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DECLARATION OF COVENANTS AND RESTRICTIONS

OF

THE VILLAGES OF OAK MANOR

PROPERTY OWNERSHIP

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Exhibit "A"	Master Real Estate
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Exhibit "C"	The Sections
Exhibits "C-1"	The Master Tract

**DECLARATION OF COVENANTS AND RESTRICTIONS OF
THE VILLAGES OF OAK MANOR PROPERTY OWNERSHIP**

THIS DECLARATION (the "Master Declaration") made this ____ day of February, 2007, by HILLS HOMES OF INDIANA, LLC, an Indiana limited liability company, formerly known as CREEKSIDE CROSSING, LLC, an Indiana limited liability company, successor by merger to HILLS OAK MANOR, LLC, an Indiana limited liability company ("Declarant").

WITNESSETH:

WHEREAS, the following facts are true:

A. Declarant is the sole owner in fee simple title to certain real estate located in Hamilton County, Indiana, more particularly designated on the attached Exhibit A, which is incorporated herein by reference (hereinafter referred to as the "Master Real Estate").

B. Hills Homes of Indiana, LLC, an Indiana limited liability company, formerly known as Creekside Crossing, LLC, an Indiana limited liability company, successor by merger to Hills Oak Manor Condominiums, LLC an Indiana limited liability company is the sole owner in fee simple title to certain real estate located in Hamilton County, Indiana, more particularly designated on the attached Exhibit B, which is incorporated herein by reference (the "Condominium Real Estate"). Unless otherwise provided the Condominium Real Estate is included within the definition of Master Real Estate.

C. The Master Real Estate is intended to be developed into four (4) different residential areas (hereinafter referred to individually as "Section" and collectively as "Sections") substantially in the manner described in the attached Exhibit C.

D. Declarant is, contemporaneously with the recording of this Master Declaration, (i) subjecting Phase 1 to this Master Declaration (the "Master Phase 1"). Declarant has previously recorded a Plat of Master Phase 1 (as further defined herein). The description of Master Phase 1 being subjected to this Master Declaration are attached hereto and marked Exhibit C-1 (the "Master Tract").

E. Declarant may from time to time subject part of the Master Real Estate to the provisions of this Master Declaration subject to the requirements of Paragraph 36. As used herein, Master Real Estate shall include all real estate which has been subjected to the provisions of this Master Declaration.

F. Declarant, by execution and recording of this Master Declaration, is subjecting the Master Tract to the terms and provisions of this Master Declaration and assuring that all properties which are conveyed which are a part of the Master Tract shall be conveyed subject to the terms and conditions of this Master Declaration, which shall run with the Master Tract and be binding upon all

parties having any right, title or interest in the Master Tract, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner.

NOW, THEREFORE, Declarant hereby makes this Master Declaration as follows:

1. Definitions. The following terms as used in this Master Declaration, unless the context clearly requires otherwise, shall mean the following:

(a) "Applicable Date" means the date determined pursuant to Paragraph 11 of this Master Declaration.

(b) "Condominium Unit" means one of the living units located in Lancashire at Oak Manor that has been subjected to the Declaration of Condominium Ownership for Lancashire at Oak Manor Condominiums.

(c) "Condominium Plan" means any Condominium Plan or plat filed in connection with the Declaration of Condominium Ownership for Lancashire at Oak Manor Condominiums.

(d) "Declarant" shall mean and refer to Hills Homes of Indiana, LLC, an Indiana limited liability company, formerly known as Creekside Crossing, LLC, an Indiana limited liability company, successor by merger to Hills Oak Manor, LLC, and any successors and assigns of it whom it designates in one or more written recorded instruments, to have the rights of Declarant hereunder including, but not limited to, any mortgagee acquiring title to any portion of the Master Tract pursuant to the exercise of rights under, or foreclosure of, a mortgage executed by Declarant.

(e) "Dwelling Unit" means a living unit located upon a Lot.

(f) "Easements" shall mean and refer to all easements within the Master Tract as shown on the Plat and those easements described in Paragraph 5, 7 and 10 of this Master Declaration.

(g) "Lot" means any plot of ground within any Section designated as such upon a Plat and upon which one (1) Dwelling Unit is constructed, may be constructed or exists thereon. When Lot is used it shall be deemed to include the Dwelling Unit, if any, located thereon.

(h) "Master Articles" or "Master Articles of Incorporation" means the Articles of Incorporation of the Master Corporation, as hereinafter defined. The Master Articles of Incorporation are incorporated herein by reference.

(i) "Master Board of Directors" means the governing body of the Master Corporation elected by the Members in accordance with the Master Bylaws.

(j) "Master Bylaws" shall mean the Bylaws of the Master Corporation and shall provide for the election of directors and officers and other governing officials of the Master Corporation.

(k) "Master Common Area" means (i) the area designated as such on the Plat (as defined in Subparagraph (s) which was recorded as Instrument Number 200600047128 in the Office of the Hamilton County Recorder) or designated as such in the Master Declaration and (ii) Common Areas A through H and K as shown on the Plat. The Master Common Area will be maintained and controlled by the Master Corporation.

(l) "Master Common Expenses" means expenses for administration of the Master Corporation, expenses for the upkeep, maintenance, repair and replacement of the Master Common Area and expenses necessary for the Master Corporation and the Master Board of Directors to perform their duties and obligations as set forth in this Master Declaration, and all sums lawfully assessed against the Members of the Master Corporation.

(m) "Master Corporation" means The Villages of Oak Manor Homeowners Association, Inc., its successors and assigns, a not-for-profit Master Corporation, whose Members shall be the Owners of Lots and/or Condominium Units, or appointees as provided in Paragraph 11 of this Master Declaration; being more particularly described in Paragraph 11 of this Master Declaration.

(n) "Master Supplemental Declaration" means a document supplementing this Master Declaration and becoming a part of this Master Declaration for the purpose of subjecting additional portions of the Master Real Estate to this Master Declaration or making additional portions of the Master Real Estate part of the Master Tract.

(o) "Master Tract" means that portion of the Master Real Estate described in Paragraph D of the recitals above and such other portions of the Master Real Estate which have, as of any given time, been subjected to this Master Declaration by a Master Supplemental Declaration.

(p) "Member" means a member of the Master Corporation.

(q) "Mortgagee" means the holder of a first mortgage lien on a Lot.

(r) "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who owns the fee simple title to a Lot and/or Condominium Unit.

(s) "Plat" means the survey which includes the Master Tract and the Lots, Master

Common Area, Section Common Area and Easements shown thereon prepared and certified by Edward D. Giacoletti, a registered land surveyor, under date of July 11, 2006, recorded as Instrument No. 200600047128 on August 11, 2006 in the Office of the Recorder of Hamilton County, Indiana, and incorporated herein by reference and any additional plat that may be filed, subjecting additional portions of the Master Real Estate to this Master Declaration. Such Plat may include all or part of a Section or more than one (1) Section, and shall designate (1) the Section or Sections to which the Plat is applicable, and (2) the Lots, Master Common Area (including, but not limited to, Private Streets that are part of the Master Common Area), Section Common Area (including, but not limited to, Private Streets that are part of the Section Common Area for a particular Section), and all easements within such Plat.

(t) "Private Streets" which are designated as "private" on the Plat or Condominium Plan shall be part of the Master Common Area or the Section Common Area as designated on the various Plats or Condominium Plans.

(u) "Quorum" means Owners or Members constituting twenty percent (20%) of the aggregate of all Owners or Members in the Master Corporation.

(v) "Section Common Area" means the area within each Section that is designated as such upon a Plat or Condominium Plan applicable to such Section or designated as Section Common Area in the applicable Section Declaration and which is to be maintained and controlled by the applicable Section Corporation.

(w) "Section Common Expense" means expenses for administration of the Section Corporation, expenses for the upkeep, maintenance, repair and replacement of the Section Common Area in the applicable Section and all sums lawfully assessed against the members of the Section Corporation.

(x) "Section Corporation" shall mean the homeowners association applicable to the various Sections as more particularly described in Paragraph 11(d) of this Master Declaration.

(y) "Section Declaration" means the declaration of covenants and restrictions that is applicable to a particular Section.

(z) "The Villages of Oak Manor" means the name by which the Master Real Estate, which is the subject of this Master Declaration, shall be known. The Villages of Oak Manor consists of four (4) separate residential Sections designated on Exhibit B as Cotswold, Lancashire, Nottingham and Southampton.

2. Master Declaration. Declarant hereby expressly declares that the Master Tract

shall be held, conveyed and transferred in accordance with the provisions of this Master Declaration.

3. Description of The Villages of Oak Manor. The Villages of Oak Manor consists of all the Lots and Condominium Units developed on the Master Tract, together with the Master Common Area and Section Common Area. The Master Common Area, Section Common Area, Private Streets, easements and the size of the Lots are as designated on the applicable Plat or Condominium Plan and within the applicable Section Declaration.

4. Lot Boundaries. The boundaries of each Lot in The Villages of Oak Manor shall be as shown on a Plat.

5. Master Common Area. The Master Common Area shall be conveyed to the Master Corporation and the Master Corporation shall have the obligation to provide for the maintenance, upkeep, repairs and replacement of the Master Common Area at all times, even if the Master Common Area has not yet been conveyed to the Master Corporation. Declarant has the right, but not the obligation, to construct recreational facilities in any of the Master Common Area, and if such facilities are constructed, such facilities shall be part of the Master Common Area.

During the time that Declarant is selling Lots and/or Condominium Units in The Villages of Oak Manor, Declarant may use the clubhouse and any other Master Common Area or Section Common Area determined necessary by Declarant for sales offices and related activities. During such time Declarant, acting alone, may limit or restrict the use of these areas by Owners so as not to interfere with Declarant's sales activities.

6. Section Common Area. The Section Common Area in each Section shall be conveyed to the applicable Section Corporation. Each Section Corporation shall have the obligation to provide for the maintenance, upkeep, repair and replacement of the Section Common Area applicable to such Section, even if the Section Common Area has not been conveyed to the applicable Section Corporation. Section Common Area shall be used only for those uses specifically delineated in the Section Declaration or on a Plat or Condominium Plan.

If any Section Corporation shall fail to maintain the Section Common Area or the other property for which the Section Corporation is responsible in a good, clean and sanitary condition as determined by the Master Board of Directors, the Master Corporation may perform any work necessary to do so and charge the Section Corporation thereof for such cost, which cost shall be added to and become part of the Section's Regular or Section's Special Assessment (as such is defined in the Section Declaration) and be reimbursed to the Master Corporation by such Section Corporation.

7. Landscape Maintenance Easement (the "Landscape Easement"). Declarant hereby declares, creates, grants and reserves the Landscape Easement, if any, as shown on a Plat or Condominium Plan as a non-exclusive easement for the use of the Declarant and Master Corporation

for installation, maintenance and removal of trees, shrubbery, flowers and other plantings, entryway signage and additional similar landscape improvements (all of which items, as existing from time to time, shall constitute "Landscape Easement Improvements"). The Landscape Easement shall be designated on the Plat or the Condominium Plan whether it is located in the Master Common Area or the Section Common Area. Notwithstanding any other provision contained herein, the Landscape Easement (whether located in the Master Common Area or the Section Common Area) shall be maintained by the Master Corporation. Except as installed by the Master Corporation or Declarant, and except for any utility facilities or drainage facilities which may be installed in any easement that may now or hereafter be declared, granted or reserved in or upon any portion of the Master Tract designated as a Landscape Easement, no structures or other improvements shall be installed or maintained in or upon any Landscape Easement. Notwithstanding the foregoing provisions of this paragraph and the provisions of any Plat, Condominium Plan or other recorded instrument executed by Declarant designating a Landscape Easement, a Landscape Easement shall automatically terminate as to that portion of such easement area that is located within or upon any public right-of-way hereafter dedicated to the public upon the recording of a Plat, Condominium Plan or other instrument creating such public right-of-way.

8. Ownership of Master Common Area. The Master Common Area shall be conveyed to or owned by the Master Corporation, and shall be held for the use and enjoyment of the Members, all of whom shall have the right and easement of enjoyment in and to the Master Common Area which right shall pass with title to every Lot or Condominium Unit, subject to the provisions of this Master Declaration, including but not limited to, the following:

(a) The right of Master Corporation, upon approval by a written instrument signed by two-thirds of all Class A Members, two-thirds of all Class B Members, and by two-thirds of all first mortgagees, to dedicate or transfer all or any part of the Master Common Area to any public agency, authority or utility for such Master Common Area purposes and subject to such conditions as may be agreed by the Master Corporation.

(b) The right of the Master Corporation to adopt such rules and regulations regarding the Master Common Area as it deems necessary as provided in Paragraph 12.

