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STATE OF INDIANA
LAKE COUNTY
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MASTER DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
GREYSTONE OF ST. JOHN SUBDIVISION, INCLUDING UNIT 1, BLOCK 1,
RECORDED IN PLAT BOOK 109, PAGE 29, IN
LAKE COUNTY, INDIANA

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THIS MASTER DECLARATION OF COVENANTS AND RESTRICTIONS FOR
GREYSTONE OF ST. JOHN SUBDIVISION (this "Declaration"), made this 10th day of January,
2017, by CWS HOLDINGS, LLC, an Indiana limited liability company (the "Declarant").

WITNESSETH:

WHEREAS, the Declarant is the owner of the real estate legally described herein and commonly known as Greystone of St. John, a Subdivision in the Town of St. John, Lake County, Indiana, which shall include Greystone of St. John - Unit 1, Block 1; and

WHEREAS, the Declarant desires to develop Greystone of St. John primarily as a single family residential and commercial subdivision under a general plan and scheme of development and improvement; and

WHEREAS, the Declarant desires to promote the orderly development of the Subdivision subjecting the real estate owned by the Declarant to the covenants, restrictions, conditions, reservations, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of the Subdivision described herein and real estate comprising the development; and

WHEREAS, the Declarant plans to subsequently record separate and subordinate Declarations of Covenants for each of: (a) MHI at Greystone (the "MHI at Greystone Covenants") for the portion of the Subdivision initially consisting of Lots 102 to 105 and 117 to 120 in Greystone of St. John - Unit 1, Block 1, (b) The Cottages of Greystone (the "Cottages of Greystone Covenants") for the portion of the Subdivision initially consisting of Lots 98 to 101 in Greystone of St. John - Unit 1, Block 1, (c) certain commercial property in the Subdivision, including such portion of the Subdivision proposed to be located near the southeast corner of Calumet Avenue and Greystone Drive, and (d) certain single family Estate Lots in the Subdivision, including such portion of the Subdivision proposed to be located south of Greystone Drive but excluding the commercial property described in (c) above; and

NOW THEREFORE, the Declarant hereby declares that the Lots and Common Area (as hereinafter defined) located in the Subdivision, as well as any subsequently Added Property (as hereinafter defined), shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved, subject to the following covenants, restrictions, conditions, reservations, easements, charges and liens, all of which are declared and agreed to be in furtherance of a plan for the improvement of the real estate and sale of the said Lots or Parcels (as hereinafter defined) in the Subdivision, and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of the Subdivision together as a whole and of each of the said Lots situated in each of the developments described herein.



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JOHN E. RETEAR
LAKE COUNTY AUDITOR

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ARTICLE I

DEFINITIONS

The following terms or words, when used in this Declaration, shall have the meanings attributed below:

Section 1.01. “Added Lots” shall mean the Lots or Parcels, as the case may be, comprising the Added Property submitted to the provisions of this Declaration by a supplemental amendment in accordance with Article XV hereof.

Section 1.02. “Added Property” shall mean any portion of the Development Area submitted to the provisions of this Declaration in accordance with Article XV hereof.

Section 1.03. “Assessments” shall mean Assessments for Common Expenses provided for herein or by any Supplemental Amendment or by any other amendment hereof pursuant to Article VIII hereof which shall be used for the purposes of promoting the health, safety, welfare, common benefit and enjoyment of the Owners and Occupants of the Lots against which the Assessments are levied, all as may be specifically authorized from time to time by the Board of Directors and as more particularly authorized below. The Assessments shall be levied equally against the Owners of the Lots unless otherwise specifically set forth herein.

Section 1.04. “Association” shall mean and refer to the Greystone Master Association, Inc., an Indiana not-for-profit corporation, and its successors and assigns. The “Board of Directors” or “Board” shall be the elected body of the Association having its normal meaning under Indiana law. The Association shall be organized and governed in accordance with its Articles of Incorporation and By-Laws, attached hereto as Exhibits “B” and “C”, respectively.

Section 1.05. “Commercial Lot” shall mean any Lot with a commercial or business zoning classification, or which has or is proposed to have a use which is primarily commercial or business, in the Subdivision, and which is proposed to be located near the southeast corner of Calumet Avenue and Greystone Drive.

Section 1.06. “Common Area” shall mean (i) Outlot C shown on the recorded plats and the improvements thereon, (ii) entrance area and signage easement(s) with associated landscaping features, identifying the Subdivision, if installed by Declarant or the Association (including but not limited to the signage in or near the median of Greystone Drive near Calumet Avenue), (iii) all real and personal property owned or controlled by the Association and available for the common benefit and/or use of Owners, and (v) all other improvements located on or within the Submitted Parcel owned or controlled by the Association and available for the common benefit and/or use of the Owners or for the maintenance or management of any part of the Development Area.

Section 1.07. “Common Expenses” shall mean and include the actual and estimated expenses of operating the Association, including any reasonable reserve, all as may be found to be appropriate by the Board pursuant to this Declaration, the By-Laws, and the Articles of Incorporation of the Association.

Section 1.08. “Community-Wide Standard” shall mean the standard of conduct, maintenance, or other activity generally prevailing in the Development Area. Such standard may be more specifically determined and set forth by the Board of Directors.

Section 1.09. “**Declarant**” shall mean CWS Holdings, LLC, an Indiana limited liability company, its successors and assigns, if any such successor or assignee acquires the undeveloped portion of the Subdivision from the Declarant for the purpose of development.

Section 1.10. “**Development Area**” shall mean the real estate described on Exhibit “A” hereto with all improvements thereon and any additional real estate, provided only that (a) any portion of the real estate from time to time added to the scheme of this Declaration shall be contiguous to the real estate then subject to this Declaration, (b) any portion of such real estate shall, at the time of addition to the scheme of this Declaration, be platted as residential or commercial Lots, (c) said plat of added real estate shall dedicate, or commit to dedicate, the Common Area of said plat of real estate, and (d) upon addition of the real estate to the scheme of this Declaration, the owners of the property therein shall be and become subject to this Declaration, and shall have all privileges and obligations set forth in this Declaration, including assessment by the Association.

Section 1.11. “**Estate Lot**” shall mean any single family residential Lot in the Subdivision, other than those Lots containing one or more Parcels, and are proposed to initially consist of Lots 1 to 84 proposed to be depicted on future plat or plats of the Subdivision and located south of Greystone Drive.

Section 1.12. “**Lot**” shall mean and refer to any residential or commercial lot in the Subdivision, together with any and all improvements thereon, as shown on the plat or plats thereof and designated thereon with a number for identification on which a Structure could be constructed, whether or not one has been constructed. Notwithstanding anything to the contrary in this Declaration and the By-Laws, each “Parcel” as defined in the MHI at Greystone Covenants and Cottages of Greystone Covenants shall be deemed a separate and distinct “Lot” for all purposes of this Declaration and the By-Laws. Such Parcels shall initially be located on Lots 85 to 120 as or proposed to be depicted on current or future plat or plats of the Subdivision. In this regard, the Owner of each such Parcel shall, among other things, be deemed a Member and Owner of a separate Lot and entitled to membership in the Association and one (1) vote separate and apart from the Owner of each other Parcel on such lot as set forth on the plat or plats of the Subdivision, such that a lot with Parcels as described in the plat shall have two (or three) votes of Members and Owners on each matter subject to the vote of Owners as described in this Declaration and the By-Laws. In addition, the Owner of each such Parcel shall be deemed a Member and Owner of a separate Lot and subject to Assessments (and Special Assessments) separate and apart from the Owner of each other Parcel on such lot as set forth in the plat or plats of the Subdivision, such that a lot with Parcels as described in the plat shall be subject to two (or three) separate Assessments (and Special Assessments) at each time when Assessments are due and owing as described in this Declaration and the By-Laws.

Section 1.13. “**Maintenance**” shall mean the exercise of reasonable care to maintain and upkeep Structures, water detention or retention easements, landscaping and/or other related improvements and fixtures in a condition comparable to their original condition.

Section 1.14. “**Member**” shall mean and refer to a Person entitled to Membership in the Association as provided herein, including but not limited to Section 1.12.

Section 1.15. “**Mortgage**” shall include a deed of trust, as well as a mortgage.

Section 1.16. “**Mortgagee**” shall include a beneficiary or holder of a deed or trust, as well as a mortgagee.

Section 1.17. “**Mortgagor**” shall include the trustor of a deed of trust, as well as a mortgagor.

Section 1.18. “Occupant” shall mean and refer to one or more Persons which may at any time be entitled to the use and possession of a Lot, or any part thereof, by leave, license, contract or any other means, whether or not lawful, and shall include, without limitation, Owners, tenants, subtenants, and their guests and invitees.

Section 1.19. “Owner” shall mean the record owner, whether one or more Persons, of the fee simple title to any Lot or Parcel, including the Declarant, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Lot or Parcel is sold under a recorded contract of sale, the purchaser (rather than the fee owner) shall be considered the Owner.

Section 1.20. “Parcel” is defined in Section 1.12.

Section 1.21. “Person” means a natural person, a corporation, a limited liability company, a partnership, trustee or other legal entity.

Section 1.22. “Structure” shall mean any building, pool, driveway, breezeway, accessory building or fixture that is permanent.

Section 1.23. “Subdivision” shall mean and refer to the real estate commonly known as Greystone of St. John, a Subdivision in the Town of St. John, Lake County, Indiana, and additions thereto and less and excepting any retractions therefrom, as are subject to this Declaration and any supplemental Declaration or Declarations, under the provisions of Article II hereof, and shall initially include the real estate described in Article II, Section 1.

Section 1.24. “Submitted Parcel” shall mean that portion of the Development Area which is described on Exhibit “A” attached hereto, as Exhibit “A” may be amended from time to time, together with all rights appurtenant thereto.

Section 1.25. “Supplemental Amendment” shall mean a supplement to this Declaration to submit Added Property to this Declaration in accordance with Article XV hereof. Such Supplemental Amendment may, but is not required to, impose, expressly or by reference, additional restrictions and obligations on the Added Property submitted by that Supplemental Amendment to the provisions of this Declaration.

Section 1.26. “Turnover Date” shall mean the date on which the right of Declarant to select and designate all of the members of the Board of Directors is terminated pursuant to Section 13.01 hereof.

