478-012.000-042	Lot 122
45-16-20-478-011.000-042	Lot 123
45-16-20-478-010.000-042	Lot 124
45-16-20-478-005.000-042	Lot 125
45-16-20-478-006.000-042	Lot 126
45-16-20-478-007.000-042	Lot 127
45-16-20-478-008.000-042	Lot 128
45-16-20-478-009.000-042	Lot 129
45-16-20-479-004.000-042	Outlot A
45-16-20-426-004.000-042	Outlot B
45-16-20-453-001.000-042	Part of SE1/4 SE1/4 S.20 T.34R.8 2.182 Ac W 132nd Pl, Crown Point IN 46307
45-16-20-479-003.000-042	Part of S1/2 Se1/4 Se1/4 S.20 T.34 R.8 13.606 Ac Crown Point IN 46307