(c) The Master Common Area shall be conveyed to or owned by the Master Corporation on the Applicable Date or earlier; provided, however, that the conveyance of the Master Common Area to the Master Corporation shall not prevent Declarant from improving the Master Common Area as Declarant deems appropriate (including, but not limited to construction of lakes and recreational facilities) at any time prior to the conveyance of the last Lot or Condominium Unit owned by Declarant or a Section Declarant in The Villages of Oak Manor; and further provided the Master Corporation shall be responsible for any costs and expenses related to the Master Common Area, even if the Master Common Area or any part thereof has not been conveyed to the Master Corporation.

9. Delegation of Use of the Master Common Area. Any Member may delegate, in accordance with provisions of this Master Declaration and the rules or regulations promulgated by the Master Corporation, his right of enjoyment, and use of the Master Common Area and facilities to members of his family, his tenants or contract purchasers who reside on any Lot or in any Condominium Unit.

10. Easements in Master Common Area.

(a) General. Each Owner shall have an easement in common with each other Owner to use all pipes, wires, ducts, cables, conduits, utility lines and other common facilities, if any, located in the Master Common Area and Landscape Easement. Such easement and right to use shall pass with title to the Lot or Condominium Unit even though not expressly mentioned in the document passing title.

An easement is also granted to Declarant, the Master Corporation, its officers, agents and employees and to any management company selected by the Master Corporation to enter in or to cross over the Master Common Area, Section Common Area, Landscape Easement and Lots to perform its duties; provided, however, except in the case of an emergency, reasonable notice shall be given to the Owner prior to such access of any Lot or Condominium Unit.

(b) Easement for Utilities and Public and Quasi-Public Vehicles. All public and quasi-public vehicles, including but not limited to, police, fire and other emergency vehicles, trash and garbage collection, post office vehicles and privately-owned delivery vehicles, shall have the right to enter upon the Private Streets, Master Common Area and Section Common Area for the performance of their duties. An easement is also granted to all utilities and their agents for ingress-egress installation, replacement, repairing and maintaining of such utilities, including but not limited to, water, sewer, gas, telephone, and electricity on the Master Tract; provided, however, nothing herein shall permit the installation of sewer, electric lines, water lines or other utilities except as initially designed and approved by Declarant, a Section Declarant or as thereafter may be approved by the Master Board of Directors.

(c) Pipeline Easement. The Master Real Estate is further subject to a one Hundred foot (100') wide gas pipeline easement pursuant to an Amendment of Agreements recorded on January 21, 2005, recorded as Instrument No. 2005-4303, all being recorded in the Hamilton County Recorder's Office (collectively the "Pipeline Easement"). A portion of the Master Real Estate contains a gas pipeline pursuant to the Pipeline Easement. With respect to the Pipeline Easement, and notwithstanding anything to the contrary contained herein, the following additional restrictions apply:

- (i) there shall be no physical disturbance of trees, soils or vegetation within the Pipeline Easement;

- (ii) only passive activities which do not disturb the Pipeline Easement shall be allowed thereon;
- (iii) no improvements (including but not limited to landscaping, fences, pools, and playground equipment) shall be constructed within the Pipeline Easement; and
- (iv) the Master Corporation shall be responsible for mowing the portion of the Pipeline Easement on the Master Tract.

11. The Master Corporation; Membership; Voting; Functions.

(a) Membership in the Master Corporation. Declarant and each Owner of a Lot or Condominium Unit which is subject to assessment shall, automatically upon becoming an Owner, be and become a Member of the Master Corporation and shall remain a Member until such time as his ownership of a Lot or Condominium Unit ceases at which time his membership shall terminate and will be transferred to the new Owner of his Lot or Condominium Unit; provided, however, that any person who holds the interest of an Owner in a Lot or Condominium Unit merely as security for the performance of an obligation shall not be a Member until and unless he realizes upon his security, at which time he shall automatically be and become an Owner and a Member of the Master Corporation.

(b) Voting Rights. The Master Corporation shall have two (2) classes of membership with the following voting rights:

- (i) Class A. Class A Members shall be all Owners except Class B Members. Each Class A Member shall be entitled to one (1) vote for each Lot or Condominium Unit of which such Member is the Owner with respect to each matter submitted to a vote of Members upon which the Class A Members are entitled to vote. When more than one (1) person constitutes the Owner of a particular Lot or Condominium Unit, all such persons shall be Members of the Master Corporation, but all of such persons shall have only one (1) vote for such Lot or Condominium Unit, which vote shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Lot or Condominium Unit.
- (ii) Class B. Class B Members shall be Declarant and all successors and assigns of Declarant (including, at Declarant's option, a builder purchasing one (1) or more Lot or Condominium Unit) designated by Declarant as Class B Members in a written notice mailed or delivered to the Secretary of the Master Corporation.

Each Class B Member shall be entitled to ten (10) votes for each Lot or Condominium Unit of which it is the Owner on all matters requiring a vote of the Members of the Master Corporation. The Class B membership shall cease and terminate upon the Applicable Date, which shall be the first to occur of (i) the date upon which the written resignation without replacement of all Class B Members is delivered to the Secretary of the Master Corporation, (ii) the date when at least seventy-five percent (75%) of all Lots platted or planned in The Villages of Oak Manor and seventy-five percent (75%) of all Condominium Units planned in Lancashire at Oak Manor have been conveyed to Owners other than entities designated by Declarant as Class B Members, or (iii) December 31, 2016.

(c) Functions. The Master Corporation has been formed for the purpose of providing for the maintenance, repair, upkeep, replacement, administration, operation and ownership of the Master Common Area, to pay taxes assessed against and payable with respect to the Master Common Area and to pay any other necessary expenses and costs in connection with the Master Common Area, and to perform such other functions as may be designated for it to perform under this Master Declaration.

(d) Section Corporations. In addition to the Master Corporation, four (4) homeowners associations, each of which shall be applicable to certain Sections, shall be established as follows:

Lancashire at Oak Manor
Cotswold at Oak Manor
Southampton at Oak Manor
Nottingham at Oak Manor

Hereafter, such homeowners associations shall be referred to as "Section Corporations."

12. Master Board of Directors

(a) Management. The business and affairs of the Master Corporation shall be governed and managed by the Master Board of Directors. No person shall be eligible to serve as a member of the Master Board of Directors unless he is, or is deemed in accordance with this Master Declaration to be, an Owner, or is a person appointed by Declarant as provided in subparagraph (b) of this Paragraph 12.

(b) Master Initial Board of Directors. The Master Initial Board of Directors shall be composed of the persons designated in the Articles, to-wit: David Clark, Sean Carney, and Kevin Junker (herein referred to as the "Master Initial Board"), all of whom have been or shall be appointed by Declarant. Notwithstanding anything to the contrary contained in this Master Declaration, the Master Articles or the Master Bylaws (a) the Master Initial Board shall hold office until the Applicable Date, and (b) in the event of any vacancy or vacancies occurring in the Master Initial Board for any reason or cause whatsoever prior to the Applicable Date, determined as provided above, every such vacancy shall be filled by a person appointed by Declarant, who shall thereafter be deemed a member of the Master Initial Board. Each Owner, by acceptance of a deed to a Lot or Condominium Unit, or by acquisition of any interest in a Dwelling Unit by any method shall be deemed to have appointed Declarant as such Owner's agent, attorney-in-fact and proxy, which shall be deemed coupled with an interest and irrevocable until the Applicable Date determined as provided above, to exercise all of said Owner's right to vote, and to vote as Declarant determines, on all matters as to which Members of the Master Corporation are entitled to vote under the Master Declaration, the Master Articles, the Master Bylaws or otherwise. This appointment of Declarant as such Owner's agent, attorney-in-fact and proxy shall not be affected by incompetence of the Owner granting the same. Each person serving on the Master Initial Board, whether as an original member thereof or as a member thereof appointed by Declarant to fill a vacancy, shall be deemed a Member of the Master Corporation and an Owner solely for the purpose of qualifying to act as a member of the Master Board of Directors and for no other purpose. No such person serving on the Master Initial Board shall be deemed or considered a Member of the Master Corporation nor an Owner of a Lot or Condominium Unit for any other purpose (unless he is actually the Owner of a Lot or Condominium Unit and thereby a Member of the Master Corporation).

(c) Additional Qualifications.

- (i) Where an Owner consists of more than one person or is a partnership, Master Corporation, trust or other legal entity, then one of the persons constituting the multiple Owner, or a partner or an officer or trustee shall be eligible to serve on the Master Board of Directors, except that no single Lot or Condominium Unit may be represented on the Master Board of Directors by more than one person at a time.
- (ii) The Master Board of Directors (other than the Master Initial Board) shall be composed of seven (7) persons. The president of each Section Corporation will serve as a member of the Master Board of Directors for so long as he remains president of the Section Corporation.

The remaining members of the Master Board of Directors will be "at large" representatives and may reside in any Section. The "at large" representatives shall be elected by all Members of the Master Corporation. In no event shall more than one (1) "at large" member reside in a particular Section.

(d) Term of Office and Vacancy. Subject to the provisions of subparagraph (b) of this Paragraph, the at large members of the Master Board of Directors shall be elected at each annual meeting of the Master Corporation. The Master Initial Board shall be deemed to be elected and re-elected as the Master Board of Directors at each annual meeting until the Applicable Date provided herein. After the Applicable Date, each at large member of the Master Board of Directors shall be elected for a term of three (3) years, except that at the first election after the Applicable Date (which, if appropriate, may be a special meeting) one member of the Master Board of Directors shall be elected for a three (3) year term, one for a two (2) year term, and one for a one (1) year term so that the terms of at least one-seventh (1/7) of the members of the Master Board shall expire annually. If such election is at a special meeting, the Directors elected shall serve for the applicable period plus the time from the special meeting to the first annual meeting. There shall be separate nominations for the office of each at large member of the Master Board to be elected at such first election after the Applicable Date. Each Director shall hold office throughout the term of his election and until his successor is elected and qualified. Subject to the provisions of subparagraph (b) of this Paragraph 12 as to the Master Initial Board, any vacancy or vacancies occurring in the Master Board shall be filled by a vote of a majority of the remaining members of the Master Board or by vote of the Owners if a Director is removed in accordance with subparagraph (e) of this Paragraph 12. The Director so filling a vacancy shall serve until the next annual meeting of the members and until his successor is elected and qualified. At the first annual meeting following any such vacancy, a Director shall be elected for the balance of the term of the Director so removed or in respect to whom there has otherwise been a vacancy.

(e) Removal of Directors. An at large Director or Directors, except the members of the Master Initial Board, may be removed with or without cause by vote of a majority of the votes entitled to be cast at a special meeting of the Owners duly called and constituted for such purpose. In such case, his successor shall be elected at the same meeting from eligible Owners (and subject to the requirements of Paragraph 12(c)(ii) above) nominated at the meeting. An at large Director so elected shall serve until the next annual meeting of the Owners and until his successor is duly elected and qualified. A Director or Directors, except the members of the Master Initial Board, who is a president of the Section Corporation may be removed as provided herein for an at large Director, provided that his successor shall be elected by the members of applicable Section. Such replacement Director shall serve until such time as a new president is elected for the Board of the applicable Section Corporation.

(f) Duties of the Master Board of Directors. The Master Board of Directors shall be the governing body of the Master Corporation representing all of the Owners and being

responsible for the functions and duties of the Master Corporation, including, but not limited to, providing for the administration of the Master Corporation, the management, maintenance, repair, upkeep and replacement of the Master Common Area and Landscape Easement Improvements (unless the same are otherwise the responsibility or duty of Owners) and the collection and disbursement of the Master Common Expenses. The Board may, on behalf of the Master Corporation, employ a reputable and recognized professional property management agent (herein called the "Managing Agent") upon such terms as the Board shall find, in its discretion, reasonable and customary. The Managing Agent, if one is employed, shall assist the Board in carrying out the Board's duties and the Master Corporation's responsibilities, which include, but are not limited to:

- (i) Protection and replacement of the Master Common Area;
- (ii) Maintenance, repair, upkeep and replacement of the Master Common Area and Landscape Easement Improvements (except as is otherwise the obligation of an Owner), including but not limited to, the maintenance, repair, upkeep and replacement of the following (if located within the Master Common Area): (1) signage, (2) walls, fences and gates, (3) flowers, plant material, grass and other landscaping, (4) irrigation system, (5) lighting, (6) clubhouse, (7) recreational facilities, (8) Private Streets (except as is otherwise the obligation of a Section Corporation), (9) lakes and streams (including but not limited to storm water management, erosion sediment control, fountains, water features and algae control), (10) retaining walls, and (11) wetlands, if any;
- (iii) Assessment and collection from the Section Corporation and/or the Owners of each Owner's respective share of the Master Common Expenses;
- (iv) Preparation of the proposed annual budget, a copy of which will deliver to each Owner at the annual meeting;
- (v) Preparing and delivering annually to the Owners a full accounting of all receipts and expenses incurred in the prior year;
- (vi) Procuring and maintaining for the benefit of the Master Corporation and the Master Board the insurance coverages required under this Master Declaration and such other insurance coverages as the Master Board, in its sole discretion, may deem necessary or advisable;

- (vii) Paying taxes assessed against and payable with respect to the Master Common Area and paying any other necessary expenses and costs in connection with the Master Common Area; and
- (viii) Compliance with the Zoning Commitments contained in the Town of Westfield Ordinance 02-07-PUD-02, which Zoning Commitments are recorded as Instrument No. 200500013558, together with any modification or alteration thereto as required by applicable municipal authorities.