ARTICLE II
**PROPERTY SUBJECT TO THIS DECLARATION;
ADDITIONS THEREFO, DELETIONS THEREFROM**

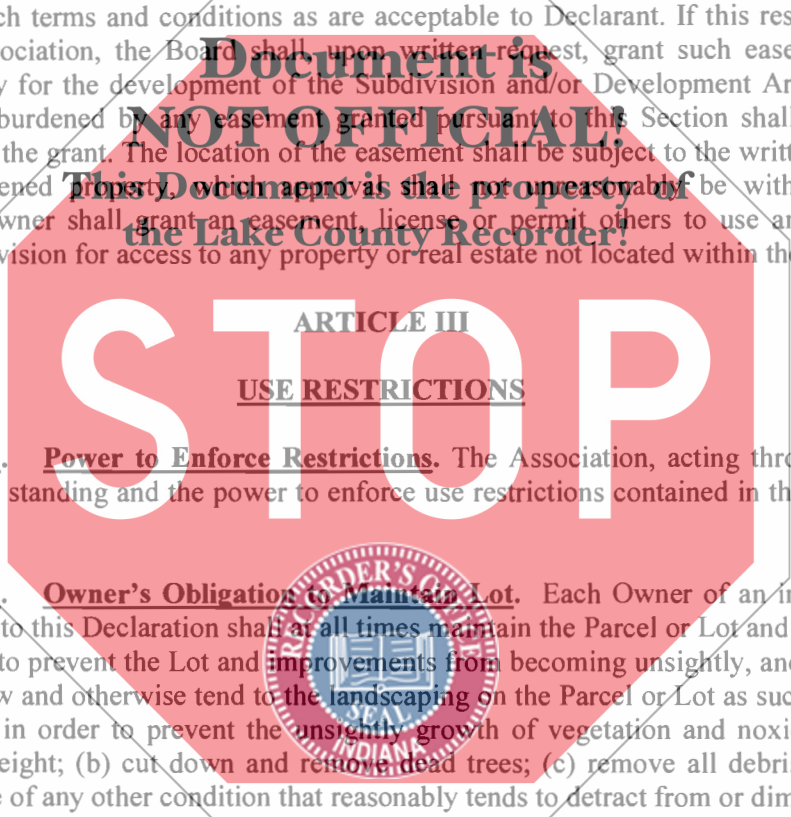
Section 2.01. Legal Description. The real property which is and shall be held, transferred, sold, conveyed and occupied, subject to this Declaration, is located in Lake County, Indiana, and comprises all of the Lots, tracts and easements shown and/or platted within or upon the property legally described as the Submitted Parcel on Exhibit “A.”

Section 2.02. Subdivision Restrictions. Declarant shall be entitled at any time and from time to time, to plat, replat or vacate existing plattage of all or any part of the real estate subjected to this

Declaration, and to file Subdivision restrictions and/or amendments thereto with respect to any undeveloped portion, or portions of, or additions to the Subdivision.

Section 2.03. Retractable Real Estate. At the sole election of the Declarant, all of the real estate specifically described in Section 2.01 of this Article and subject to this Declaration may be withdrawn from submission hereunder at one time, or portions thereof at different times; provided, however that no real estate may be withdrawn which has been developed. All Owners and mortgagees are hereby deemed to consent to the vacation, and waive all right to remonstrate thereto, of any portion of the plat of the Subdivision not developed in which the Declarant has withdrawn from this Declaration.

Section 2.04. Easements. There are platted on the plat of the Subdivision certain easements which shall be and are hereby reserved for the installation, construction, maintenance, repair or replacement of any and all public utilities and drainage and their poles, ducts, wires, pipelines, lines, conduit, sewers, manholes or other related utility or drainage facility. No permanent Structure shall be erected or allowed to be maintained on any easement. Declarant also reserves for itself and its designees (including, without limitation, the Town of St. John and any utility) the non-exclusive right and power to grant, modify or expand such specific easements as may be necessary, in Declarant's sole discretion, in connection with the orderly development of the Subdivision, and such easements may include easements upon, across, over and under the Lots for ingress, egress, installation, replacing, repairing and maintaining cable television systems, and similar systems, walkways, and all utilities, including, but not limited to, water, sewers, meter boxes, telephones, gas and electricity. This reserved right of easement may be assigned by Declarant by written instrument to the Association, and the Association shall accept the assignment upon such terms and conditions as are acceptable to Declarant. If this reserved easement is assigned to the Association, the Board shall, upon written request, grant such easements as may be reasonably necessary for the development of the Subdivision and/or Development Area. The Owner of any property to be burdened by any easement granted pursuant to this Section shall be given written notice in advance of the grant. The location of the easement shall be subject to the written approval of the Owner of the burdened property, which approval shall not unreasonably be withheld, delayed, or conditioned. No Owner shall grant an easement, license or permit others to use any Lot, or portion thereof, in the Subdivision for access to any property or real estate not located within the Subdivision.



Section 3.01. Power to Enforce Restrictions. The Association, acting through the Board of Directors, shall have standing and the power to enforce use restrictions contained in this Declaration and amendments thereto.

Section 3.02. Owner's Obligation to Maintain Lot. Each Owner of an improved Parcel or Lot which is subject to this Declaration shall at all times maintain the Parcel or Lot and the improvements in such a manner as to prevent the Lot and improvements from becoming unsightly, and specifically such Owner shall: (a) mow and otherwise tend to the landscaping on the Parcel or Lot as such times as may be reasonably required in order to prevent the unsightly growth of vegetation and noxious weeds six (6) inches or more in height; (b) cut down and remove dead trees; (c) remove all debris and rubbish and prevent the existence of any other condition that reasonably tends to detract from or diminish the aesthetic appearance of the Parcel or Lot; and (d) keep the exterior of the improvements in such a state of repair or maintenance as to avoid the improvements from becoming unsightly.

Section 3.03. Leasing. All lease or rental agreements to allow any other Person to occupy a Lot as an Occupant with or without rent independent of the Owner must be in writing. Every Owner shall cause all Occupants of such Owner's Lot to comply with this Declaration, the By-Laws, the Rules and Regulations, and the Community-Wide Standard, and shall be responsible for all violations and losses to the Common Area caused by such occupants, notwithstanding the fact that such occupants of a Lot are fully liable and may be sanctioned for any violation of this Declaration, the By-Laws, the Rules and Regulations, and the Community-Wide Standard.

Section 3.04. No Temporary Building. No structure of a temporary character, such as a trailer, tent, shack, garage, barn, or other building shall be used on any Lot at any time, either temporarily or permanently.

Section 3.05. Nuisances. Nothing shall be done or maintained on any Lot which may be or become a nuisance to the Subdivision.

Section 3.06. Immoral, Improper, Offensive and Unlawful Uses. No immoral, improper, offensive or unlawful use shall be made of any Lot or Structure or any part thereof.

Section 3.07. Uses Affecting Insurance Rates. An Owner shall not permit or suffer anything to be done or kept in a Structure or on a Lot which will increase the insurance rates on any adjacent Structure or Lot.

ARTICLE IV
ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 4.01. Membership and Meetings. Every Owner shall be deemed to have a membership in the Association. No Owner shall have more than one (1) membership per Lot or Parcel, as described in Section 1.12. In the event the Owner of a Lot or Parcel is more than one (1) Person, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership, including the right to vote, may be exercised by a Member or the Member's spouse, but in no event shall there be more than one (1) vote for each Lot or Parcel, subject to the provisions of Sections 1.12 and 4.02.

The first annual meeting of the Association shall not be held until such time as the Declarant elects to terminate its sole control by delivery of written notice of such election to the Owners of record of the Lots and Parcels or at such earlier time or times as may be determined by Declarant. The next annual meeting shall be set by the Board of Directors so as to occur no later than ninety (90) days after the close of the Association's fiscal year. Subsequent annual meetings shall be held within thirty (30) days of the same day of the same month of each year thereafter at an hour set by the Board of Directors. Subject to the foregoing, the annual meeting of the Members shall be held at a date and time as set by the Board of Directors. Subject to the foregoing, the Members shall, at each annual meeting, elect the Board of Directors of the Association in accordance with the provisions of the By-Laws and transact such other business as may properly come before the meeting.

Section 4.02. Voting. The Association shall have two (2) classes of Members who shall collectively vote on all matters presented for Member vote, as follows:

(a) **Class A** - Class A Members shall be all Owners of Lots and Parcels with the exception of the Declarant; and

(b) Class B - Class B Member shall be the Declarant.

The Class A Members shall be entitled on all issues to one (1) vote for each Lot or Parcel in which they hold an interest required for membership by Sections 1.12 and 4.01 hereof. When more than one (1) Person holds such interest in any Lot or Parcel as the case may be, the vote for such Lot or Parcel shall be exercised as those persons or entities themselves determine and advise the Secretary of the Association in writing prior to any meeting. In the absence of such advice, the Lot or Parcel's vote shall be suspended in the event more than one (1) Person seeks to exercise it.

The Class B Member shall be entitled on all issues to five (5) votes for each Lot or Parcel in which it holds title. The Class B membership for a given Lot or Parcel shall cease and be automatically converted to Class A membership on the happening of either of the following events, whichever occurs first: (i) upon conveyance of the title to a Lot or Parcel to an unrelated third party Owner, or (ii) whenever the Class B Member elects to do so.

The voting rights of Members shall be subject to the Declarant's rights pursuant to the provisions of Article XIII, Article XIV and Article XV hereof.

Section 4.03. Number Terms and Selection of Board of Directors. The initial Board of Directors shall consist of three (3) directors who may but need not be Owners or Members of the Association, and who shall serve those terms of office as established by the By-Laws. The initial Board of Directors shall consist of Frank E. Schilling, Dean Schilling and Jack Slager. After the Turnover Date, directors shall be elected as otherwise required by the Articles of Incorporation and By-Laws of the Association and must be Members of the Association.

Notwithstanding any other provision of this Declaration, the Articles of Incorporation, or the By-Laws, from and after the date of the recording of the Declaration until the Turnover Date, the Association shall be governed by the Board of Directors appointed from time to time by the Declarant. Such Board of Directors so appointed shall exclusively hold all rights and powers which a Board of Directors or the Association would have under this Declaration, the Articles of Incorporation, or the By-Laws, except as specifically limited herein. Such Board of Directors may appoint from time to time from among the Owners of Lots or Parcels, one or more committees to advise and assist it in the performance of its functions. The rights and powers of such Board of Directors shall be limited as follows:

- (a) All Assessments shall be made in accordance with this Declaration.
- (b) Such Board shall have no power to reallocate the voting power among the Members in any manner contrary to this Declaration.
- (c) Such Board shall not take any action requiring the vote or consent of any Mortgagee unless the vote or consent of such Mortgagee is obtained.

Declarant shall have the right to waive, on behalf of the Association, the annual meeting and annual accounting provided for in this Declaration, so long as Declarant retains control of the Association. At the time of turnover of control by Declarant, a meeting of the Association will be called, at which time the rights and powers of the Declarant-appointed Board of Directors shall terminate and the Association shall thereafter be governed in accordance with the other provisions of this Declaration, the Articles of Incorporation and the By-Laws. Each Member shall be deemed to have given to Declarant an

irrevocable proxy to vote on any and all matters on which such Member is entitled to vote under this Declaration, or under the Articles of Incorporation or the By-Laws of the Association. The proxy hereby granted to Declarant shall be deemed to be coupled with an interest and irrevocable. Such proxy shall terminate as of the Turnover Date as set forth above.

ARTICLE V

MAINTENANCE

Section 5.01. Association's Responsibility.

A. Unless otherwise provided by an amendment to the By-Laws of the Association by a vote of two-thirds (2/3) of the votes of the Members (not two-thirds (2/3) of a quorum), the Association's responsibility for maintenance of the Submitted Parcel (except for services provided by the associations governed by the MHI at Greystone Covenants or the Cottage Homes of Greystone Covenants, the Town of St. John and/or Lake County, Indiana) shall be limited to the maintenance, repair, and replacement of the Common Area including but not limited to Outlot C and all the retention/detention ponds and any other outlots hereinafter deeded to the Association and located in recorded plats or the Added Property. In addition, the Association shall be responsible for the providing for the care of lawns, grass mowing, fertilizing and landscaping care, including the obligation to maintain the irrigation system and provide water for the irrigation system, for the area between Calumet Avenue and the center line of the berm running parallel to Calumet Avenue and located on Lots 111 to 120, with such lawn care of the area to the east of the center line of such berm to be the responsibility of the MHI Association at Greystone, Inc. as described under Article IV of the MHI at Greystone Covenants.

Section 5.02. Retention and Detention Ponds. The Declarant has or will convey to the Association Common Area which contains detention ponds located on the property. The legal description of the initial pond conveyed is as follows:

OUTLOT "C," GREYSTONE OF ST. JOHN - UNIT 1, BLOCK 1, AN ADDITION TO THE TOWN OF ST. JOHN, INDIANA RECORDED ON AUGUST 18, 2016, IN PLAT BOOK 109 AT PAGE 29 AS DOCUMENT NO. 2016 056045 IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA

ARTICLE VI

INSURANCE AND CASUALTY LOSSES

Section 6.01. Insurance. The Association's Board may obtain a public liability policy covering the Common Area and the Association and its Members for all damages or injury caused by the negligence of the Association or any of its Members or agents acting for or on behalf of the Association. Any such public liability policy shall have at least a One Million Dollars (\$1,000,000.00) single person limit with respect to bodily injury and property damage, a One Million Dollars (\$1,000,000.00) limit per occurrence, a Two Million Dollars (\$2,000,000) limit aggregate, and a Two Hundred Fifty Thousand Dollars (\$250,000.00) minimum property damage limit. Premiums for all insurance required to be carried by the Association shall be Common Expenses of the Association. The policy may contain a reasonable deductible, and the amount thereof shall be added as Common Expenses attributable to insurance premiums.

In addition to the other insurance required by this Section, the Board shall obtain, as a Common Expense, worker's compensation insurance and employer's liability insurance, if and to the extent necessary, and errors and omissions insurance on directors, officers, employees and other Persons handling or responsible for Association matters. The amount of coverage shall be determined in the Board's best business judgment. Insurance may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to the Association.

Each Owner shall obtain a public liability policy covering such Owner's Lot and shall name the Association as an additional insured on such policy. In addition, each Owner upon request of the Association shall provide a copy of the insurance policy or a certificate to the Association.

ARTICLE VII

RIGHTS, OBLIGATIONS AND POWERS OF THE ASSOCIATION

Section 7.01. Personal Property for Common Use. The Association, through action of its Board of Directors, may acquire, own, lease, hold and dispose of tangible and intangible personal property.

Section 7.02. Rules and Regulations. The Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the operations of the Association, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Sanctions may be imposed in accordance with Article VIII. The Board shall, in addition, have the power to seek relief in any court for violations or to abate nuisances. In addition, the Association shall permit the Town of St. John and/or Lake County, Indiana, to enforce ordinances on the Subdivision for the benefit of the Association and its Members.

Section 7.03. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration, the Articles of Incorporation, the By-Laws, or the Rules and Regulations, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

ARTICLE VIII ASSESSMENTS

Section 8.01. Creation of Assessments. There are hereby created Assessments for Common Expenses authorized by the Board of Directors to be commenced at the time and in the manner as determined by the Board of Directors in its sole discretion. Notwithstanding anything to the contrary in this Declaration, no Assessments shall be levied on a Lot or Parcel unless and until the Declarant sells such Lot or Parcel to an unrelated third party Owner; provided, however, that if the Declarant repurchases a Lot or Parcel from a third party Owner the Declarant, as the succeeding Owner, shall be responsible for timely payment of ongoing Assessments related to such Lot or Parcel. Assessments shall be for expenses determined by the Board to be for the benefit of the Association. Each Owner, by acceptance of his or her deed or recorded contract of sale, is deemed to covenant and agree to pay these Assessments. All such Assessments, together with interest at the rate of twelve percent (12%) per annum, costs, and reasonable attorneys' fees shall be a charge on the Lot or Parcel, as described in Section 1.12, and shall be a continuing lien upon the Lot or Parcel against which each Assessment is made. If any Assessments are not paid within thirty (30) days of due date the same shall be deemed to be past due and subject to collection.

Each such Assessment together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Person who was the Owner of such Lot or Parcel at the time the Assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance to the extent expressly assumed, except no first Mortgagee who obtains title to a Lot or Parcel pursuant to the remedies provided in a Mortgage shall be liable for unpaid Assessments which accrued prior to such acquisition of title. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, acceleration of the annual Assessment for delinquents; unless the Board otherwise provides, the Assessments shall be paid in monthly installments.

The Association is specifically authorized to enter into subsidy contracts with Declarant or other entities for the payment of some portion of the Common Expenses.

Section 8.02. Computation of Assessment. It shall be the duty of the Board, at least thirty (30) days before the beginning of the budget year (the budget year shall be from January 1 through December 31) and ten (10) days prior to the meeting at which the budget shall be presented to the membership, to prepare a budget covering the estimated Common Expenses during the coming budget year. Subject to the provisions of Section 8.05 hereof, the budget may include a capital contribution establishing a reserve fund in accordance with a capital budget separately prepared and shall separately list general expenses. The Board shall cause a copy of the budget, and the amount of the Assessments to be levied against each Lot for the following budget year to be delivered to each Owner at least seven (7) days prior to the meeting. The budget and the Assessments shall become effective when adopted by the Board of Directors.

Notwithstanding the foregoing, however, in the event the Board fails for any reason so to determine the budget for the succeeding budget year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the then current year shall continue for the succeeding budget year.

Until the Board of Directors of the Association establishes an Assessment, at the time that each Lot or Parcel, as the case may be, is transferred from the Declarant to the new Owner, an initial Assessment of Five Hundred Dollars (\$500.00) for each Commercial Lot, Two Hundred Fifty Dollars (\$250.00) for each Estate Lot, and One Hundred Dollars (\$100.00) for each Parcel shall be collected at the closing and made payable to the Association. In addition, each Owner of a Parcel shall be responsible to pay a yearly Assessment to the Association of One Hundred Eighty Dollars (\$180.00) or as otherwise determined by the Board per calendar year (prorated for the first year of ownership). Each Owner of an Estate Lot shall be responsible to pay a yearly Assessment of Two Hundred Fifty Dollars (\$250.00) or as otherwise determined by the Board per calendar year (prorated for the first year of ownership). Each Owner of a Commercial Lot shall be responsible to pay a yearly Assessment of Five Hundred Dollars (\$500.00) per Structure on such Commercial Lot, but in no event less than Five Hundred Dollars (\$500.00) per Commercial Lot, or such other amounts as otherwise determined by the Board per calendar year (prorated for the first year of ownership).

The Association may direct the associations operating under the MHI at Greystone Covenants, the Cottages of Greystone Covenants, and such other covenants for the Commercial Lots and/or Estate Lots to collect and timely remit to the Association the Assessments described in this Article VIII from the Owners of Parcels or Lots, as the case may be. Such other associations may collect a pro-rata portion of the Assessments from the Owners on a monthly, quarterly, semi-annual or annual basis; provided, however, that such other associations are in no way obligated to make payment for and on behalf of any

Owner who fails to remit payment to such other associations of the Assessments due under this Article VIII. If directed by the Association, such other associations shall include in their remittances a list of Owners who paid the Assessments and a list of Owners who failed to do so. The Association shall be entitled to pursue any Owner who fails to timely pay such other association or the Association any Assessments due hereunder, but the Association shall not have a right to pursue such other associations.

Section 8.03. Special Assessments. In addition to the Assessments authorized in Section 8.01, the Association may levy a Special Assessment or Special Assessments in any year applicable to that year, provided, however, that such Special Assessment for any purpose other than as a sanction against an Owner shall have the vote or written assent of greater than fifty percent (50%) of the votes of a quorum of the votes of Members entitled to vote at a meeting called for the purpose. The Association may also levy a Special Assessment as a sanction against any Member in accordance with the provisions of Article VIII to reimburse the Association for costs incurred in bringing a Member and his or her Lot or Parcel into compliance with the provisions of the Declaration, the Amendments thereto, the Articles of Incorporation, the By-Laws, and the Rules and Regulations, which Special Assessment may be levied upon the vote of the Board.

Section 8.04. Lien for Assessments. When a notice of the lien has been recorded, such Assessment or Special Assessment shall constitute a perfected lien on each Lot or Parcel, as the case may be, prior and superior to all other liens, except (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto, and (2) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage or deed of trust with first priority over other Mortgage or deeds of trust) made in good faith and for value. Such lien, when delinquent, may be enforced by suit, judgment and foreclosure. The Association, acting on behalf of the Owners, shall have the power to bid for the Lot or Parcel at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period owned by the Association, following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no Assessment shall be assessed or levied on it; and (c) each other Lot or Parcel shall be charged, in addition to its usual Assessment, its equal pro rata share of the Assessment that would have been charged such Lot or Parcel had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid Assessments, and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same.

Section 8.05. Capital Budget and Contributions. In the event that the Association becomes the Owner of any capital asset, or is charged with the duty for the upkeep, maintenance and repair of a capital asset, the Board of Directors shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in any amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect both to amount and timing by annual Assessments over the period of the budget. The capital contribution required shall be fixed by the Board and included within the budget and Assessment, as provided in Section 8.02 hereof. A copy of the capital budget shall be distributed to each Member in the same manner as the operating budget.

Section 8.06. Date of Commencement of Annual Assessments. The annual Assessments provided for herein shall commence as to each Lot or Parcel on the first day of each year and shall be prorated to the date of conveyance of title to an Owner of said Owner's Lot or Parcel from the Declarant or its assignees, which are contemplated to be Schilling Construction Inc. and MHI Homes, LLC, to a third party owner. Assessments shall be due and payable in a manner and on a schedule as the Board of Directors may provide. The first annual Assessment shall be adjusted according to the number of months then remaining in that budget year. In no event shall the Declarant be responsible or liable for

Assessments as to any Lot or Parcel during the period prior to the conveyance of title of any such Lot or Parcel to a third party Owner.

Section 8.07. Subordination of the Lien to First Deeds of Trust and First Mortgages. The lien of the Assessments, including interest, late charges subject to the limitations of Indiana law, and costs (including attorneys' fees) provided for herein, shall be subordinate to the lien of any bona fide first Mortgage upon any Lot or Parcel, as the case may be. The sale or transfer of any Lot or Parcel shall not affect the Assessment or Special Assessment lien. However, the sale or transfer of any Lot or Parcel pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien of such Assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot or Parcel from lien rights for any Assessments or Special Assessments thereafter becoming due. Where the Mortgagee of a first Mortgage of record or other purchaser of a Lot or Parcel obtains title, his successors and assigns shall not be liable for the share of the Assessments by the Association chargeable to such Lot or Parcel which became due prior to the acquisition of title to such Lot or Parcel by such acquirer. Such unpaid share of the Assessments shall be deemed to be Common Expense collectible from all of the Lots or Parcels, including such acquirer, his successors and assigns.