(g) Powers of the Master Board of Directors. The Master Board of Directors shall have such powers as are reasonable and necessary to accomplish the performance of their duties. These powers include, but are not limited to, the power:

- (i) To employ a Managing Agent to assist the Board in performing its duties;
- (ii) To purchase, lease or otherwise obtain for the Master Corporation, to enable it to perform its functions and duties, such equipment, materials, labor and services as may be necessary in the judgment of the Master Board of Directors;
- (iii) To employ legal counsel, architects, contractors, accountants and others as in the judgment of the Master Board of Directors may be necessary or desirable in connection with the business and affairs of the Master Corporation;
- (iv) To employ, designate, discharge and remove such personnel as in the judgment of the Master Board of Directors may be necessary for the Master Board of Directors to perform its duties;
- (v) To include the costs of all of the above and foregoing as Master Common Expenses and to pay all of such costs therefrom;
- (vi) To open and maintain a bank account or accounts in the name of the Master Corporation;
- (vii) To promulgate, adopt, revise, amend and alter from time to time such additional rules and regulations with respect to use, occupancy, operation, maintenance and enjoyment of the Master Tract, and the Master Common Area (in addition to those set forth in this Master Declaration) as the Master Board, in its discretion, deems necessary or advisable; provided, however, that copies of

any such additional rules and regulations so adopted by the Board shall be promptly delivered or mailed to all Owners.

(h) Limitation on Board Action. After the Applicable Date, the authority of the Master Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than \$25,000.00 without obtaining the prior approval of a majority of the Owners, except that in the following cases such approval shall not be necessary:

- (i) Contracts for replacing or restoring portions of the Master Common Area or Landscape Easement Improvements damaged or destroyed by fire or other casualty where the cost thereof is payable out of insurance proceeds actually received;
- (ii) Proposed contracts and proposed expenditures covered in the annual budget; and
- (iii) Expenditures necessary to deal with emergency conditions in which the Master Board of Directors reasonably believes there is insufficient time to call a meeting of the Owners.

(i) Compensation. No Director shall receive any compensation for his services. The Managing Agent, if any is employed, shall be entitled to reasonable compensation for its services, the cost of which shall be an Master Common Expense.

(j) Non-Liability of Directors. The Directors shall not be liable to the Owners or any other persons for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith or gross negligence. The Master Corporation shall indemnify and hold harmless and defend each of the Directors against any and all liability to any person, firm or corporation arising out of contracts made by the Master Board on behalf of the Master Corporation, unless any such contract shall have been made in bad faith. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Master Corporation.

(k) Additional Indemnity of Directors. The Master Corporation shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives, made a party to any action, suit or proceeding by reason of the fact that he is or was a Director of the Master Corporation, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except as otherwise specifically provided herein in actions, suits or proceedings where such Director is adjudged liable for bad faith, gross negligence or willful misconduct in the performance of his duties.

(l) Bond. The Master Board of Directors may provide surety bonds and may require the Managing Agent (if any), the treasurer of the Master Corporation, and such other officers as the Board deems necessary, to provide surety bonds, indemnifying the Master Corporation against larceny, theft, embezzlement, forgery, misappropriation, willful misapplication, and other acts of fraud or dishonesty, in such sums and with such sureties as may be approved by the Master Board of Directors and any such bond shall specifically include protection for any insurance proceeds received for any reason by the Master Board. The expense of any such bonds shall be an Master Common Expense.

13. Initial Management. The Initial Master Board of Directors has entered or will hereafter enter into a management agreement with a professional property management agent ("Management Agent" or Managing Agent") for a term not to exceed one (1) year with either party having the right to terminate upon ninety (90) days' notice. Pursuant to such management agreement, the Managing Agent will provide supervision, management and maintenance of the Master Common Area and in general, perform all of the duties and obligations of the Master Corporation. Such management agreement may be renewed by the parties for additional terms of one (1) year. Such management agreement is or will be subject to termination by Declarant at any time prior to expiration of its term, in which event the Master Corporation shall thereupon and thereafter resume performance of all of its duties and obligations. Notwithstanding anything to the contrary contained herein, prior to the Applicable Date, Declarant hereby reserves to itself, the exclusive right to manage the Master Tract and perform all the functions of the Master Corporation. Prior to the Applicable Date, each Section Corporation that elects to have a management company shall use the management company selected by the Master Corporation, unless otherwise approved by the Declarant.

Each Owner hereby authorizes the Master Corporation and the Master Board of Directors and its officers to enter into the aforesaid management agreement and agrees to adhere to and abide by the same.

14. Real Estate Taxes. Real estate taxes are to be separately assessed and taxed to each Lot and Condominium Unit, the Master Common Area and to the Section Common Area. In the event that for any year the real estate taxes are not separately assessed and taxed to each Lot or Condominium Unit, Section Common Area or Master Common Area but are assessed and taxed on the real estate or part thereof as a whole, without a breakdown for each Lot, Condominium Unit, Section Common Area or Master Common Area, then each Owner shall pay his proportionate share of the real estate taxes assessed to the land comprising the real estate or that part thereof that is assessed as a whole as determined by the Master Board. Real estate taxes assessed on the improvements on the real estate shall be paid by the Owner of such improvements; provided, however, any real estate taxes or other assessments which are chargeable against the Section Common Area or Master Common Area shall be paid by the Master Corporation or Section Corporation, as applicable, and treated as an Master Common Expense of the Master Corporation or a Section Common Expense, as applicable, even if not then owned by the Master Corporation or

Section Master Corporation, as applicable.

15. Utilities. Each Owner shall pay for his own utilities which are separately metered. Utilities applicable to the Master Common Area shall be an Master Common Expense. Utilities which are not separately metered, if any, shall be treated as and paid as part of the Master Common Expense for the applicable Section.

16. Maintenance, Repairs and Replacements. Maintenance, repairs, replacements and upkeep of the Master Common Area and Landscape Easement Improvements (except as such is the obligation of the individual Owners) as provided in Paragraph 12(f) shall be furnished by the Master Corporation, as a part of its duties, and the cost thereof shall constitute a part of the Master Common Expenses.

Each Owner (except as otherwise established as a Section Corporation's responsibility under a Section Declaration) shall be responsible for maintaining and keeping his Lot, Dwelling Unit, Condominium Unit and all other structural improvements located on his Lot (including any sprinkler system) in a good, clean, neat, sanitary and well maintained condition (including the removal of all weeds, underbrush and other unsightly growth) and shall do such work thereon as is required to cause such Lot and structural improvements to be so maintained. The obligation to maintain a Lot shall exist, whether or not a Dwelling Unit exists on such Lot, and the Owner of such Lot (except as otherwise established as a Section Corporation's responsibility under a Section Declaration) shall keep such Lot maintained in the same manner as such Lot would be maintained if a Dwelling Unit existed thereon.

Notwithstanding any obligation or duty of the Master Corporation to repair or maintain the Master Common Area or Landscape Easement Improvements, if, due to the willful, intentional or negligent acts or omissions of an Owner or of a member of his family or of a guest, tenant, invitee or other occupant or visitor of such Owner, damage shall be caused, or if maintenance, repairs or replacements shall be required thereby, which would otherwise be an Master Common Expense, then such Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Master Corporation, unless such loss is covered by the Master Corporation's insurance with such policy having a waiver of subrogation clause. If not paid by such Owner upon demand by the Master Corporation, the cost of repairing such damage shall be added to and become a part of the assessment to which such Owner's Lot or Condominium Unit is subject.

If any Owner shall fail to maintain and keep his Lot, Dwelling Unit, Condominium Unit and other structural improvements located on his Lot in a good, clean and sanitary condition as determined by the Master Board of Directors, the Master Corporation may perform any work necessary to do so and charge the Owner thereof for such cost, which cost shall be added to and become a part of the Owner's Master Assessment, and such cost shall be immediately due, and shall be secured by the Master Corporation's lien on the Owner's Lot or Condominium Unit.

So long as the Master Tract is subject to this Master Declaration, each Owner, by his acceptance of a deed to any Lot or Condominium Unit, irrevocably grants to the Master Corporation, its agents and employees, the right to enter upon, across and over the Lot or Condominium Unit, owned by such Owner under such conditions as are reasonably necessary to effect the maintenance, cleaning, repair, landscaping or other work contemplated herein or to insure compliance with this Master Declaration and the Section Declaration.

17. Architectural Control

(a) The Architectural Review Board. As a standing committee of the Master Corporation, there shall be, and hereby is, established an Architectural Review Board consisting of at least five (5) persons (or such lesser number as is on the Initial Master Board of Directors). Until the Applicable Date, the Architectural Review Board shall be the Initial Master Board of Directors. After the Applicable Date, the Architectural Review Board shall be appointed by the Master Board of Directors and may be different than or the same as the Master Board of Directors.

(b) Purposes. The Architectural Review Board, using the architectural guidelines adopted by the Master Board of Directors of the Master Corporation as a guide, shall regulate the external design, appearance, use, location and maintenance of the Master Tract (including the Section Common Area, Master Common Area, Landscape Easement, Landscape Easement Improvements, Lots and Condominium Units) and of improvements thereon in such manner as to preserve and enhance values and to maintain a harmonious relationship among structures and improvements and maintain the integrity of the criteria established in such architectural guidelines; provided, however, each Section Declarant shall have the exclusive authority regarding architectural approval for any initial construction of a Dwelling Unit or Condominium Unit as applicable to each Section.

(c) Conditions. No improvements, alterations, excavation or changes in grade or other work which in any way alters any Lot or the exterior of any Dwelling Unit or Condominium Unit or other improvement thereon shall be made or done without the prior written approval of the Architectural Review Board, except as otherwise expressly provided in this Master Declaration. There shall be no requirement that the Architectural Review Board approve the initial construction of a Dwelling Unit on a Lot or of the Condominium Units provided such construction is approved by the applicable Section Declarant. No building, fence, wall, Dwelling Unit, patio, deck, swimming pool or other man-made improvement of any kind shall be commenced, erected, maintained, improved, altered, made or done on any Lot, Section Common Area or Master Common Area without the prior written approval of the Condominium Plans by the Architectural Review Board.

(d) Procedures. In the event the Architectural Review Board fails to approve, modify or disapprove in writing an application within thirty (30) days after such application (and all plans, drawings, specifications and other items required to be submitted to it in

accordance with such rules as it may adopt) have been given to it, approval will be deemed denied by the Architectural Review Board. A decision of the Architectural Review Board may be appealed to the Master Board of Directors which may reverse or modify such decision by a majority vote. If construction is not completed within six (6) months after approval by the Architectural Review Board, such approval is cancelled and an owner must submit a new application to the Architectural Review Board.

(e) Failure to Comply. If any improvement, alteration or change is made without the prior written approval of the Architectural Review Board (or the applicable Section Declarant, if initial construction), the Owner shall, upon demand of the Architectural Review Board (or such Section Declarant as applicable), cause such construction or alteration to be removed, remodeled or restored in order to comply with the requirements of this paragraph. The Owner shall be liable for the payment of all costs of such removal or restoration, including (i) all costs and attorneys fees incurred by the Architectural Review Board or Section Declarant, as applicable, and (ii) a fine of up to One Thousand Dollars (\$1,000.00) if such removal and/or restoration is not completed within thirty (30) days of demand by the Architectural Review Board or such Section Declarant, as applicable. Such costs may also be the basis for an individual Master Special Assessment or Section Special Assessment as applicable to such Owner. The Architectural Review Board and such Section Declarant are specifically empowered to enforce the architectural provisions of this Master Declaration by any legal or equitable remedy. In the event that it becomes necessary to resort to litigation to determine the propriety of any construction or alteration or to remove any unapproved construction, the Architectural Review Board or the Section Declarant shall be entitled to recover its court costs, expenses and attorneys fees in connection therewith.