ARTICLE IX

ENFORCEMENT

Each Owner and Occupant of any Lot and Parcel shall be governed by and shall comply with the terms of this Declaration and the Articles of Incorporation, By-Laws, and the Rules and Regulations of the Association adopted pursuant thereto as they may be amended from time to time. The Declarant shall have no personal or other liability, obligation or responsibility to enforce the Declaration or any part thereof. A default or violation by an Owner or Occupant of any Lot or Parcel, as the case may be, shall entitle the Association or, in lieu thereof, any other Owner or Owners to the following remedies (i.e., any other Owner or Owners may act apart from and in place of the Association and/or Board of Directors in administering and enforcing the provisions of this Article IX):

Section 9.01. Authority and Administrative Enforcement and Procedures.

(a) **Authority.** Lots and Parcels shall be used only for those uses and purposes set out in this Declaration, and subject to the covenants and restrictions set forth herein, and in the By-Laws and Rules and Regulations of the Association. The Board of Directors shall have the power and authority to impose reasonable Special Assessments in accordance with Section 8.03 hereof, which shall constitute a lien upon the Owner's Lot or Parcel and to suspend an Owner's right to vote, and to approve other appropriate sanctions in the event that it is determined in accordance with this Article IX that an Owner or Occupant has violated any provision of this Declaration, the By-Laws, or the Rules and Regulations as duly promulgated.

(b) **Procedure.** The Board of Directors shall not impose a Special Assessment as a sanction, suspend the right to vote, or infringe upon any other rights of an Owner or Occupant for any such violations unless and until the following procedure is followed:

(i) **Demand.** Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying: (A) the alleged violation; (B) the action required to abate the violation; and (C) a time period, not less than ten (10) days, during which the violation may be abated without further sanction.

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

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

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

(i) All Special Assessments imposed upon a violator under this Article shall bear a reasonable relationship to the violation, considering all the circumstances which may include, but shall not be limited to, the following:

(A) The actual costs and expenses incurred by the Board of Directors and the individual directors in the exercise of the power and authority under this Article IX (including but not limited to reasonable attorneys fees and costs), and in otherwise attempting to remedy the violation.

(B) The amount of actual damage done to other Owners and Occupants and/or their Lots and/or Parcels and any Structures thereon and/or to the Association arising out of the violation or the efforts to remedy the effects of same.

(C) The amount which would be reasonably required to compensate the Association for the disruption of and inconvenience to, the community, the Association or any Member thereof, or Occupant of a Lot and/or Parcel.

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

(ii) All Special Assessments amounts imposed hereunder as a sanction shall be deemed to be a part of the Assessment attributable to the Lot or Parcel owned or occupied by the violator, and shall be assessed against said Lot or Parcel and its Owner as a Special Assessment to be due and payable on the date that the next Assessment payment would be due, and any such Special Assessments which are not paid as of that date shall become a lien on such Lot or Parcel, and shall be collected and enforced in the same manner as Assessments.

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

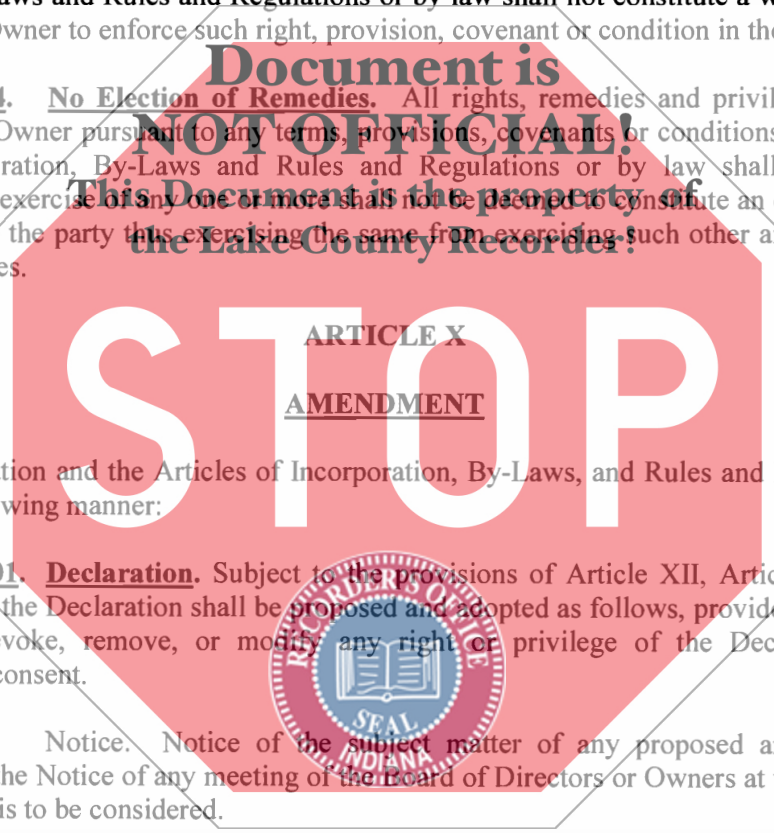
(iv) All other sanctions imposed shall be reasonably related to the violation found.

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

Section 9.02. Legal Remedies. In addition to the administrative remedies set forth in Section 9.01 hereof, the legal remedies may include, without limiting the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien, an action to enforce the sanctions imposed by administrative procedure, or any combination thereof. The prevailing party shall be entitled to recover the costs of any legal proceeding including reasonable attorneys' fees and costs.

Section 9.03. No Waiver of Rights. The failure of the Association or of an Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, Articles of Incorporation, By-Laws and Rules and Regulations or by law shall not constitute a waiver of the right of the Association or Owner to enforce such right, provision, covenant or condition in the future.

Section 9.04. No Election of Remedies. All rights, remedies and privileges granted to the Association or any Owner pursuant to any terms, provisions, covenants or conditions of the Declaration, Articles of Incorporation, By-Laws and Rules and Regulations or by law shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges.



The Declaration and the Articles of Incorporation, By-Laws, and Rules and Regulations may be amended in the following manner:

Section 10.01. Declaration. Subject to the provisions of Article XII, Article XIII and Article XV, amendments to the Declaration shall be proposed and adopted as follows, provided, however, that no amendment may revoke, remove, or modify any right or privilege of the Declarant, without the Declarant's written consent.

(a) Notice. Notice of the subject matter of any proposed amendment shall be included in the Notice of any meeting of the Board of Directors or Owners at which any proposed amendment is to be considered.

(b) Resolution. Except as provided in subparagraph (d) hereof, a resolution to amend the Declaration may be adopted by the affirmative vote in person or by proxy of not less than three-fourths (3/4) of the votes of the Members (not three-fourths (3/4) of a quorum), at any

regular or special meeting of the Members called and held in accordance with the By-Laws; provided, however, that any such amendment must also be approved and ratified by not less than three-fourths (3/4) of the Board of Directors (not three-fourths (3/4) of a quorum).

(c) **Recording.** The amendment shall not be effective until a certified copy thereof is recorded in the Office of the Recorder of Lake County, Indiana. A copy of any such amendment shall also be sent to each Owner and his Mortgagee by registered or certified mail; provided, however, the mailing of such amendment shall not constitute a condition precedent to the effectiveness of such amendment.

(d) **Amendments by Declarant.** Notwithstanding any other provision of the Declaration, and in addition to any other right to amend elsewhere set forth herein, the Declarant alone may amend this Declaration, or the Articles of Incorporation, By-Laws, and Rules and Regulations, without the consent of the Owners, the Association, the Board of Directors or any Mortgagee, or any other Person, to: (i) correct scrivener's errors, minor defects or omissions; (ii) comply with the requirements of Indiana law; (iii) comply with the requirements of any governmental agency, public authority, or title insurance company; (iv) comply with the requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veterans Administration or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by each sell, insure or guarantee first mortgages covering Lots or Parcels; (v) induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Lots or Parcels; or (vi) add portions of the Development Area to the Submitted Parcel by Supplemental Amendment pursuant to Article XV hereof. This subparagraph (d) shall constitute an irrevocable special power of attorney to Declarant on behalf of all Owners, Mortgagees, and any and all other Persons having an interest of any kind in the Subdivision, for so long as Declarant owns any portion of the Development Area and it shall become effective upon the recording of a copy thereof in the Office of the Recorder of Lake County, Indiana. A copy of such amendment shall also be sent to all Owners and their Mortgagees in the manner provided in subparagraph (c) hereof.

Section 10.02. Articles of Incorporation. The Articles of Incorporation of the Association shall be amended in the manner provided by such documents or by law.

ARTICLE XI
GENERAL PROVISIONS

Section 11.01. Term. The covenants and restrictions of this Declaration shall run with and bind the Subdivision, and shall inure to the benefit of an shall be enforceable by the Association or the Owner of any Lot and Parcel subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of fifty (50) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by at least seventy-five percent (75%) of the then Owners, has been recorded within the year preceding and the beginning of each successive period often (10) years, agreeing to change said covenants and restrictions, in whole or in part, or to terminate the same.

Section 11.02. Indemnification. The Association shall indemnify every officer and director against any and all expenses, including attorney's fees, reasonably incurred by or imposed upon any

officer or director in connection with any action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, or any other acts or omissions of any nature whatsoever as such directors and officers except for any acts or omissions found by a court to constitute criminal conduct, gross negligence or fraud. The Association shall indemnify and hold harmless each of the directors and each of the officers, his heirs, executors or administrators, against all contractual and other liabilities to others arising out of contracts made by or other acts of the directors and officers on behalf of the Owners or the Association, or arising out of their status as directors or officers, unless any such contract or act shall have been made criminally, fraudulently or with gross negligence. It is intended that the foregoing indemnification shall include an indemnification against all costs and expenses (including, but not limited to, attorneys' fees, amounts of judgments paid and amounts paid in settlement) actually and reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or other, in which any such director or officer may be involved by virtue of such Person being or having been such director 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 criminal conduct, gross negligence or fraud in the performance of his duties as such director or officer, or (b) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board of Directors, there is not reasonable grounds for such Person being adjudged liable for criminal conduct, gross negligence or fraud in the performance of his duties as such director or officer. Any right to indemnification provided for herein shall be not exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

Section 11.03. Perpetuities. If any of the covenants, conditions, restrictions, easements or other provisions of this Declaration shall be unenforceable, void or voidable by operation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

Section 11.04. Owner's Obligation to Maintain and Repair. Each Owner shall, at Owner's sole cost and expense, maintain and repair Owner's residence and Structures keeping the same in a condition comparable to the condition of such residence and Structures at the time of its initial construction.

Section 11.05. Self-Help. In addition to any other remedies provided for herein, the Declarant, the Association, or either of their duly authorized agents shall have the power to take such remedial action, activity or otherwise perform or take such action or obligation of a defaulting Owner to bring a Lot into compliance with this Declaration. The Declarant, the Association, or either of their duly authorized agents may enter upon a Lot, Parcel, or any portion of the Subdivision (including Common Area) to abate or remove, using such force as may be reasonably necessary, any construction, erection, thing or condition which violates this Declaration, the Architectural Guidelines, the rules and regulations, or the use restrictions. Unless an emergency situation exists, the Declarant or the Association, as the case may be, shall give the violating Owner five (5) days' written notice of its intent to exercise remedial activity (self-help). All costs of the Declarant or the Association's remedial activity (self-help), together with interest at the rate of twelve percent (12%) per annum, including attorneys' fees actually incurred shall be assessed against the violating Owner and shall be collected as provided for herein. No liability shall be assumed or imposed by the Declarant and/or the Association's exercise or failure to exercise such remedial activity. Notwithstanding the foregoing, in the event of an emergency or the blockage or

material impairment of the easement rights granted hereunder, the Declarant or Association may immediately cure the same and be reimbursed by the defaulting Owner upon demand for the reasonable cost thereof together with interest as above described.

Section 11.06. Notices. Any notices required to be sent to any Owner under any provision of this Declaration shall be deemed to have been properly sent when mailed, postage paid, to the last known address of the Person who appears as owner on the records of the Lake County Auditor's official property tax records at the time of such mailing.

Section 11.07. Usage. Whenever used the singular shall include the plural and singular, and the use of any gender shall include all genders.

Section 11.08. Effective Date. This Declaration or any amendment hereto shall become effective upon its recordation in the Office of the Recorder of Lake County, Indiana.

Section 11.09. Severability of Invalid or Unenforceable Provisions. If any term, covenant, provision, phrase or other element of this Declaration, the Articles of Incorporation, the By-Laws or the Rules and Regulations is held to be invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify or impair in any manner whatsoever any other terms, covenant, provision, phrase or other element of this Declaration, the Articles of Incorporation, the By-Laws or the Rules and Regulations. If any part of this Declaration, or any term, covenant, provision, phrase or other element, or the application thereof in any circumstances be judicially held in conflict with the laws of the State of Indiana, then the said laws shall be deemed controlling and the validity of the remainder of the Declaration and the application of any other term, covenant, provision, phrase or other element in other circumstances shall not be affected thereby.

Section 11.10. Captions. Captions used in this Declaration, the Articles of Incorporation, the By-Laws and the Rules and Regulations are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text of this Declaration, the Articles of Incorporation, the By-Laws and the Rules and Regulations.

Section 11.11. Binding Effect. This Declaration shall be binding upon and inure to the benefit of each Owner, its successor, grantees, assigns and the legal representatives thereof.

Section 11.12. Recitals. The recitals set forth at the beginning of this Declaration are hereby made a part of and incorporated into this Declaration by reference.



The following provisions are for the benefit of holders, insurers, or guarantors of first Mortgages on Lots. To the extent applicable, necessary, or proper, the provisions of this Article XII apply to both this Declaration and to the By-Laws of the Association. Where indicated, these provisions apply only to "Eligible Holders," as hereinafter defined; provided, however, voting percentages set forth herein are subject to and controlled by higher percentage requirements, if any, set forth elsewhere in this Declaration for specific actions.

Section 12.01. Notices of Action. An institutional holder, insurer, or guarantor of a first mortgage, who provides written request (such request to state the name and address of such holder,

insurer or guarantor and the Lot or Parcel address), to the Association (thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:

- (a) any proposed termination of the Association;
- (b) any condemnation loss or any casualty loss which affects a material portion of the Submitted Parcel or which affects any Lot or Parcel on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder;
- (c) any delinquency in the payment of Assessments or charges owed by an Owner of a Lot or Parcel subject to the Mortgage of such Eligible Holder, insurer or guarantor, where such delinquency has continued for a period of sixty (60) days;
- (d) any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; or
- (e) any proposed action which would require the consent of Eligible Holders, as required in Section 12.02 hereof.

Section 12.02. Special FHLMC Provision. So long as required by FHLMC, the following provisions apply in addition to and not in lieu of the foregoing two sections of this Article. Unless two-thirds (2/3) of the first Mortgagees or Owners give their consent, the Association shall not:

- (a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any Common Area which the Association owns, directly or indirectly (provided, however, that the granting of easements for public utilities or for other public purposes consistent with the intended use of the property shall not be deemed a transfer);
- (b) change the method of determining the obligations, Assessments, dues or other charges which may be levied against the Owner;
- (c) by act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance of any Structure;
- (d) fail to maintain fire and extended coverage insurance, as required by this Declaration; or
- (e) use hazard insurance proceeds for any Common Area losses for other than the repair, replacement or reconstruction of such.

The provisions of this Section 12.02 shall not be construed to reduce the percentage vote that must be obtained from Mortgagees or Owners where a larger percentage vote is otherwise required for any of the actions contained in this Section.

Section 12.03. Mortgagee's Right to Cure. First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Area and may pay overdue premiums on casualty insurance policies, or secure new casualty insurance coverage upon the lapse of a policy, for any Common Area, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

ARTICLE XIII

DECLARANT'S RIGHTS

Section 13.01. Control by Declarant. Notwithstanding any of the other provisions of this Declaration or the By-Laws to the contrary, and in addition to any other right or privilege given or granted or reserved to Declarant under this Declaration, the first and all subsequent Board of Directors shall consist solely of three (3) individuals designated by Declarant, which individuals may be need not be Owners or Members until the date on which the Declarant elects to terminate its sole control by the delivery of written notice of such election to the Owners (the "Turnover Date").

Section 13.02. Absence of Warranty. THE DECLARANT SPECIFICALLY DISCLAIMS ANY WARRANTY OR REPRESENTATION IN CONNECTION WITH THE SUBDIVISION OR DEVELOPMENT AREA OR THIS DECLARATION EXCEPT AS SPECIFICALLY SET FORTH HEREIN; AND NO PERSON SHALL RELY UPON ANY WARRANTY OR REPRESENTATION NOT SPECIFICALLY SET FORTH THEREIN. ANY ESTIMATES OF ASSESSMENTS ARE BELIEVED TO BE ACCURATE, BUT NO WARRANTY OR GUARANTY IS MADE OR INTENDED, NOR MAY ONE BE RELIED UPON.

Section 13.03. Assessment Exemption. Declarant and/or Declarant's designees, which are contemplated to be Schilling Construction Inc. and MHI Homes, LLC, shall be exempt from any Assessment levied by the Association on any or all Lots and Parcels owned by the Declarant and/or Declarant's designees which are unoccupied and offered by the Declarant and/or Declarant's designees for sale.

Section 13.04. Right to Amend Declaration. The Declarant shall have the right to amend the Declaration, and the Articles of Incorporation, By-Laws, and Rules and Regulations, in accordance with Article X hereof.

Section 13.05. Transfer of Rights. Any or all of the special rights and obligations of the Declarant may be transferred to other Persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is a written instrument signed by the Declarant and duly recorded in the Office of the Recorder of Lake County, Indiana.

Section 13.06. Declarant's Reserved Rights and Easements. Notwithstanding any provisions herein to the contrary, Declarant hereby expressly reserves unto itself and its successors and assigns a nonexclusive, perpetual right, privilege, and easement with respect to any portion of the Submitted Parcel and any portion of the Development Area which becomes part of the Submitted Parcel, for the benefit of Declarant, its successors, and assigns over, under, in, and/or on the real estate and any portion of the Development Area which becomes part of the Submitted Parcel, without obligation and without charge to Declarant, for the purposes of construction, installation, relocation, development, maintenance, repair, replacement, use and enjoyment and/or otherwise dealing with the Submitted Parcel and Development Area. The reserved easement shall constitute a burden on the title to all or any portion of the Submitted Parcel and any portion of the Development Area which becomes part of the Submitted Parcel and specifically includes, but is not limited to:

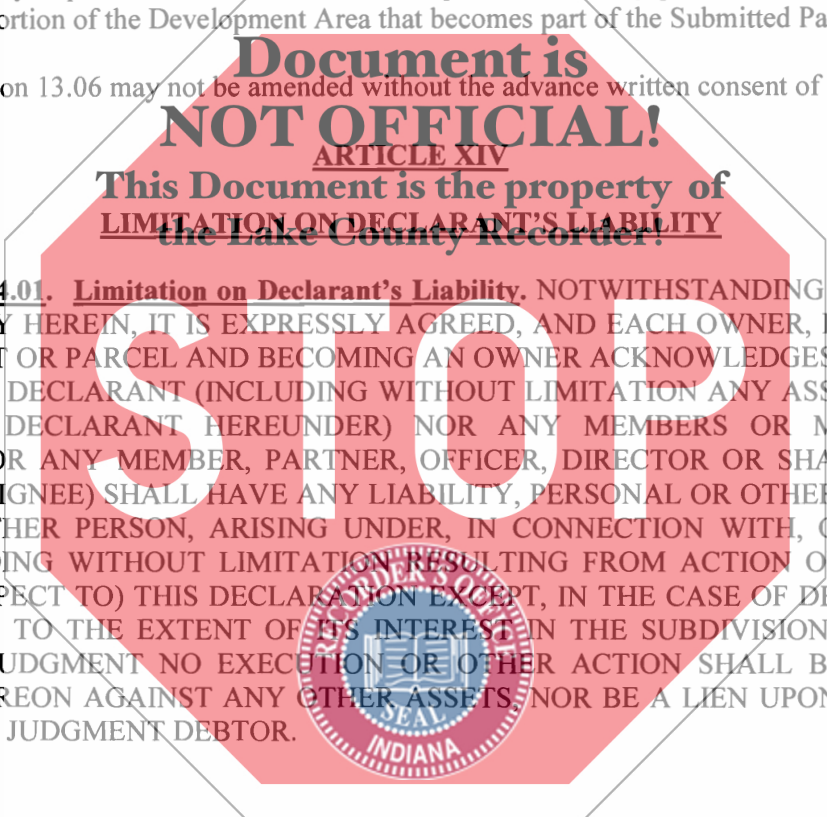
- (a) the right of access, ingress, and egress for vehicular and pedestrian traffic over, under, on, or in all or any portion of the Submitted Parcel and any portion of the Development Area which becomes part of the Submitted Parcel; and the right to tie into any portion of the

Submitted Parcel and any portion of the Development Area that becomes part of the Submitted Parcel with driveways, parking areas, streets, and drainage systems; and the right to tie into and/or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain, and repair any device which provides utility or similar services, including, without limitation, electrical, telephone, natural gas, water, sewer, and drainage lines and facilities constructed or installed in, on, under, and/or over all or any portion of the Submitted Parcel and any portion of the Development Area that becomes part of the Submitted Parcel, and in connection therewith the right to store construction equipment and materials in appropriate areas in areas owned by Declarant without payment of any fee or charge whatsoever;

(b) the right to construct, install, replace, relocate, maintain, repair, use and enjoy model units, parking spaces, signs, lighting, construction offices, business offices and sales offices as, in the sole opinion of Declarant, may be required, convenient, or incidental to the construction of improvements and sale of units in all or any portion of the Submitted Parcel and Development Area; and

(c) no rights, privileges, and easements granted or reserved herein shall be merged into the title of any Structure within the Submitted Parcel and any portion of the Development Area that becomes part of the Submitted Parcel, but shall be held independent of such title, and no such right, privilege, or easement shall be surrendered, conveyed, or released unless and until and except by delivery of a quit claim deed from Declarant releasing such right, privilege, or easement by express reference thereto with respect to all or any portion of the Submitted Parcel and any portion of the Development Area that becomes part of the Submitted Parcel.