In the event that any Owner fails to comply with the architectural provisions contained herein, the Master Board may, in addition to all other remedies contained herein, record against the Owner's Lot or Condominium Unit a notice stating that the improvements on the Lot or Condominium Unit fail to meet the requirements of this Master Declaration and/or the applicable Section Declaration.

(f) Applicable Standards. The Architectural Review Board, Declarant or Section Declarant, as applicable, may impose standards for construction and alteration of Dwelling Units and other improvements which may be greater or more stringent than standards prescribed in applicable building, zoning or other local development codes. However, the approval, rejection or withholding of any approval by the Architectural Review Board or a Section Declarant of the plans, proposals, specifications and location of all structures and every alteration of any structure shall not be construed or interpreted as a representation or determination by the Architectural Review Board, the Master Board of Directors of the Master Corporation or such Section Declarant that any building, plumbing, electrical code or other applicable governmental regulation or requirement has or has not been properly met by the Owner. Each Owner shall be responsible for obtaining all necessary technical data and for making application to and obtaining approval of all appropriate governmental authorities

prior to commencement of any work or construction. The Architectural Review Board or such Section Declarant or their agents shall be entitled to enter upon any Lot during construction of any improvements to a Dwelling Unit or upon the area where Condominium Units are being constructed to insure compliance with approved plans and specifications. Neither the Declarant, the Architectural Review Board, the Master Corporation, the Master Board of Directors or officers thereof, a Section Declarant nor any person acting on behalf of any of them, shall be responsible for any defect in plans or specifications nor for defects in any improvements constructed pursuant thereto.

(g) Colors. No exterior colors on any Dwelling Unit, Condominium Unit or other structure shall be permitted that in the sole judgment of the Architectural Review Board would be inharmonious or incongruous with The Villages of Oak Manor or the particular Section. Any future exterior color changes desired by an Owner must be first approved in writing by the Architectural Review Board in accordance with this Paragraph 17.

(h) Fees. The Architectural Review Board may charge reasonable fees for the processing of plans and specifications. Such fees may cover the cost of such processing, including architect, consultant and inspection costs. Such fees shall be payable at the time of submission of the respective item for approval and shall be paid to the Master Corporation.

18. Assessments

(a) Annual Accounting. Annually, after the close of each fiscal year of the Master Corporation, the Board shall cause to be prepared and a copy furnished to each Owner who so requests a financial statement prepared by an accounting group approved by the Master Board, which statement shall show all receipts and expenses received, incurred and paid during the preceding fiscal year.

(b) Proposed Annual Budget. Annually, no later than December 31, the Master Board of Directors shall cause to be prepared a proposed annual budget for the next fiscal year and shall furnish a copy of such proposed budget to each Owner at such annual meeting. The annual budget shall be submitted to the Owners at the annual meeting of the Master Corporation for adoption and, if so adopted, shall be the basis for the Master Regular Assessments (hereinafter defined) for the next fiscal year. At the annual meeting of the Owners, notwithstanding any other provision in this Master Declaration, the Articles or the Bylaws, the budget may be approved in whole or in part or may be amended in whole or in part by a majority vote of those Owners present either in person or by proxy; provided, however, that in no event shall the annual meeting of the Owners be adjourned until an annual budget is approved and adopted at such meeting, either the proposed annual budget or the proposed annual budget as amended. The annual budget, the Master Regular Assessments and all sums assessed by the Master Corporation shall be established by using generally accepted accounting principles applied on a consistent basis.

The annual budget and the Master Regular Assessments shall include (i) an assessment for the Master Common Expenses; and (ii) a replacement reserve fund for capital expenditures and replacement and repair of the Master Common Area that must be repaired and replaced on a periodic basis, which replacement reserve fund shall be used for those purposes and not for usual and ordinary repair expenses (the "Master Replacement Reserve"). Such Master Replacement Reserve shall be maintained by the Master Corporation in a separate interest bearing account or accounts with one or more banks or savings and loan associations authorized to conduct business in Hamilton County or Marion County, Indiana selected from time to time by the Board and shall constitute at least ten percent (10%) of the Master Regular Assessment.

The failure or delay of the Master Board of Directors to prepare a proposed annual budget and to furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner of the obligations of the Owners to pay the Master Common Expenses as herein provided, whenever determined. Whenever, whether before or after the annual meeting of the Master Corporation, there is no annual budget approved by the Owners as herein provided for such current fiscal year, the Owners shall continue to pay Master Regular Assessments based upon the last approved budget or, at the option of the Master Board, based upon one Hundred and ten percent (110%) of such last approved budget, as a temporary budget.

(c) Master Regular Assessments. The annual budget, as adopted by the Owners, shall, based on the estimated cash requirement for the Master Common Expenses in the current fiscal year as set forth in said budget, contain a proposed assessment, against each Lot and each Condominium Unit. The assessment against each Lot or Condominium Unit shall be equal to the Master Common Expenses divided by the number of Lots and Condominium Units in the Master Tract. Immediately following the adoption of the annual budget, each Owner shall be given written notice of such assessment against his respective Lot or Condominium Unit (herein called the "Master Regular Assessment"). In the event the Master Regular Assessment for a particular fiscal year is initially based upon a temporary budget, such Master Regular Assessment shall be revised, within fifteen (15) days following adoption of the final annual budget by the Owners, to reflect the assessment against each Lot and Condominium Unit based upon such annual budget as finally adopted by the Owners. The aggregate amount of the Master Regular Assessments shall be equal to the total amount of expenses provided and included in the final annual budget, including the Master Replacement Reserve as hereinabove provided. The Master Regular Assessment against each Lot and Condominium Unit shall be paid in advance in equal monthly installments with the first payment due on the date such Lot or Condominium Unit is conveyed by a Section Declarant or other builder approved by such Section Declarant, to an Owner (prorated to the first day of the month when the next monthly payment is due). Thereafter, payment of the Master Regular Assessment shall be paid monthly.

Unless otherwise provided in a Section Declaration, Declarant, a Section Declarant or any other builder approved by the applicable Section Declarant, who does not or will not occupy any Dwelling Unit or Condominium Unit shall be exempt from paying any Master Regular Assessment or Master Replacement Reserve amount. Payment of the monthly installments of the Master Regular Assessment shall be made to the Master Board of Directors or the Managing Agent, as directed by the Master Board of Directors; provided, however, the Master Board may elect to have the Owners pay assessments quarterly, semi-annually or annually, in advance. In the event the Master Regular Assessment for a particular fiscal year of the Master Corporation was initially based upon a temporary budget:

- (i) If the Master Regular Assessment based upon the final annual budget adopted by the Owners exceeds the amount of the Master Regular Assessment based upon the temporary budget, that portion of such excess applicable to the period from the first day of the current fiscal year to the date of the next payment of the Master Regular Assessment which is due shall be paid with such next payment, and all payments thereafter during such fiscal year, shall be increased so that the Master Regular Assessment as finally determined shall be paid in full by the remaining payments due in such fiscal year, or
- (ii) If the Master Regular Assessment based upon the temporary budget exceeds the Master Regular Assessment based upon the final annual budget adopted by the Owners, such excess shall be credited against the next payment or payments of the Master Regular Assessment coming due, until the entire amount of such excess has been so credited;

provided, however, that if an Owner had paid his Master Regular Assessment annually in advance, then the adjustments set forth under (i) or (ii) above shall be made by a cash payment by, or refund to, the Owner on the first day of the second month following the determination of the Master Regular Assessment based upon the annual budget finally adopted by the Owners.

The Master Regular Assessment for the current fiscal year of the Master Corporation shall become a lien on each separate Lot and Condominium Unit as of the first day of each fiscal year of the Master Corporation, even though the final determination of the amount of such Master Regular Assessment may not have been made by that date. The fact that an Owner has paid his Master Regular Assessment for the current fiscal year in whole or in part based upon a temporary budget and thereafter, before the annual budget and Master Regular Assessment are finally determined, approved and adjusted as herein provided, sells, conveys or transfers his Lot or Condominium Unit or any interest therein, shall not relieve or release such Owner or his successor as Owner of such Lot or Condominium Unit from payment of

the Master Regular Assessment for such Lot or Condominium Unit as finally determined, and such Owner and his successor as Owner of such Lot or Condominium Unit shall be jointly and severally liable for the Master Regular Assessment as finally determined. Any statement of unpaid assessments furnished by the Master Corporation pursuant to Paragraph 19 hereof prior to the final determination and adoption of the annual budget and Master Regular Assessment for the year in which such statement is made shall state that the matters set forth therein are subject to adjustment upon determination and adoption of the final budget and Master Regular Assessment for such year, and all parties to whom any such statement may be delivered or who may rely thereon shall be bound by such final determinations. Monthly installments, quarterly installments, semi-annual installments or annual installments of Master Regular Assessments (as applicable) shall be due and payable automatically on their respective due dates without any notice from the Master Board or the Master Corporation, and neither the Master Board nor the Master Corporation shall be responsible for providing any notice or statements to Owners for the same.

(d) Master Special Assessments. From time to time, Master Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time and without the approval of the Owners, unless otherwise provided in this Master Declaration, the Master Board of Directors shall have the full right, power and authority to make Master Special Assessments which, upon resolution of the Master Board, shall be the equal obligation of all Owners and shall become a lien on each Lot and Condominium Unit (herein called "Master Special Assessment"). The Master Board shall be obligated to provide the Owners with notice of the date of the Master Board of Directors' meeting when the vote for any resolution for a Master Special Assessments to be made. Without limiting the generality of the foregoing provisions, Master Special Assessments may be made by the Master Board of Directors from time to time to pay for capital expenditures and to pay for the cost of any repair or reconstruction of damage caused by fire or other casualty or disaster to the extent insurance proceeds are insufficient therefor. Such Master Special Assessment may be collected directly by the Master Corporation or by the Section Corporation for the benefit of the Master Corporation, as the Master Corporation and the Section Corporation shall determine. Master Special Assessments shall not, on an annual basis, exceed ten percent (10%) of the Master Regular Assessment without approval of at least a majority of all Owners.

(e) Master Regular Assessments Prior to the Applicable Date. During the period that Declarant or Section Declarants are selling Lots and Dwelling Units and Condominium Units are being constructed within the Master Tract, it is difficult to accurately allocate the Master Common Expenses to the individual Lots and Condominium Units. The purpose of this section is to provide the method for the payment of the Master Common Expenses during the period prior to the Applicable Date to enable the Master Corporation to perform its duties and functions. Accordingly and notwithstanding any other provision contained in the Master Declaration, the Master Articles or the Master Bylaws or otherwise, prior to the Applicable Date, the annual budget and all Master Regular Assessments and Master Special

Assessments shall be established by the Master Initial Board without any meeting or concurrence of the Owners.

Declarant shall guarantee until December 31, 2007 the Master Regular Assessment shall not exceed Sixty Dollars (\$60.00) per month (the "Master Guaranteed Charge"). In addition to the Master Guaranteed Charge, an Owner shall be responsible for the applicable Section Guaranteed Charge, which Section Guaranteed Charge is set forth in the Section Declaration and shall increase as provided therein. After December 31, 2007 and until the Applicable Date, Declarant guarantees that the current year's Master Regular Assessment shall not exceed the amount of the prior year's Master Guaranteed Charge, plus the greater of (1) an amount representing an increase thereof to reflect any increase in the Consumer Price Index (all items - all cities) published by the United States government over such index as existed in the month of December, 2007, or (2) ten percent (10%). The amount to be added to the Master Guaranteed Charge on an annual basis shall be in an amount equal to the same percentage of the Master Guaranteed Charge as the percentage increase in said Consumer Price Index or ten percent (10%), whichever is greater, or, if Declarant so determines, a lesser amount. Such adjustments to the Master Guaranteed Charge shall be made annually on the first day of each fiscal year. The foregoing limit on the increase in the Master Guaranteed Charge shall not apply to increases resulting from (i) real estate taxes and assessments; and (ii) insurance premiums for the insurance to be provided under this Master Declaration. Such yearly charge shall, during such guaranteed period, entirely defray the Owner's obligation for his share of Master Common Expenses or shall be the Owner's entire Master Regular Assessment. Declarant shall not be required to pay any Master Regular Assessment during such guaranteed period. Declarant shall be responsible for any deficit during such guarantee period; provided, however, that this guarantee is not intended to include, and does not include, major physical alterations or other unusual expenditures not ordinarily anticipated in normal maintenance operations ("Capital Items"). Such expenditures for Capital Items would be covered through Master Special Assessments, or, if sufficient, the Master Replacement Reserve.

Ten percent (10%) of the Master Regular Assessment or such higher amount as the Master Board shall determine, shall be contributed to the Master Replacement Reserve for maintenance, repairs or replacement of Capital Items. Declarant shall not be required to make any contribution to the Master Replacement Reserve during such guaranteed period.