This Section 13.06 may not be amended without the advance written consent of Declarant.



Section 14.01. Limitation on Declarant's Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, IT IS EXPRESSLY AGREED, AND EACH OWNER, BY ACCEPTING TITLE TO A LOT OR PARCEL AND BECOMING AN OWNER ACKNOWLEDGES AND AGREES, THAT NEITHER DECLARANT (INCLUDING WITHOUT LIMITATION ANY ASSIGNEE OF THE INTEREST OF DECLARANT HEREUNDER) NOR ANY MEMBERS OR MANAGERS OF DECLARANT (OR ANY MEMBER, PARTNER, OFFICER, DIRECTOR OR SHAREHOLDER IN ANY SUCH ASSIGNEE) SHALL HAVE ANY LIABILITY, PERSONAL OR OTHERWISE, TO ANY OWNER OR OTHER PERSON, ARISING UNDER, IN CONNECTION WITH, OR RESULTING FROM (INCLUDING WITHOUT LIMITATION RESULTING FROM ACTION OR FAILURE TO ACT WITH RESPECT TO) THIS DECLARATION EXCEPT, IN THE CASE OF DECLARANT (OR ITS ASSIGNEE), TO THE EXTENT OF ITS INTEREST IN THE SUBDIVISION; AND, IN THE EVENT OF A JUDGMENT NO EXECUTION OR OTHER ACTION SHALL BE SOUGHT OR BROUGHT THEREON AGAINST ANY OTHER ASSETS, NOR BE A LIEN UPON SUCH OTHER ASSETS OF THE JUDGMENT DEBTOR.


ARTICLE XV

ANNEXATION OF ADDITIONAL PROPERTY

Section 15.01. Annexation without Approval of Membership. As the Owner thereof, or if not the Owner, with the Consent of the Owner thereof, Declarant shall have the unilateral right, privilege and option, from time to time at any time until the end of the twentieth (20th) year after the recording of this Declaration, to annex, submit and subject to the provisions of this Declaration, all or any part of the Development Area, or other property adjacent to or in the vicinity of the Development Area (including but not limited to real estate located west of Calumet Avenue), by recording an amendment to this Declaration (“Supplemental Amendment”) as hereinafter provided. For the purposes of this Article, any portion of the Development Area which is made subject to this Declaration by a Supplemental Amendment shall be referred to as “Added Property,” and any Lot or Parcel, as the case may be, in the Added Property shall be referred to as “Added Lot.” Added Property may be made subject to the Declaration at different times and there is no limitation on the order in which Added Property may be made subject to this Declaration. There is no limitation on the location of improvements which may be made on Added Property and no particular portion of the Development Area must be made subject to this Declaration.

Section 15.02. Power to Amend. In furtherance of the foregoing, Declarant reserves the right to record a Supplemental Amendment, at any time and from time to time prior to ten (10) years from the date of recording hereof, which amends those portions of this Declaration necessary to reflect the Added Property and the effect of the Added Lots.

Section 15.03. Effect of Amendment. Upon the recording of a Supplemental Amendment by Declarant which annexes and subjects Added Property to this Declaration, as provided in this Article, then:

- 
- (a) The restrictions, conditions, covenants, reservations, lien, charges, rights, benefits and privileges set forth and described herein shall run with and bind the Added Property (including Added Lots) and inure to the benefit of and be the personal obligation of the Owners of Added Lots in the same manner, to the same extent, and with the same force and effect that this Declaration applies to the Submitted Parcel and Owners of Lots and Parcels which were initially subjected to this Declaration.
 - (b) Every Person who is an Owner of an Added Lot shall be a Member of the Association on the same terms and subject to the same qualifications and limitations as those Members who are Owners of Lots or Parcels.
 - (c) Each Owner of an Added Lot shall pay a percentage of the Common Assessments due as calculated at the time of the annexation by the Board of Directors in its sole discretion; provided, however, the Owner of an Added Lot shall not be required to pay any installment of a Special Assessment levied to cover a deficit under a prior year's budget.
 - (d) The amount of the lien for Assessments, charges or payments levied against an existing Lot or Parcel prior to the recording of the Supplemental Amendment shall not be affected unless specifically notified by the Declarant at the time of the annexation.

Such Supplemental Amendment shall not require the vote of Members. Any such annexation shall be effective upon the filing for record of such Supplemental Amendment unless otherwise provided

herein. Declarant shall have the unilateral right to transfer to any other Person the said right, privilege and option to annex such Added Property which is herein reserved to Declarant, provided that such transferee or assignee shall be the Declarant of at least a portion of such Added Property and that such transfer is memorialized in a written, recorded instrument.

Section 15.04. Amendment. This Article XVIII shall not be amended without the written consent of Declarant, so long as the Declarant owns any portion of the Development Area.

Section 15.05. Annexation of Common Areas. If, at any time pursuant to this Article XVIII, property is annexed within, adjacent to or in the vicinity of the Development Area and said property includes common area, then it shall be the responsibility of the Association to maintain, repair and replace any part of the common area, including but not limited to any retention or detention ponds.

IN WITNESS WHEREOF, the Declarant has caused this Declaration of Covenants and Restrictions to be executed on the date first written above.

CWS HOLDINGS, LLC

BY: 
Frank E. Schilling
Member



EXHIBIT "A"

Submitted Parcel

PARCEL 1:

THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 34 NORTH, RANGE 10 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA.

PARCEL 2:

THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 34 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA.

PARCEL 3:

PART OF THE SOUTHWEST 1/4 OF SECTION 6 TOWNSHIP 34 NORTH, RANGE 9 WEST OF THE 2ND PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID QUARTER SECTION AND RUNNING THENCE SOUTH 84 RODS; THENCE EAST 66 2/3 RODS; THENCE NORTH 84 RODS; THENCE WEST 66 2/3 RODS TO THE PLACE OF BEGINNING, IN LAKE COUNTY, INDIANA, EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL OF LAND: THAT PART OF THE SOUTHWEST QUARTER OF SECTION 6, TOWNSHIP 34 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA, DESCRIBED AS FOLLOWS:

COMMENCING AT A NAIL AT THE SOUTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE NORTH 00 DEGREES 03 MINUTES 19 SECONDS EAST ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER, 1254.12 FEET TO A NAIL AT A POINT THAT IS 84 RODS SOUTH OF THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE CONTINUING NORTH 00 DEGREES 03 MINUTES 19 SECONDS EAST ALONG SAID WEST LINE, 221.69 FEET TO A NAIL FOR THE PLACE OF BEGINNING; THENCE CONTINUING NORTH 00 DEGREES 03 MINUTES 19 SECONDS EAST ALONG SAID WEST LINE, 348.48 FEET TO A NAIL; THENCE SOUTH 89 DEGREES 56 MINUTES 41 SECONDS EAST 175.00 FEET; THENCE SOUTH 00 DEGREES 03 MINUTES 19 SECONDS WEST 348.48 FEET; THENCE NORTH 89 DEGREES 56 MINUTES 41 SECONDS WEST 175.00 FEET TO THE PLACE OF BEGINNING.

PARCEL 4:

THAT PART OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 34 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA, DESCRIBED AS FOLLOWS:

COMMENCING AT A NAIL AT THE SOUTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE NORTH 00 DEGREES 03 MINUTES 19 SECONDS EAST ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER, 1254.12 FEET TO A NAIL AT A POINT THAT IS 84 RODS SOUTH OF THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE

CONTINUING NORTH 00 DEGREES 03 MINUTES 19 SECONDS EAST ALONG SAID WEST LINE, 221.69 FEET TO A NAIL FOR THE PLACE OF BEGINNING;

THENCE CONTINUING NORTH 00 DEGREES 03 MINUTES 19 SECONDS EAST ALONG SAID WEST LINE, 348.48 FEET TO A NAIL; THENCE SOUTH 89 DEGREES 56 MINUTES 41 SECONDS EAST 175.00 FEET; THENCE SOUTH 00 DEGREES 03 MINUTES 19 SECONDS WEST 348.48 FEET; THENCE NORTH 89 DEGREES 56 MINUTES 41 SECONDS WEST 175.00 FEET TO THE PLACE OF BEGINNING.

Development Area

PARCEL 1:

THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 34 NORTH, RANGE 10 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA.

PARCEL 2:

THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 34 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA.

PARCEL 3:

PART OF THE SOUTHWEST 1/4 OF SECTION 6 TOWNSHIP 34 NORTH, RANGE 9 WEST OF THE 2ND PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID QUARTER SECTION AND RUNNING THENCE SOUTH 84 RODS; THENCE EAST 66 2/3 RODS; THENCE NORTH 84 RODS; THENCE WEST 66 2/3 RODS TO THE PLACE OF BEGINNING, IN LAKE COUNTY, INDIANA, EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL OF LAND: THAT PART OF THE SOUTHWEST QUARTER OF SECTION 6, TOWNSHIP 34 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA, DESCRIBED AS FOLLOWS:

COMMENCING AT A NAIL AT THE SOUTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE NORTH 0 DEGREES 03 MINUTES 19 SECONDS EAST ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER, 1254.12 FEET TO A NAIL AT A POINT THAT IS 84 RODS SOUTH OF THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE CONTINUING NORTH 00 DEGREES 03 MINUTES 19 SECONDS EAST ALONG SAID WEST LINE, 221.69 FEET TO A NAIL FOR THE PLACE OF BEGINNING; THENCE CONTINUING NORTH 00 DEGREES 03 MINUTES 19 SECONDS EAST ALONG SAID WEST LINE, 348.48 FEET TO A NAIL; THENCE SOUTH 89 DEGREES 56 MINUTES 41 SECONDS EAST 175.00 FEET; THENCE SOUTH 00 DEGREES 03 MINUTES 19 SECONDS WEST 348.48 FEET; THENCE NORTH 89 DEGREES 56 MINUTES 41 SECONDS WEST 175.00 FEET TO THE PLACE OF BEGINNING.



PARCEL 4:

THAT PART OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 34 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA, DESCRIBED AS FOLLOWS:

COMMENCING AT A NAIL AT THE SOUTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE NORTH 00 DEGREES 03 MINUTES 19 SECONDS EAST ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER, 1254.12 FEET TO A NAIL AT A POINT THAT IS 84 RODS SOUTH OF THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE CONTINUING NORTH 00 DEGREES 03 MINUTES 19 SECONDS EAST ALONG SAID WEST LINE, 221.69 FEET TO A NAIL FOR THE PLACE OF BEGINNING;

THENCE CONTINUING NORTH 00 DEGREES 03 MINUTES 19 SECONDS EAST ALONG SAID WEST LINE, 348.48 FEET TO A NAIL; THENCE SOUTH 89 DEGREES 56 MINUTES 41 SECONDS EAST 175.00 FEET; THENCE SOUTH 00 DEGREES 03 MINUTES 19 SECONDS WEST 348.48 FEET; THENCE NORTH 89 DEGREES 56 MINUTES 41 SECONDS WEST 175.00 FEET TO THE PLACE OF BEGINNING.



EXHIBIT "B"

**ARTICLES OF INCORPORATION
FOR
GREYSTONE MASTER ASSOCIATION, INC.**



State of Indiana
Office of the Secretary of State

Certificate of Incorporation
of
GREYSTONE MASTER ASSOCIATION INC

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

**Document is
NOT OFFICIAL!**
**This Document is the property of
the Lake County Recorder!**

NOW, THEREFORE, with this document I certify that said transaction will become effective
Wednesday, January 11, 2017.



In Witness Whereof, I have caused to be affixed my
signature and the seal of the State of Indiana, at the City
of Indianapolis, January 11, 2017



Connie Lawson
CONNIE LAWSON
SECRETARY OF STATE

201701111175096 / 7474104

To ensure the certificate's validity, go to <https://bsd.sos.in.gov/PublicBusinessSearch>

Formed pursuant to the provisions of the Indiana Nonprofit Corporation Act of 1991

BUSINESS ID 201701111175096
BUSINESS TYPE Domestic Nonprofit Corporation
BUSINESS NAME GREYSTONE MASTER ASSOCIATION INC
PRINCIPAL OFFICE ADDRESS 8900 Wicker Ave., Saint John, IN, 46373, USA

NAME John A. Slager
ADDRESS 8900 Wicker Ave., Saint John, IN, 46373, USA

PERIOD OF DURATION Perpetual
EFFECTIVE DATE 01/11/2017

NAME John A. Slager
ADDRESS 8900 Wicker Ave., Saint John, IN, 46373, USA

STATEMENT OF PURPOSE

See Attachment

TYPE OF CORPORATION

Public benefit corporation, which is organized for a public or charitable purpose

WILL THE CORPORATION HAVE MEMBERS?

Yes

DISTRIBUTION OF ASSETS

See Attachment



APPROVED AND FILED
CONNIE LAWSON
INDIANA SECRETARY OF STATE
01/11/2017 02:16 PM

THE SIGNATOR(S) REPRESENTS THAT THE REGISTERED AGENT NAMED IN THE APPLICATION HAS CONSENTED TO THE APPOINTMENT OF REGISTERED AGENT.

THE UNDERSIGNED, DESIRING TO FORM A CORPORATION PURSUANT TO THE PROVISIONS OF THE INDIANA NONPROFIT CORPORATION ACT, EXECUTE THESE ARTICLES OF INCORPORATION.

IN WITNESS WHEREOF, THE UNDERSIGNED HEREBY VERIFIES, SUBJECT TO THE PENALTIES OF PERJURY, THAT THE STATEMENTS CONTAINED HEREIN ARE TRUE, THIS DAY **January 11, 2017**

SIGNATURE John A. Slager

TITLE Incorporator

Business ID : 201701111175096

Filing No : 7474104



**ARTICLES OF INCORPORATION OF NONPROFIT CORPORATION:
GREYSTONE MASTER ASSOCIATION, INC.**

ATTACHMENT

DISTRIBUTION OF ASSETS ON DISSOLUTION OR FINAL LIQUIDATION

Upon this dissolution of this corporation, the Board of Directors shall, after paying or making provisions for the payment of all liabilities of the corporation, dispose of all the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for the charitable, educational, religious, civic or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) and/or Section 528 of the Internal Revenue Code of 1986 (or the corresponding provisions of any future IRC Law, as the Board of Directors shall determine).

This corporation does not afford pecuniary gain, incidental or otherwise to its members.



**ARTICLES OF INCORPORATION OF NONPROFIT CORPORATION:
GREYSTONE MASTER ASSOCIATION, INC.**

ATTACHMENT

PURPOSE

Section 1 To form an organization for the owners and residents of Greystone of St. John, a development located in Lake County, Indiana, to primarily provide for the acquisition, management, maintenance and care of association common area property and to promote the recreation, health, safety and welfare of said owners and residents.

Section 2 To own, maintain and administrate community properties and facilities, to administrate and enforce covenants and restrictions applying to property within the development known as Greystone of St. John, located in St. John, Indiana, and to collect and distribute assessments and charges therefor.

Section 3 To engage in any and all activities related or incidental to the foregoing including but not limited to the powers to acquire, own, hold, use, sell, lease, mortgage or pledge any property, real or personal, tangible or intangible, legal or equitable; to loan or invest its own money upon such security or in such securities as may from time to time be determined by its Board of Directors.

Section 4 To do any and all things necessary, convenient or expedient, as permitted by the "Act" for the accomplishment of any of the purposes or the furtherance of any of the powers hereinabove set forth either alone or in association with other corporations, firms or individuals.

Section 5 No part of the net earnings of the corporation (other than by acquiring, constructing, or providing management, maintenance and care of association property and other than by a rebate of excess membership dues, fees or assessments) shall inure to the benefit of, or be distributable to its members, trustees, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in these articles.

Section 6 Notwithstanding any other provision of these articles, the corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 528 of the Internal Revenue Code of 1986 or corresponding provisions of any future provisions of the Internal Revenue Code.

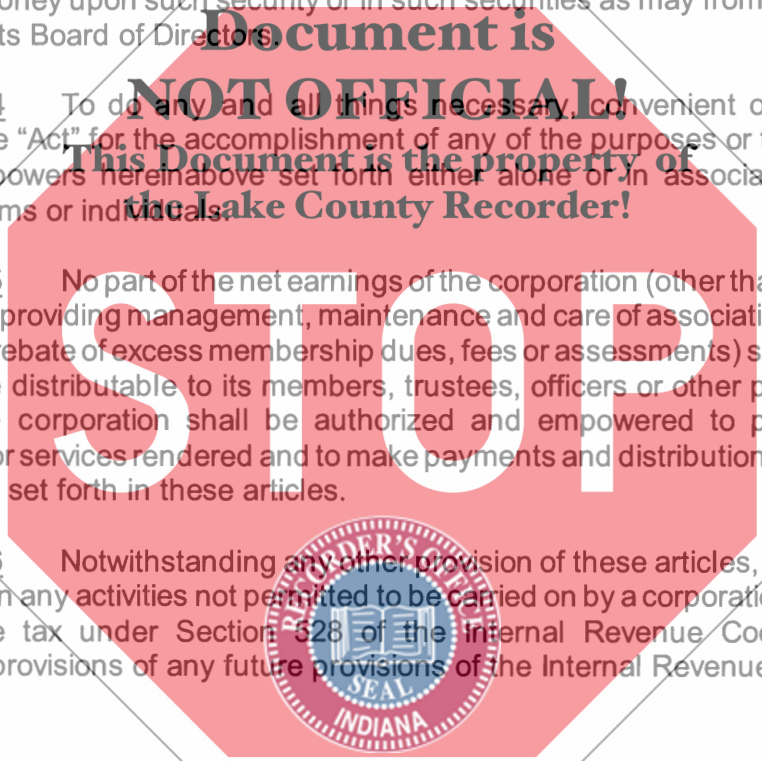


EXHIBIT "C"

**BY-LAWS
FOR
GREYSTONE MASTER ASSOCIATION, INC.**

ARTICLE I

NAME, MEMBERSHIP, APPLICABILITY AND DEFINITIONS

Section 1. Name. The name of the Association shall be the Greystone Master Association, Inc. (hereinafter sometimes referred to as the "Association").

Section 2. Principal Office. The principal office of the Association in the State of Indiana shall be located at 8900 Wicker Ave., St. John, Indiana 46373. The Association may have such other officers, either within or without the State of Indiana, as the Board of Directors may determine or as the affairs of the Association may require.

Section 3. Definitions. The words used in these By-Laws shall have the same meaning as set forth in that Master Declaration of Covenants and Restrictions for Greystone of St. John Subdivision (said Declaration, as amended, renewed or extended from time to time is hereinafter sometimes referred to as the "Declaration"), unless the context shall prohibit.

**ARTICLE II
ASSOCIATION: MEETINGS, QUORUM, VOTING, PROXIES**

Section 1. Membership. The Association shall have two (2) classes of membership, as more fully set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

Section 2. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors.

Section 3. Annual Meetings. The first annual meeting shall not be held until such time as the rights of the Declarant to appoint all of the Board of Directors and to thereby control the Association shall have expired as provided in the Declaration, or at such earlier time or times as may be determined by the Declarant. The next annual meeting shall be set by the Board of Directors so as to occur no later than ninety (90) days after the close of the Association's fiscal year. Subsequent annual meetings shall be held at a date and time as set by the Board of Directors. Subject to the foregoing, the Members shall, at each annual meeting after the Turnover Date, elect the Board of Directors of the Association in accordance with the provisions of these By-Laws and transact such other business as may properly come before the meeting.

Section 4. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by at least ten percent (10%) of the total votes of the Association. The notice of any special meeting shall state the date, time and place of

such meeting and the purpose thereof. No business shall be transacted at a special meeting except as state in the notice.

Section 5. Notice of Meetings. Written or printed notice stating the place, day and hour of any meeting of the Members shall be delivered, either personally or by first class mail, to each Member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. In the case of a special meeting or when required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid.

Section 6. Waiver of Notice. Waiver of notice of meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member, whether in person or by proxy, shall be deemed a waiver by such member of notice of the time, date and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed a waiver of notice of all business transacted there at unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 7. Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place for the adjourned meeting is notified by those in attendance of the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed for regular meetings. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that at least twenty-five percent (25%) of the total votes of the Association remains present in person or by proxy, and provided further that any action taken shall be approved by at least a majority of the Members required to constitute a quorum.

Section 8. Voting. The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein.

Section 9. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot or upon receipt of notice by the Secretary of the Board of the death or judicially declared incompetence of a Member or upon the expiration of eleven (11) months from the date of the proxy.

Section 10. Majority. As used in these By-Laws, the term "majority" shall mean those votes, owners, or other group as the context may indicate, totaling more than fifty percent (50%) of the total number.

Section 11. Quorum. Except as otherwise provided in these By-Laws or in the Declaration, the presence in person or by proxy of forty percent (40%) of the votes of the Members shall constitute a quorum at all meetings of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

Section 12. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transaction occurring there at.

Section 13. Action without a Meeting. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Members entitled to vote with respect to the subject matter thereof, and such consent shall have the same force and effect as a unanimous vote of the Members.

ARTICLE III

BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS

A. Composition and Selection.

Section 1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors. Except as provided in Section 2 of this Article, the Directors shall be Members or spouses of such Members; provided, however, no person and his or her spouse may serve on the Board at the same time.

Section 2. Directors during Declarant Control. The Directors shall be selected by the Declarant acting in its sole discretion and shall serve at the pleasure of the Declarant until such time as is specified in the Declaration, unless the Declarant shall earlier surrender this right to select Directors. The Directors selected by the Declarant need not be Owners or residents in the Subdivision. After the period of Declarant appointment, all Directors must be Members of the Association.

Section 3. Number of Directors. The Board of Directors shall consist of three (3) persons.

Section 4. Nomination of Directors. Except with respect to Directors selected by the Declarant, nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting of the Members to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in no event less than the number of vacancies or terms to be filled. Nominations shall be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members or solicit votes.