That portion of the Master Regular Assessment or Master Guaranteed Charge collected by the Master Corporation prior to the Applicable Date that is applicable to the Master Replacement Reserve shall be held by the Master Corporation and if required, applied to Capital Items. To the extent that such Master Replacement Reserve is not so applied, the balance thereof shall be retained by the Master Corporation at the Applicable Date.

Payment of the Master Regular Assessment prior to the Applicable Date with respect to each Lot and Condominium Unit shall commence on the date that the Lot or

Condominium Unit is conveyed to an Owner (the "Commencement Date"). The first payment shall be payable on the Commencement Date and shall be prorated from the Commencement Date through the end of the month in which the Commencement Date occurs. Thereafter, payment of the Master Regular Assessment shall be paid monthly.

In addition, at the initial closing of each Dwelling Unit or Condominium Unit (other than a conveyance to Declarant, a Section Declarant, an affiliate of Declarant or a builder approved by Declarant or a Section Declarant who will not occupy the Dwelling Unit), the purchaser or new owner is required to pay the sum equal to two (2) months of the Master Regular Assessment or Master Guaranteed Charge to the Master Corporation as such Owner's initial contribution to the working capital of the Master Corporation. Such amounts shall be available for immediate use by the Master Corporation and shall be used by the Master Corporation as initial working capital for Master Common Expenses. This amount is not an advance of Master Regular Assessments and will not be held in any trust or reserve account.

(f) Collection by Section Corporation. Each Section Corporation shall include as part of the Regular Assessment (as defined in each Section Declaration) for such Section the Master Regular Assessment. The Section Corporation shall be obligated to remit the amount applicable to the Master Regular Assessment to the Master Corporation; even if such amount is not paid by an Owner. The Master Corporation shall have the right to exercise directly against an Owner any and all remedies available under this Master Declaration to collect the Master Regular Assessment in the event an Owner fails to make such payment.

(g) Failure of Owner to Pay Assessments. No Owner may exempt himself from paying Master Regular Assessments and Master Special Assessments or from contributing toward the Master Common Expenses or toward any other expense lawfully agreed upon by waiver of the use or enjoyment of the Master Common Area or by abandonment of the Lot or Condominium Unit belonging to him. Each Owner shall be personally liable for the payment of all Master Regular Assessments and Master Special Assessments. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several. If any Owner shall fail, refuse or neglect to make any payment of any Master Regular Assessment or Master Special Assessment when due, the lien for such assessment on the Owner's Lot and Dwelling Unit or Condominium Unit may be filed and foreclosed by the Master Board of Directors for and on behalf of the Master Corporation as a mortgage on real property or as otherwise provided by law. Upon the failure of the Owner to make timely payments of any Master Regular Assessment or Master Special Assessment when due the Master Board may, in its discretion, (i) impose a late charge of Fifty Dollars (\$50.00) per month of the unpaid amount, (ii) accelerate the entire balance of unpaid assessments and declare the same immediately due and payable, notwithstanding any other provisions hereof to the contrary, and (iii) eliminate such Owner's right to vote and/or right to enjoy and use the Master Common Area and applicable Section Common Area during the time such amounts remain unpaid. The Board may, at its option, bring suit to recover a money

judgment for any unpaid Master Regular Assessment or Master Special Assessment without foreclosing or waiving the lien securing the same. In any action to recover a Master Regular Assessment or Master Special Assessment, whether by foreclosure or otherwise, the Board for and on behalf of the Master Corporation shall be entitled to recover from the Owner of the respective Lot and Dwelling Unit or Condominium Unit costs and expenses of such action incurred (including but not limited to reasonable attorneys fees) and interest from the date such assessments were due until paid at the rate equal to the lesser of (i) ten percent (10%); or (ii) the highest rate allowed by law.

(h) Subordination of Assessment Lien to Mortgage. Notwithstanding anything contained in this Master Declaration, the Master Articles or the Master Bylaws, any sale or transfer of a Lot or Condominium Unit to a Mortgagee pursuant to a foreclosure on its mortgage or conveyance in lieu thereof, or a conveyance to any person at a public sale in a manner provided by law with respect to mortgage foreclosures shall extinguish the lien of any unpaid installment of any Master Regular Assessment or Master Special Assessment as to such installment which became due prior to such sale, transfer or conveyance; provided, however, that the extinguishment of such lien cannot relieve the prior owner from personal liability therefor. No such sale, transfer or conveyance shall relieve the Lot and Dwelling Unit or Condominium Unit or the purchaser thereof at such foreclosure sale or grantee in the event of conveyance in lieu thereof, from liability for any installments of Master Regular Assessments or Master Special Assessments thereafter becoming due or from the lien therefor. Such unpaid share of any Master Regular Assessments or Master Special Assessments, the lien for which has been divested as aforesaid shall be deemed to be a Master Common Expense collectible from all Owners (including the party acquiring the subject Lot or Condominium Unit from which it arose).

19. Mortgages and Unpaid Assessments.

(a) Notice to the Master Corporation. Any Owner who places a first mortgage lien upon his Lot or Condominium Unit, or the Mortgagee, shall notify the Secretary of the Master Corporation thereof and provide the name and address of the Mortgagee. A record of such Mortgagee and name and address shall be maintained by the Secretary and any notice required to be given to the Mortgagee pursuant to the terms of this Master Declaration, the Master Bylaws or otherwise shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record at the time provided. Unless notification of any such mortgage and the name and address of Mortgagee are furnished to the Secretary, either by the Owner or the Mortgagee, no notice to any Mortgagee, as may be otherwise required by this Master Declaration, the Master Bylaws or otherwise, shall be required and no Mortgagee shall be entitled to vote on any matter to which it otherwise may be entitled by virtue of this Master Declaration, the Master Bylaws, a proxy granted to such Mortgagee in connection with the mortgage, or otherwise.

The Master Corporation shall, upon written request of a Mortgagee who has furnished the Master Corporation with its name and address as hereinabove provided, furnish such Mortgagee with written notice of any default in the performance by its borrower of any obligations of such borrower under this Master Declaration or the Master Bylaws which is not cured within sixty (60) days.

(b) Notice of Unpaid Assessments. The Master Corporation shall, upon written request of a Mortgagee, a proposed mortgagee, or a proposed purchaser who has a contractual right to purchase a Lot or Condominium Unit, furnish to such Mortgagee or purchaser a statement setting forth the amount of the unpaid Master Regular Assessments or Master Special Assessments or other charges against the Lot or Condominium Unit, which statement shall be binding upon the Master Corporation and the Owners, and any Mortgagee or grantee of the Lot or Condominium Unit shall not be liable for nor shall the Lot or Condominium Unit conveyed be subject to a lien for any unpaid assessments or charges in excess of the amounts set forth in such statement or as such assessments may be adjusted upon adoption of the final annual budget, as referred to in Paragraph 18 hereof.

(c) Right of Mortgagee to Pay Master Real Estate Taxes or Insurance Premiums. Mortgagees shall have the right, but not the obligation, (1) to pay any taxes or other charges against the Master Common Area which are in default and (2) to pay any overdue premiums on hazard insurance for the Master Common Area or to secure new hazard insurance for the Master Common Area on the lapse of a policy. Any mortgagee making such payment shall be owed immediate reimbursement by the Master Corporation.

20. Insurance.

(a) Casualty Insurance. The Master Corporation shall purchase a master casualty insurance policy affording fire and extended coverage insurance insuring all of the Master Common Area in an amount equal to the full replacement value of the improvements which in whole or in part, comprise the Master Common Area, unless the Master Board determines that a lesser amount of insurance is appropriate. If the Master Board of Directors can obtain such coverage for reasonable amounts they shall also obtain "all risk" coverage. The Master Board of Directors shall be responsible for reviewing at least annually the amount and type of such insurance and shall purchase such additional insurance as is necessary to provide the insurance required above.

All proceeds payable as a result of casualty losses sustained which are covered by insurance purchased by the Master Corporation as hereinabove set forth shall be paid to it or to the Master Board of Directors. The proceeds shall be used or disbursed by the Master Corporation or Master Board of Directors, as appropriate. All policies on the Master Common Area shall be for the benefit of the Master Corporation, a Section Master Corporation, applicable Owners and their mortgagees as their interests may appear.

Exclusive authority to adjust losses under policies in force on the Master Tract obtained by the Master Corporation shall be vested in the Master Board of Directors; provided, however, that no mortgagee having an interest in such losses may be prohibited from participating in negotiations, if any, related thereto.

Such master casualty insurance policy, and "all risk" coverage, if obtained, shall (to the extent the same are obtainable) contain the following:

(i) a waiver of the right to subrogation by the insurer as to any claim against the Master Corporation, the Master Board of Directors, its agents and employees, Owners, their respective agents and guests;

(ii) an endorsement that such policy shall not be terminated for nonpayment of premiums without at least thirty (30) days prior written notice to Mortgagees;

(iii) a waiver by the insurer of its rights to repair and reconstruct instead of paying cash;

(iv) that no policy may be canceled, invalidated, or suspended on account of the acts of any one or more individual Owners;

(v) that no policy may be cancelled, invalidated, or suspended on account of the conduct of any trustee, officer, or employee of the Master Corporation or its duly authorized manager without prior demand in writing delivered to the Master Corporation to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Master Corporation, its manager, any Owner, or mortgagee;

(vi) that any "other insurance" clause in any policy exclude individual Owner's policies from consideration.

Each Owner shall be solely responsible for loss or damage to his Dwelling Unit, Condominium Unit (as applicable) and the contents thereof however caused and his personal property stored elsewhere on the Master Tract and the Master Corporation shall have no liability to the Owner for such loss or damage. Each Owner (or Section Corporation as applicable) shall be solely responsible for obtaining his own insurance to cover any such loss and risk.

Each Owner shall obtain fire and casualty insurance for his Lot, Dwelling Unit or Condominium Unit (unless otherwise covered by Section Corporation) as necessary to provide sufficient proceeds to fully replace a Dwelling Unit or Condominium Unit damaged or destroyed as a result of fire or any other casualty, to the way such Dwelling Unit or Condominium Unit existed prior to such fire or other casualty. To the extent insurance proceeds are insufficient to pay for the full replacement of the Dwelling Unit or

Condominium Unit after such fire or other casualty, the Owner (or Section Corporation as applicable) shall nevertheless be obligated to fully replace the Dwelling Unit or Condominium Unit and to pay any cost thereof not covered by insurance proceeds.

(b) Public Liability Insurance. The Master Corporation shall also purchase a master comprehensive public liability insurance policy in such amount or amounts as the Master Board of Directors shall deem appropriate from time to time. Such comprehensive public liability insurance policy shall cover the Master Corporation, the Master Board of Directors, any committee or organ of the Master Corporation or Master Board, any Managing Agent appointed or employed by the Master Corporation, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Master Tract. Such public liability insurance policy shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Master Corporation or other Owners.

(c) Other Insurance. The Master Corporation shall also obtain any other insurance required by law to be maintained, including but not limited to workmen's compensation and occupational disease insurance, and such other insurance as the Master Board of Directors shall from time to time deem necessary, advisable or appropriate, including, but not limited to, liability insurance on vehicles owned or leased by the Master Corporation and officers' and directors' liability policies. Such insurance shall inure to the benefit of each Owner, the Master Corporation, the Master Board of Directors and any Managing Agent acting on behalf of the Master Corporation. Each Owner shall be deemed to have delegated to the Master Board of Directors his right to adjust with the insurance companies all losses under the policies purchased by the Master Board of Directors the proceeds of which are payable to the Master Board or the Master Corporation.

(d) General Provisions. The premiums for all insurance hereinabove described shall be paid by the Master Corporation as part of the Master Common Expenses.

21. Casualty and Restoration of Master Common Area. In the event of damage to or destruction of any of the Master Common Area or Landscape Easement Improvements due to fire or any other casualty or disaster, the Master Corporation shall promptly cause the same to be repaired and reconstructed. The proceeds of insurance carried by the Master Corporation, if any, shall be applied to the cost of such repair and reconstruction.

In the event the insurance proceeds, if any, received by the Master Corporation as a result of any such fire or any other casualty or disaster are not adequate to cover the cost of repair and reconstruction of the Master Common Area or Landscape Easement Improvements, or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing the Master Common Area so damaged or destroyed (or the costs thereof in excess of insurance proceeds received, if any) shall be assessed by the Master Corporation against all of the Owners in

equal shares. Any such amounts assessed against the Owners shall be assessed as part of the Master Common Expenses and shall constitute a lien from the time of assessment as provided herein.

For purposes of this Article, repair, reconstruction and restoration shall mean construction or rebuilding the Master Common Area or Landscape Easement Improvements to as near as possible the same condition as it existed immediately prior to the damage or destruction.