Section 5. Election and Term of Office. Notwithstanding any other provision contained herein:

At the first annual meeting of the membership after the termination of the Declarant's right to select all of the Board of Directors and at each annual meeting of the membership thereafter, Directors shall be elected. All Directors shall be elected at-large. All Members of the Association shall vote upon the election of Directors. The term of each Director's service shall be for a period of three (3) years and extending thereafter until his successor is duly elected and qualified or until he is removed, provided, however, that the terms of the members to the initial Board of Directors shall be for periods of three (3) years, two (2) years, and one (1) year, such that there shall be only one vacancy each year on the Board of Directors occasioned by the expiration of the director's term.

Section 6. Removal of Directors and Vacancies. Unless the entire Board is removed from office by the vote of the Association Members, and individual Director shall not be removed prior to the expiration of his or her term of office, except by the votes of a majority of the votes of the Members. In the event of death or resignation of a Director, his or her successor shall be selected by a majority of the remaining members of the Board and shall serve for the unexpired term of the predecessor.

Section 7. Voting Procedure for Directors. The first election of the Board shall be conducted at the first meeting of the Association after the Turnover Date. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

B. Meetings.

Section 8. Organization Meetings. The first meeting of the members of the Board of Directors following each annual meeting of the membership shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board.

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held as such time and place as shall be determined from time to time by a majority of the Directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the time and place of the meeting shall be communicated to Directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any Director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President, Vice President, or Secretary of the Association, or by any two (2) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each Director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the Director or to a person at the Director's office or home who would reasonably be expected to communicate such notice promptly to the Director; or (d) by electronic mail. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone or electronic mail shall be delivered, telephoned or emailed at least seventy-two (72) hours before the time set for the meeting.

Section 11. Waiver of Notice. The transactions of any meetings of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval

of minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 12. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 13. Compensation. No Director shall receive any compensation from the Association for acting as such unless approved by a majority vote of the total vote of the Association at a regular or special meeting of the Association.

Section 14. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings.

Section 15. Open Meeting. All meetings of the Board of Directors shall be open to all Members, but Members other than Directors may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board.

Section 16. Executive Session. The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 17. Action without a Formal Meeting. Any action to be taken at a meeting of the Directors of any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

Section 18. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of all Association's affairs and, as provided by law, may do all acts and things as are not by the Declaration, Articles of Incorporation or these By-Laws directed to be done and exercised exclusively by the Members.

The Board of Directors shall delegate to one of its Members the authority to act on behalf of the Board of Directors on all matters related to the duties of the managing Agent or Manager, if any, which might arise between meetings of the Board of Directors. In addition to the duties imposed by these By-Laws or by any resolution of the Association that may be hereafter adopted, the Board of Directors shall have the power to and be responsible for the following, in way of explanation, but not limitation:

- (a) preparation and adoption of an annual budget in which there shall be established the contribution of each Owner to the Common Expenses;
- (b) making Assessments to defray the Common Expenses, establishing the means and methods of collecting such Assessments, and establishing the period of the installment payments of the annual Assessment, provided otherwise determined by the Board of Directors, the annual Assessment against the proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month;
- (c) providing for the operation, care, upkeep, and maintenance of any Common Area;
- (d) designating, hiring, and dismissing the personnel or independent contractors necessary for the maintenance, operation, repair and replacement by the Association of its property and any Common Area, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel or independent contractors in the performance of their duties;
- (e) collecting the Assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;
- (f) making and amending rules and regulations;
- (g) opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions, and improvements to or alterations of any common area in accordance with the provisions of the Declaration and these By-Laws after damage or destruction or by fire or other casualty;
- (i) enforcing by legal means the provisions of the Declaration, these By-Laws and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;
- (j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;
- (k) paying the cost of all services rendered to the Association or its Members and not chargeable to Owners;
- (l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred. The said books and vouchers accrediting the entries thereupon shall be available for examination by the Owners and Mortgagees, their duly authorized agents, accountants, or attorneys during general business hours on working days at the time and in a manner that shall be set and announced by the Board of Directors for the general knowledge of the Owners.



- (m) make available to any prospective purchaser of a Lot, any Owner of a Lot, any first Mortgagee, and the holders, insurers, and guarantors of a first Mortgage or any Lot, current copies of the Declaration, the Articles of Incorporation, the By-Laws, Rules and Regulations, and all other books, records, and financial statements of the Association; and
 - (n) permit utility supplies to use portions of the Development Area reasonably necessary to the ongoing development or operation of the Lots.
- Section 19. Management Agent.**
- (a) The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these By-Laws, other than the power set forth in subparagraphs (a), (b), (f), (g), and (i) of Section 18 of this Article. The Declarant, or affiliate of the Declarant, may be employed as managing agent or manager.
 - (b) No management contract may have a term in excess of one (1) year and must permit termination by either party without cause and without termination fee on ninety (90) days' or less written notice.
- Section 20. Accounts and Reports.** The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:
- (a) cash basis accounting shall be employed;
 - (b) accounting and controls should conform with established AICPA guidelines and principles, which require, without limitation, (i) a segregation of accounting duties, (ii) disbursements by check requiring two (2) signatures, and (iii) cash disbursements limited to amounts of Twenty-five Dollars (\$25.00) and under;
 - (c) cash accounts of the Association shall not be commingled with any other accounts;
 - (d) no remuneration shall be accepted by the Managing Agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts or otherwise; any thing of value received shall benefit the Association;
 - (e) any financial or other interest which the Managing Agent may have in any firm providing goods and services to the Association shall be disclosed promptly to the Board of Directors; and
 - (f) commencing at the end of the month in which the first Lot is sold and closed, quarterly financial reports shall be prepared for the Association containing:
 - (i) an Income and Expense Statement reflecting all income and expense activity for the preceding three (3) months on a cash basis;



Section 2. Election, Term of Office and Vacancy. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members, as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 1. Officers. The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The Board of Directors may elect such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person, excepting the offices of President and Secretary. The President and Treasurer shall be elected from among the members of the Board of Directors.

OFFICERS

ARTICLE IV

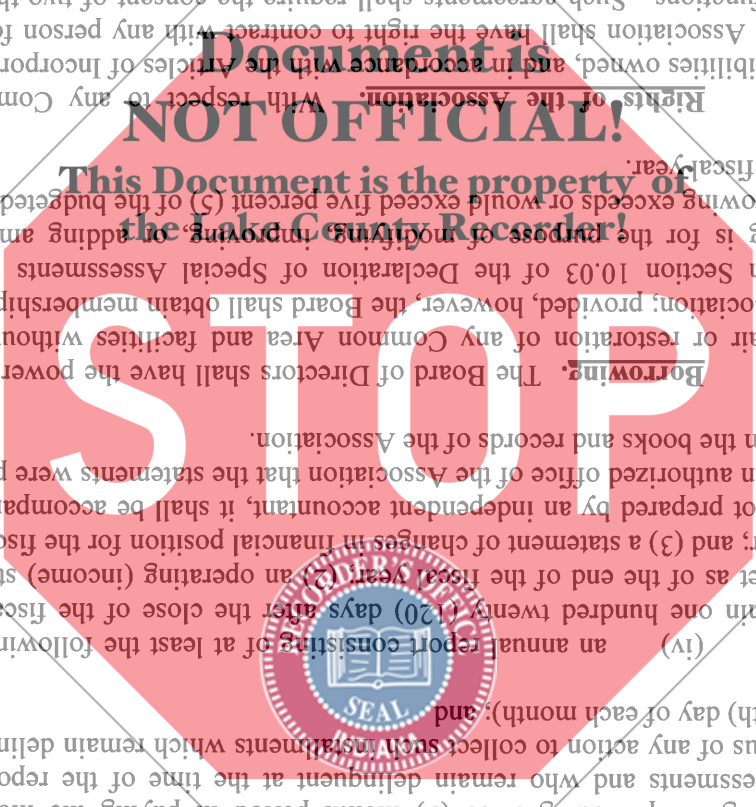
Section 22. Rights of the Association. With respect to any Common Areas or other Association responsibilities owned, and in accordance with the Articles of Incorporation and By-Laws of the Association, the Association shall have the right to contract with any person for the performance of various duties and functions. Such agreements shall require the consent of two-thirds (2/3) of the total votes of all Directors of the Association.

Section 21. Borrowing. The Board of Directors shall have the power to borrow money for the purpose of repair or restoration of any Common Area and facilities without the approval of the Members of the Association; provided, however, the Board shall obtain membership approval in the same manner provided in Section 10.03 of the Declaration of Special Assessments in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities, and the total amount of such borrowing exceeds or would exceed five percent (5) of the budgeted gross expenses of the Association for that fiscal year.

(iv) an annual report consisting of at least the following shall be distributed within one hundred twenty (120) days after the close of the fiscal year: (1) a balance sheet as of the end of the fiscal year; (2) an operating (income) statement for the fiscal year; and (3) a statement of changes in financial position for the fiscal year. If said report is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized officer of the Association that the statements were prepared without audit from the books and records of the Association.

(iii) a Delinquency Report listing all Owners who have been delinquent during the preceding three (3) month period in paying the monthly installments of Assessments and who remain delinquent at the time of the report and describing the status of any action to collect such installments which remain delinquent on the fifteenth (15th) day of each month; and

(ii) a Balance Sheet as of the last day of the Association's fiscal year and an Operating Statement for said fiscal year, which shall be distributed within ninety (90) days after the close of a fiscal year;



Section 3. Removal. Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby.

Section 4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by at least two officers or by the President and Treasurer or by such other person or persons as may be designated by resolution of the Board of Directors.

Committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present are hereby authorized. Such committees shall perform such duties and have such powers as may be provided in the resolution. Each committee shall be composed as required by law and shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

ARTICLE V

COMMITTEES

MISCELLANEOUS

Section 1. Fiscal Year. The calendar year shall be the fiscal year. The initial fiscal year of the Association shall be a short year ending on December 31.

Section 2. Parliamentary Rules. Except as may be modified by Board resolution establishing modified procedures *Robert's Rules of Order*, (current edition) shall govern the conduct of Association proceedings when not in conflict with Indiana law, the Articles of Incorporation, the Declaration or these By-Laws.

Section 3. Conflicts. If there are conflicts or inconsistencies between the provisions of Indiana law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of Indiana law, the Declaration, the Articles of Incorporation and the By-Laws (in that order) shall prevail.

Section 4. Books and Records.



(a) Inspection by Members and Mortgagees. The Declaration and By-Laws, membership register, books of account, and minutes of meetings of the Members, the Board and committees shall be made available for inspection and copying by any Mortgagee, Member of the Association, or by his or her duly appointed representative at any reasonable time and for a purpose reasonably related to his or her interest as a Member at the office of the Association or at such other place within the Subdivision as the Board shall prescribe.

(b) Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents at the expense of the Association.

Section 5. Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified mail, return receipt requested, first class postage prepaid:

(a) if to Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such owner; or

(b) if to the Association, the Board of Directors, or the Managing Agent, at the principal office of the Association or the Managing Agent, if any, or at such address as shall be designated by the notice in writing to the Owners pursuant to this Section.

Section 6. Amendment. Declarant may amend the By-Laws in accordance with the Declaration. These By-Laws may be amended otherwise only by the affirmative vote (in person or by proxy) or written consent of Members representing two-thirds (2/3) of the total votes of the Association (not a majority of a quorum).