22. Covenants and Restrictions. The following covenants and restrictions on the use and enjoyment of the Master Tract shall be in addition to any other covenants or restrictions contained herein, in the Plat, Condominium Plan or a Section Declaration and all such covenants and restrictions are for the mutual benefit and protection of the present and future Owners and shall run with the land and inure to the benefit of and be enforceable by any Owner, or by the Master Corporation. Present or future Owners or the Master Corporation shall be entitled to injunctive relief against any violation or attempted violation of any such covenants and restrictions, and shall, in addition, be entitled to damages for any injuries or losses resulting from any violations thereof, but there shall be no right of reversion or forfeiture resulting from such violation. These covenants and restrictions are as follows:

(a) Each Dwelling Unit shall comply with the Zoning Commitments attached hereto as Exhibit D.

(b) Each Dwelling Unit, except Condominium Units, shall have, at a minimum, an attached two (2) car garage. Condominium Units may have, but are not required to have, a garage.

(c) All Lots, Dwelling Units and Condominium Units shall be used exclusively for residential purposes and for occupancy by a single family. No Lot shall be subdivided to form lots or units of less area.

(d) No Dwelling Unit, Condominium Unit, or addition or accessory thereto that is commonly known as "factory built," "modular," or "mobile home" type of construction shall be erected on the Master Tract.

(e) Nothing shall be done or kept in any Dwelling Unit or Condominium Unit, or on any Lot, the Section Common Area or Master Common Area which will cause an increase in the rate of insurance on any Section Common Area, Master Common Area, Lot, Dwelling Unit or Condominium Unit. No Owner shall permit anything to be done or kept in his Dwelling Unit, Condominium Unit, or on his Lot or on any of the Master Common Area or Section Common Area which will result in a cancellation of insurance on any Dwelling Unit, Condominium Unit, or any part of the Master Common Area or Section Common Area, or which would be in violation of any law or ordinance or the requirements of any insurance underwriting or rating bureau.

(f) No nuisance shall be permitted on any Master Common Area, Section Common Area, Lot, Dwelling Unit or Condominium Unit.

(g) No Owner shall cause or permit anything to be hung or displayed on the outside of the windows of his Dwelling Unit or Condominium Unit or placed on the outside walls of any building, and no awning, canopy, shutter or radio or television antenna or other attachment or thing shall be affixed to or placed upon the exterior walls or roofs or any other parts of any Dwelling Unit or Condominium Unit without the prior consent of the Architectural Review Board. Notwithstanding the foregoing, satellite dishes of up to thirty-two (32) inches in diameter shall be allowed provided that the construction, installation and the location thereof are approved by the Architectural Review Board and, except for Condominium Units, the view of such satellite dish is screened from any public street and Private Street.

(h) No signs, freestanding or otherwise installed, shall be erected or displayed on any Master Common Area, Section Common Area, Lot, Dwelling Unit or Condominium Unit unless the placement, character, form, size, lighting, and type of placement of such sign is first approved in writing by the Architectural Review Board. All signs must also conform with governmental codes and regulations. Notwithstanding the foregoing, one (1) standard Master Real Estate "for sale" sign may be displayed on a Lot or in the window of a Condominium Unit provided that such sign is not larger than nine (9) square feet.

(i) No animals, livestock or poultry of any kind shall be raised, bred or kept in any Dwelling Unit or Condominium Unit or on any Lot or any of the Section Common Area or Master Common Area, except that up to a total of three (3) pets, being dogs, cats or customary household pets, may be kept in a Dwelling Unit or Condominium Unit; provided that such pet is not kept, bred or maintained for any commercial purpose, does not create a nuisance and the owner thereof complies with all rules and regulations adopted by the Master Corporation or applicable Section Corporation regarding such pets.

(j) All garbage and trash containers and upon approval by the Architectural Review Board, swimming pool equipment, housing and sprinkler pumps and other such outdoor equipment must be placed underground, walled-in or placed in sight-screened or fenced-in areas so that such equipment shall not be readily visible from any adjacent street or other Lot.

(k) No outdoor clothes-drying areas shall be allowed.

(l) No industry, trade, or other commercial activity designed for profit, altruism or otherwise, shall be conducted, practiced or permitted on the Master Tract; provided, however, nothing in this paragraph or this Master Declaration shall prohibit a home office that complies with the Zoning Commitments and is used by a person living in the Dwelling Unit or Condominium Unit so long as at any one time there is only one employee, client or customer of the home office business in the Dwelling Unit or Condominium Unit in addition to the persons living in such Dwelling Unit or Condominium Unit.

(m) No structure of a temporary character, trailer, boat, camper, bus or tent shall be maintained on any Lot unless stored completely enclosed within a garage with the garage door to remain closed. No garage or other building, except a permanent residence, shall be used on any Lot

or as part of any Condominium Unit at any time as a residence or sleeping quarters either temporarily or permanently. Notwithstanding the foregoing, upon approval by the applicable Section Corporation any children's or marquee tent erected for a special event may be erected for up to three (3) consecutive days, but not more than nine (9) days per year.

(n) All Owners and members of their families, their guests, or invitees, and all occupants of any Dwelling Unit or Condominium Unit or other persons entitled to use the same and to use and enjoy the Section Common Area or Master Common Area or any part thereof, shall observe and be governed by such rules and regulations as may from time to time be promulgated and issued by the Master Board or applicable Section Corporation governing the operation, use and enjoyment of the Section Common Area or Master Common Area. The Section Common Area or Master Common Area shall be used and enjoyed only for the purposes for which it is designed and intended.

(o) Except for vehicles being used by Declarant or by persons providing services to the Declarant, the Master Corporation, a Section Corporation or an Owner, no boats, campers, trailers of any kind, buses, mobile homes, trucks (other than 3/4 ton or less pick up trucks), motorcycles, mini bikes, mopeds, or any other vehicles of any description other than normal passenger automobiles, shall be permitted, parked or stored anywhere within the Master Tract; provided, however, that nothing herein shall prevent the parking or storage of such vehicles completely enclosed within a garage with the garage door closed. No repair work shall be done on the Master Tract on any vehicles, including passenger automobiles, except within an enclosed garage.

(p) No Owner shall be allowed to plant trees, landscape or do any gardening in any of the Section Common Area or Master Common Area except with express written permission from the Master Corporation.

(q) No Owner may rent or lease his Dwelling Unit or Condominium Unit for transient or hotel purposes. Any Owner who leases a Dwelling Unit or Condominium Unit shall lease the entire Dwelling Unit or Condominium Unit and shall have a written lease with a minimum term of twelve (12) months, which shall provide that the lease is subject to the provisions of this Master Declaration, and the applicable Section Declaration and any failure of the lessee to comply with the terms of this Master Declaration or the applicable Section Declaration, shall be a default under the lease. A copy of any lease must be provided timely to the Master Corporation and the applicable Section Corporation. Such Owner shall remain fully responsible and liable for payment of Master Regular Assessment and its Tenant's compliance with this Master Declaration and the applicable Section Declaration.

(r) Except as constructed by Declarant, the Master Corporation, a Section Corporation or as required for utilities to serve the Master Tract or the Master Real Estate, the Lot or a Condominium Unit, no building or structure will be permitted except within the building lines as shown on the Plat or Condominium Plan.

(s) All electric, telephone, gas and other utility lines must be installed underground unless otherwise approved in writing by the Declarant, the applicable Section Declarant, the Master Board of Directors or the Architectural Review Board.

(t) All mailboxes shall be either purchased from the Declarant or be approved by the Declarant, the applicable Section Declarant or the Architectural Review Board prior to installation.

(u) No detached structure, fence, swimming pool, deck or patio or other item described in Paragraph 16 shall be maintained on any Lot except with the express written approval from the Architectural Review Board; provided, however, no sheds or outbuildings shall be permitted or approved by the Architectural Review Board.

(v) All exterior lighting of a Lot, Dwelling Unit or Condominium Unit shall be accomplished in accordance with a lighting Condominium Plan approved in writing by the Architectural Review Board, Declarant or the applicable Section Declarant.

(w) No above-ground swimming pools shall be constructed, erected, placed or permitted to remain upon any Lot. The definition of "above-ground swimming pools" shall not include portable wading pools used by small children not more than one foot (1') in height or hot tubs that do not exceed thirty-six (36) square feet. In-ground swimming pools are permitted provided it is approved in writing by the Architectural Review Board. This paragraph shall not prohibit the construction, erection or replacement of a diving board, slide or other equipment appurtenant to an otherwise conforming swimming pool, provided that such has been approved in writing by the Architectural Review Board. Notwithstanding this Sub-paragraph, no swimming pools or hot tubs are allowed in Lancashire at Oak Manor.

(x) No fence or wall of any kind, specifically including the use of a hedge or other growing plants as a fence, and for any purpose, except a retaining wall, shall be erected or built on any part of any Lot between the rear of the building constructed thereon and the street in front of the building. Note that corner Lots have two front yards. Fences erected on said Lot from the rear of the building and the back property line shall not be in excess of four (4) feet in height and shall be a split rail wood, decorative aluminum, PVC, or other similar attractive material previously approved by Declarant pursuant to Paragraph 17 above. Except as provided herein, barbed wire, chain link or similar fences shall be prohibited, except 2"x4" green wire mesh (or similar) in conjunction with and on the inside of a split rail or other approved fence. Fences around swimming pools or other hazardous water features shall not be less than five (5) feet, provided they shall be no lower than the minimum required by law to circumscribe a pool. Wrought iron fences are allowed for this purpose. A fence may be constructed up to six (6) feet high to screen a hot tub; provided, that, (i) neither the fence nor the hot tub is visible from the street; (ii) the fence is approved in writing by the Architectural Review Board; and (iii) the hot tub does not exceed thirty-six (36) square feet. If a fence is located in an easement, it shall not be placed in a location where it hinders the use of intended easement or alters the storm water drainage. Notwithstanding the foregoing, no fencing or walls shall be permitted on any part of the Master Common Area, or in the Lancashire at Oak Manor

Section, with the exception of those installed by Declarant; and any allowed fence must be approved in writing by the Architectural Review Board pursuant to Paragraph 17.

Any Owner who receives approval of the Architectural Review Board to construct a fence or other improvement within an easement constructs such fence or other improvement at such Owner's sole risk. In the event work is required in such easement, Declarant, any third party so authorized in this Master Declaration and/or any authorized municipal body or utility provider may undertake such work without liability to repair or replace any damage to any fence or other improvement. Any fence or other improvement which impedes or restricts drainage may be modified or removed by the Declarant, the Master Corporation or applicable municipal entity or utility provider. The cost thereof shall be the Owner's expense and treated as an additional assessment against such Owner's Lot.

(y) Swing sets, basketball hoops and play areas may be erected only on a Lot in Southhampton at Oak Manor and only after the location and materials of those structures are approved in writing by the Architectural Review Board. No batting cages are allowed on any Lot. Swing sets and play areas must be (i) located behind the rear wall of the Dwelling Unit; (ii) at least five (5) feet from all property lines; and (iii) can not extend beyond the side wall of a Dwelling Unit.

(z) There shall be no more than two (2) garage or yard sales held by the Owner or residents of any Section during any twelve (12) month period. No garage or yard sale may extend more than three (3) days.

(aa) Holiday-type lights may be erected no sooner than November 15th and must be removed no later than the following January 15th.

(bb) No structure, planting, or other material other than driveways or sidewalks shall be placed or permitted to remain upon any Lot which may damage or interfere with any easement for the installation or maintenance of utilities or which may change, obstruct, or retard direction or flow of any drainage channels in the easement area. The easement area of each Lot and all improvements in the easement area shall be maintained by the Owner of the Lot except for those improvements for which a public authority or utility company is responsible.

The following covenants and restrictions shall be applicable only to Southhampton at Oak Manor, Nottingham at Oak Manor and Section at Oak Manor;

(a) No foundation wall may be exposed more than twenty-four (24) inches above ground unless otherwise approved by Declarant or, after the Applicable Date, the Architectural Review Board.

(b) All driveways shall be concrete unless otherwise approved in writing by the Section Declarant or after the Applicable Date, the Architectural Review Board.

(c) An Owner or a builder must (i) sod the front and side yard of any Lot upon completion of a Dwelling Unit; and (ii) seed the rear yard thereof prior to closing unless closing

occurs between November 1 and April 30. In such case the required sodding and seeding must be done by following May 31, unless otherwise approved by Declarant or if after the Applicable Date, the Architectural Review Board.

Other covenants and restrictions related to the Lots, Dwelling Units and Condominium Units may be set forth on the Plat, the Condominium Plan or in a Section Declaration. In the event of a conflict between the covenants and restrictions contained herein and those in the Plat, the Condominium Plan or a Section Declaration, the covenants and restrictions contained herein shall control.

Notwithstanding anything to the contrary contained herein or in the Master Articles or Master Bylaws, including, but not limited to, any covenants and restrictions set forth herein or otherwise, Declarant shall have, until the conveyance of the last Lot or Condominium Unit owned by Declarant or a Section Declarant, the right to use and maintain any Lots, Dwelling Units and Condominium Unit owned by Declarant and other portions of the Master Tract (other than individual Dwelling Units, Condominium Units and Lots owned by persons other than Declarant), all of such number and size and at such locations as Declarant in its sole discretion may determine, as Declarant may deem advisable or necessary in their sole discretion to aid in the construction of Dwelling Units and Condominium Units and the sale of Lots, Dwelling Units and Condominium Units or for the conducting of any business or activity attendant thereto, including, but not limited to, model Dwelling Units and Condominium Units, storage areas, construction yards, signs, construction offices, sales offices, management offices and business offices. Declarant shall have the right to relocate any or all of the same from time to time as they desire. At no time shall any of such facilities so used or maintained by Declarant be or become part of the Master Common Area or Section Common Area unless so designated by Declarant, and Declarant shall have the right to remove the same from the Master Tract at any time.

23. Amendment of Master Declaration.

(a) Generally. Except as otherwise provided in this Master Declaration, amendments to this Master Declaration shall be proposed and adopted in the following manner:

- (i) Notice. Notice of the subject matter of any proposed amendment shall be included in the notice of the meeting at which the proposed amendment is to be considered which notice shall be sent at least fourteen (14) days prior to the date of the meeting.
- (ii) Resolution. A resolution to adopt a proposed amendment may be proposed by the Master Board of Directors or Owners having in the aggregate at least ten percent (10%) of the votes of all Owners.

- (iii) Meeting. The resolution concerning a proposed amendment must be adopted by the designated vote at a meeting duly called and held in accordance with the provisions of the Master Bylaws.
- (iv) Adoption. Any proposed amendment to this Master Declaration must be approved by a vote of not less than sixty-seven percent (67%) in the aggregate of the votes of all Owners constituting a Quorum; provided, however, that prior to the Applicable Date all proposed amendments shall require the written consent of the Declarant. In the event any Lot, Dwelling Unit or Condominium Unit is subject to a first mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the same manner as an Owner if the Mortgagee has given prior notice of its mortgage interest to the Master Board of Directors in accordance with the provisions hereof.
- (v) Special Amendments. No amendment to this Master Declaration shall be adopted which changes (1) the applicable share of an Owner's liability for the Master Common Expenses, or the method of determining the same, or (2) the provisions of Paragraph 20 of this Master Declaration with respect to casualty insurance to be maintained by the Master Corporation, or (3) the provisions of Paragraph 21 of this Master Declaration with respect to reconstruction or repair of the Master Common Area, or the provisions of Paragraph 21 with respect to the reconstruction or repair of the Master Common Area and/or a Dwelling Unit, in the event of fire or any other casualty or disaster, or (4) the provisions of Paragraph 18 of this Master Declaration with respect to the commencement of assessments on any Lot, or (5) the provisions of Paragraph 23 of this Master Declaration with respect to amendments solely by Declarant, or (6) the provisions of Paragraph 12 relating to the makeup of the Board and the duties of the Master Board and the Master Corporation without, in each and any of such circumstances, or (7) the provisions of Paragraph 17 of this Master Declaration establishing the Architectural Review Board and providing for its functions without the unanimous approval of all Owners, including Declarant so long as Declarant owns any Lot, and of all Mortgagees whose mortgage interests have been made known to the Master Board of Directors in accordance with the provisions of this Master Declaration.

- (vi) Recording. Each amendment to the Master Declaration shall be executed by the President and Secretary of the Master Corporation and shall be recorded in the Office of the Recorder of Hamilton County, Indiana, and such amendment shall not become effective until so recorded.

(b) Amendments by Declarant Only. Notwithstanding the foregoing or anything elsewhere contained herein or in any other documents, the Declarant shall have and hereby reserves the right and power acting alone and without the consent or approval of the Owners, the Master Corporation, the Master Board of Directors, any Mortgagees or any other person to amend or supplement this Master Declaration at any time and from time to time if such amendment or supplement is made (a) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Master Corporation, the Department of Housing & Urban Development, the Federal Housing Association, the Veteran's 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 such entities, (b) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Lots, Dwelling Units and Condominium Units, (c) to bring this Master Declaration into compliance with any statutory requirements, (d) to correct clerical, typographical or other errors in this Master Declaration or any Exhibit hereto or any supplement or amendment thereto, (e) to clarify Declarant's original intent, or (f) to expand or subject to this Master Declaration additional portions of the Master Real Estate by Supplemental Master Declarations. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to vote in favor of, make, or consent to any amendments described in this Paragraph 23 on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot or Dwelling Unit or Condominium Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Declarant to vote in favor of, make, execute and record any such amendments. The right of the Declarant to act pursuant to rights reserved or granted under this Paragraph 23 shall terminate at such time as the Declarant no longer holds or controls title to any part or portion of the Master Tract.

24. Dispute Resolution

(a) Introduction

The Section Corporations, Master Corporation, Owners, Declarant, and all persons subject to this Declaration (collectively, the "Parties") agree to encourage the amicable resolution of disputes involving matters such as the initial construction and development of the Master Tract or any Section Tract, the repair, restoration or replacement of the Master Tract or any Section Tract, contributions to the Master Regular Assessments, Section Regular Assessments, Master Replacement Reserve,

Section Replacement Reserve (if applicable), and working capital fund, and the budget, including Master Common Expense and Section Common Expense. To that end, and to avoid the financial and emotional costs associated with litigation, the Parties agree that should a Claim (as defined below) arise out of or be in relation to the Master Tract, any Section Tract or any Governing Documents (as defined below), and the Parties are unable to resolve the Claim through direct discussion, the Parties shall attempt in good faith to resolve the Claim promptly by mediation between the Parties. If the mediation does not prove successful, either Party may seek to resolve the Claim through binding arbitration. Accordingly, each Party covenants and agrees that this Article applies to all Claims.

(b) Definitions

- (i) "Claim" means any grievance or dispute between Parties involving the Master Tract, any Section Tract or Governing Documents, except Exempt Claims as they are defined below. "Claims" include, without limitation:
 - A. Claims arising out of or relating to the interpretation, application, or enforcement of the Governing Documents.
 - B. Claims relating to the rights and/or duties of Parties under the Governing Documents.
 - C. Claims relating to the design, construction, or maintenance of the Master Tract and any Section Tract.
- (ii) "Claimant" means any Party having a Claim against any other Party.
- (iii) "Exempt Claims" refers to grievances or actions which are exempt from this Article. "Exempt Claims" include:
 - A. The Master Corporation or Section Corporation's claim for Assessments due from an Owner (other than Declarant), and any action by the Master Corporation or Section Corporation to collect Assessments from an Owner (other than Declarant).
 - B. An action by a Party to obtain a temporary restraining order or equivalent emergency equitable relief to maintain the status quo and preserve the Party's ability to enforce the provisions of this Section Declaration.
 - C. Enforcement of the easements, architectural control and use restrictions of this Master Declaration or a Section Declaration.
 - D. A suit to which an applicable statute of limitations would expire within the notice period of this Article, unless a Party against whom the Claim is made

agrees to toll the statute of limitations as to the Claim for the period reasonably necessary to comply with this Article.

E. A dispute that is subject to alternate dispute resolution - such as mediation or arbitration - by the terms of applicable law or another instrument, such as a contract or warranty agreement, in which case the dispute is exempt from this Article, unless the Parties agree to have the dispute governed by this Article.

(iv) "Respondent" means any Party responding to a Claim.

(v) "Governing Documents" means, singly or collectively as the case may be, a Section Declaration, the Master Declaration, the Condominium Plans, the Plat, any Section Bylaws, any Section Articles, the Master Articles and the Master By-Laws, as any of these may be amended from time to time. An appendix, exhibit, schedule, or certification accompanying a Governing Document is a part of that Governing Document.

(c) Mediation

(i) Notice. Claimant must notify Respondent of his demand for mediation of his Claim in writing (the "Claim Notice"), stating plainly and concisely: (1) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim; (2) the basis of the Claim (i.e., the provision of the Governing Documents or other authority out of which the Claim arises); (3) what Claimant wants Respondent to do or not do to resolve the Claim; and (4) that the Claim Notice is given pursuant to this Section. The Claim Notice for mediation may be made concurrently with the filing of a demand for arbitration (as provided in sub-paragraph (d) below), but in such event mediation shall proceed in advance of binding arbitration, and the binding arbitration shall not commence until the mediation process has completely concluded.

(ii) Location of Mediation. The location of any mediation will be Hamilton County, Indiana.

(iii) Choice of Mediator. Once a Respondent receives a Claim Notice, the Respondent will have twenty (20) days to respond to the Claimant's Claims. Within ten (10) days after the Respondent submits his response, both Parties must also exchange a list of five (5) acceptable mediators. The mediation will be conducted by a single mediator mutually agreed to by the Parties from the mediator list. If the Parties do not have a mutually agreeable mediator on their lists, the Parties will have to reach an agreement upon a mediator with the only requirement being that the mediator must have experience serving as a mediator and must have technical knowledge or expertise appropriate to the subject matter of the Claim. The Parties will have ten (10) days to

agree to a mediator after the lists have been exchanged.

- (iv) Role of Mediator. Once the date of the first formal mediation session is set, the mediator may require the Parties to submit (a) a mediation statement clarifying the disputed issues, as well as each Party's position and a summary of arguments supporting that position, and (b) the name and title of the person or persons who will attend and have authority to make settlement decisions binding on the respective Parties. At all times during the mediation process, the mediator will maintain impartiality, though he may give his views, opinions or settlement proposals as a means to move the dispute toward resolution. However, the mediator's views, opinions, and settlement proposals shall not be deemed to be legal advice. Information exchanged during the mediation is confidential unless it otherwise would be discoverable or admissible at another legal proceeding.
- (v) Waiver of Mediation. If Claimant does not submit the required list of mediators, cannot reach an agreement with Respondent as to an acceptable mediator within the ten days after the lists of mediators have been exchanged, ever fails to attend a formal mediation session, or in any other way fails to participate in the mediation process, the Claimant will be deemed to have waived the Claim and the Respondent will be released and discharged from any and all liability to Claimant on account of the Claim.
- (vi) Enforcement of Resolution. Any settlement of a Claim through initial negotiation or subsequent mediation will be documented in writing and signed by the Parties. Any settlement agreement that they may enter into during the mediation process is fully binding and enforceable by any Court with jurisdiction of the Claim. Thus, if any Party thereafter fails to abide by the terms of the agreement, then the other Party may file suit or initiate administrative proceedings to enforce the agreement without the need to again comply with the procedures set forth in this Section. In that event, the Party taking action to enforce the agreement is entitled to recover from the non-complying Party all costs incurred in enforcing the agreement, including, without limitation, attorneys fees and court costs.
- (vii) Termination of Mediation. If the Parties do not settle the Claim within sixty (60) days after the Claim Notice, or within a time deemed reasonable by the mediator, the mediator will issue a notice of termination of the mediation proceedings indicating that the Parties are at an impasse and the date that mediation was terminated. Thereafter, Claimant may make a demand for binding arbitration if the Claimant did not already simultaneously make one at the time that the Claimant made a demand for mediation.
- (viii) Partial Resolution of Claims. If the Parties were able to resolve some, but not all, of

the Claims at issue at the mediation, then the issues that were resolved will be documented in writing and signed by the Parties as provided in sub-paragraph (vi) above. These claims will not be at issue in the binding arbitration and shall be enforced in the same manner as discussed in sub-paragraph (vi) above.

- (ix) Allocation of Costs. Except as otherwise provided in this sub-paragraph (ix), each Party bears all of its own costs incurred prior to and during the proceedings described above, including its attorneys fees. Respondent and Claimant will equally divide all expenses and fees charged by the mediator.

(d) Arbitration

- (i) Matters to be Submitted to Binding Arbitration. Any Claim which would be subject to mediation as set forth in this Article 24 is also subject to binding arbitration.
- (ii) Initiation of Claim. Arbitration of any Claim shall be initiated by a Claimant making a written demand therefor after all attempts at a meaningful mediation have failed. The demand for arbitration shall take the same form as the Claim Notice set forth in sub-paragraph (c)(i) above. As discussed above, a Claimant can simultaneously demand mediation and arbitration, but the demand for arbitration must be held in abeyance until the mediation process has been completed.
- (iii) Location of Arbitration. The location of any arbitration will be in Hamilton County, Indiana.
- (iv) Selection of Arbitration. Unless otherwise agreed to in writing by the parties to the arbitration, the Claimant and Respondent shall each choose one arbitrator. These two (2) arbitrators will, in turn, then agree upon a third arbitrator.
- (v) Arbitration Procedures. The arbitrators shall commence hearings within thirty (30) days of the initiation of the arbitration process. Prior to the hearings, Claimant or Respondent may send out requests to compel document production from the other Party. Disputes concerning the scope of document production and enforcement of the document requests shall be subject to agreement by the Parties or may be ordered by the arbitrators to the extent reasonable. When rendering a decision, the arbitrators may base such decision only on the facts presented in the course of arbitration and shall not modify or amend the provisions of any Governing Document. Subject to the other terms hereof, if a Party fails or refuses to appear at and participate in an arbitration hearing after due notice, the arbitrators may hear and determine the Claim upon evidence produced by the appearing Party.
- (vi) Applicable Rules. Notwithstanding any other provisions of the Governing Documents, the foregoing agreement to arbitrate shall be subject to the rules set forth

in the Federal Arbitration Act. Except where contrary to the provisions set forth in the Governing Documents, the arbitrator shall apply the rules set forth in the Federal Arbitration Act to the arbitration of any Claim. However, the parties may agree in writing to any additions, deletions or changes to the applicable arbitration rules.

The foregoing agreement to arbitrate does not constitute any agreement or consent to arbitrate any Claim not described in this Section or with any person not named or described herein. Any arbitration proceeding initiated under the terms of this Section may, at the request of either the Parties may be joined or consolidated with other arbitration proceedings involving additional parties if the Claim and the subject of such other proceedings arise out of common or interrelated factual occurrences.

(vii) Binding Arbitration. THIS MASTER DECLARATION CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES. Any award of the arbitrator shall be final and binding upon the Parties and judgment thereon shall be entered by any court having jurisdiction.

(viii) Costs. The arbitration costs shall be borne equally by the Parties, except that each Party shall be responsible for its own expenses.

(e) Declarant's Right to Cure. INDIANA CODE SECTION 32-27-3 CONTAINS IMPORTANT REQUIREMENTS THE MASTER CORPORATION, ANY SECTION CORPORATION OR AN OWNER MUST FOLLOW BEFORE THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER MAY FILE A LAWSUIT FOR DEFECTIVE CONSTRUCTION AGAINST DECLARANT. SIXTY (60) DAYS BEFORE THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER FILES A LAWSUIT, THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER MUST DELIVER TO DECLARANT A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER ALLEGES ARE DEFECTIVE AND PROVIDE DECLARANT THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR OR PAY FOR THE DEFECTS. THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER IS NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY DECLARANT. HOWEVER, IF THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER UNREASONABLY REJECTS A REASONABLE WRITTEN OFFER AND COMMENCES AN ACTION AGAINST DECLARANT, A COURT MAY AWARD ATTORNEY'S FEES AND COSTS TO DECLARANT. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER INDIANA STATE LAW, AND FAILURE TO FOLLOW THEM MAY AFFECT THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER ABILITY TO FILE A LAWSUIT.

THE PARTIES AGREE THAT THE FOREGOING RIGHT TO CURE SHALL APPLY TO ANY CLAIM RELATED TO DEFECTIVE CONSTRUCTION. PRIOR TO PROVIDING A CLAIM NOTICE FOR MEDIATION OR ARBITRATION OR ATTEMPTING TO COMMENCE

A LAWSUIT RELATED TO DEFECTIVE CONSTRUCTION, SUCH PARTY SHALL COMPLY WITH THE REQUIREMENTS OF THIS SUBPARAGRAPH (E).

25. Acceptance and Ratification. All present and future Owners, Mortgagees, tenants and occupants of the Lots and Condominium Units shall be subject to and shall comply with the provisions of this Master Declaration, the Master Articles, and the Master Bylaws incorporated herein by reference, and the rules and regulations as adopted by the Master Board of Directors as each may be amended from time to time. The acceptance of a deed of conveyance or the act of occupancy of any Lot or Condominium Unit shall constitute an agreement that the provisions of this Master Declaration, the Master Articles, the Master Bylaws, and rules and regulations, as each may be amended or supplemented from time to time, are accepted and ratified by such Owner, tenant or occupant, and all such provisions shall be covenants running with the land and shall be binding on any person having at any time any interest or estate in a Lot, Condominium Unit or the Master Tract as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. All persons, corporations, partnerships, trusts, associations, or other legal entities who may occupy, use, enjoy or control a Lot or Lots or Condominium Units or any part of the Master Tract in any manner shall be subject to the Master Declaration, the Master Articles of Incorporation, the Master Bylaws, and the rules and regulations applicable thereto as each may be amended or supplemented from time to time.

26. Negligence. Each Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees to the extent that such expense is not covered by the proceeds of insurance carried by the Master Corporation.

27. Costs and Attorneys' Fees. In any proceeding arising because of failure of an Owner to make any payments required or to comply with any provision of this Master Declaration, the Master Articles of Incorporation, the Master Bylaws, or the rules and regulations adopted pursuant thereto as each may be amended from time to time, the Master Corporation shall be entitled to recover its reasonable attorneys' fees incurred in connection with such default or failure.

28. Waiver. No Owner may exempt himself from liability for his contribution toward the Master Common Expenses by waiver of the use or enjoyment of any of the Master Common Area or by abandonment of his Lot or Condominium Unit.

29. Severability Clause. The invalidity of any covenant, restriction, condition, limitation or other provision of this Master Declaration, the Master Articles or the Master Bylaws, shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Master Declaration, the Master Articles, or the Master Bylaws, and each shall be enforced to the greatest extent permitted by law.

30. Pronouns. Any reference to the masculine, feminine or neuter gender herein shall, unless the context clearly requires to the contrary, be deemed to refer to and include all genders. And the singular shall include and refer to the plural and vice versa as appropriate.

31. Interpretation. The captions and titles of the various articles, sections, subsections, paragraphs and sub-paragraphs of this Master Declaration are inserted herein for ease and convenience of reference only and shall not be used as an aid in interpreting or construing this Master Declaration or any provision hereof.

32. No Liability. Declarant, the Master Board and the Architectural Review Board may grant, withhold or deny its permission or approval in any instance where its permission or approval is permitted or required without liability of any nature to Owner or any other person for any reason whatsoever and any permission or approval granted shall be binding upon all persons.

33. Section Declarations. Each Section or Sections shall have a Declaration of Covenants and Restrictions applicable to such Section or Sections. Such Section Declaration shall provide that the homeowners association applicable to such Section shall be responsible for certain matters and shall also provide for certain restrictions applicable only to such Sections.

34. Controlling Document. In the event there is any conflict between the provisions of this Master Declaration and any Section Declaration (or supplements or amendments thereto) or any Plat or Condominium Plan (as such may be amended or supplemented), the terms and provisions of this Master Declaration as supplemented or amended shall be controlling.

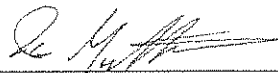
Conflict, as used herein, shall mean a situation where the application of the language in one document contradicts the language in another document. Conflict does not occur where language in one document is simply more restrictive than language in another document.

35. Development Plan. The Villages of Oak Manor is subject to the agreements and obligations stated in the development statement and the covenants and commitments contained in Ordinance No. 03-37 approved by the Town Council of the Town of Westfield on November 10, 2003, PUD Ordinance No. 0207-PUD-02 approved December 8, 2003, Development Plan, Case No. 0503-DP-08 approved on March 28, 2005 and the Preliminary Plat, Case No. 0503-SSP-02 approved on March 28, 2005. A copy of the approved Ordinance, PUD Ordinance, Development Plan and Preliminary Plat are on file in the office of the Town of Westfield, Indiana.

36. Expanding the Master Real Estate that is Subject to the Master Declaration. Master Phase 1 (as described in paragraph D of the recitals of this Master Declaration) is the Master Real Estate being subjected to this Master Declaration and constitutes Phase 1 of the general plan of development of the Master Real Estate. The balance of the Master Real Estate is the additional Master Real Estate that Declarant has the right, but not the obligation, to subject to the terms and provisions of this Master Declaration. The maximum number of Lots and Condominium Units which may be developed on the Master Real Estate is set forth in each Section Declaration. Subject to such limits as to the maximum number of Lots and Condominium Units to be developed on the Master Real Estate, and the obligations and restrictions contained in this Master Declaration, The Villages of Oak Manor may be expanded by Declarant to include additional portions of the Master Real Estate in one or more additional Sections by the execution and recording of one or more amendments or supplements to this Master Declaration and one or more Plats or Condominium Plans; provided, however, that no single exercise of such right and option of expansion as to any part or parts of the Master Real Estate shall preclude Declarant from time to time further expanding The Villages of Oak Manor to include other portions of the Master Real Estate and such right and option of expansion may be exercised by Declarant from time to time as to all or any portions of the Master Real Estate so long as such expansion is done on or before December 31, 2016. Such expansion is entirely at the discretion of Declarant and nothing contained in this original Master Declaration or otherwise shall require Declarant to expand The Villages of Oak Manor beyond Master Phase 1 or any other portion of the real estate which Declarant may voluntarily in its sole discretion, from time to time, subject to this Master Declaration by amendments or supplements to this Master Declaration as provided above. Simultaneously with the recording of the amendments or supplements to this Master Declaration expanding The Villages of Oak Manor, Declarant shall record an additional plat encompassing the portion of the real estate to be subjected to this Master Declaration. To the extent allowed under applicable law, Declarant reserves the right to add additional contiguous Master Real Estate to the real estate, which additional real estate may, in Declarant's discretion, have the use and benefit of the Master Common Area provided herein. On the filing of a supplement to this Master Declaration, the portion of the real estate or other real estate described in such amendment or supplement to this Master Declaration shall be governed in all respects by the provisions of this Master Declaration. To the extent that there are any inconsistencies or discrepancies between any Plat or Condominium Plans and this Master Declaration or any amendment or supplements thereto, the terms of this Master Declaration shall control.

IN WITNESS WHEREOF, the undersigned has caused this Master Declaration to be executed the day and year first above written.

HILLS HOMES OF INDIANA, LLC, an Indiana limited liability company, formerly known as CREEKSIDE CROSSING, LLC, an Indiana limited liability company, successor by merger to HILLS OAK MANOR, LLC, an Indiana limited liability company

By: 

Printed: Ian Guttman

Title: Vice President

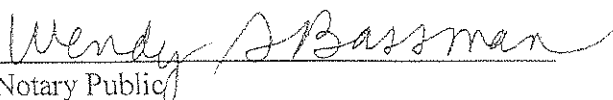
STATE OF OHIO)
)SS:
COUNTY OF Hamilton)

Before me, a Notary Public in and for said County and State, personally appeared Ian Guttman, by me known and by me known to be the Vice President of Hills Homes of Indiana, LLC, who acknowledged the execution of the foregoing "Master Declaration of Covenants and Restrictions of The Villages of Oak Manor Property Ownership" on behalf of said limited liability company.

Witness my hand and Notarial Seal this 12th day of February, 2007.



WENDY S. BASSMAN
Notary Public, State of Ohio
My Commission Expires
June 19, 2010


Notary Public
Wendy S. Bassman
(Printed Signature)

My Commission Expires: June 19, 2010

My County of Residence: Hamilton

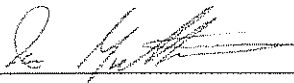
This instrument prepared by Tammy K. Haney, Attorney-at-Law, Bose McKinney & Evans, 301 Pennsylvania Parkway, Suite 300, Indianapolis, Indiana 46280.

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

CONSENT

The undersigned, Hills Homes of Indiana, LLC, an Indiana limited liability company, formerly known as Creekside Crossing, LLC, an Indiana limited liability company, successor by merger to Hills Oak Manor Condominiums, LLC an Indiana limited liability company, as the owner of the Condominium Master Real Estate hereby consents to the foregoing Master Declaration of Covenants and Restrictions for The Villages of Oak Manor and specifically acknowledges that the Declarant, for purposes of the foregoing Master Declaration, is Hills Homes of Indiana, LLC.

HILLS HOMES OF INDIANA, LLC, an Indiana limited liability company, formerly known as CREEKSIDE CROSSING, LLC, an Indiana limited liability company, successor by merger to HILLS OAK MANOR, LLC, an Indiana limited liability company

By: 

Printed: Ian Guttman

Title: Vice President

CONSENT OF MORTGAGEE

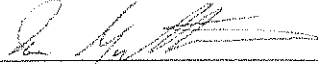
The undersigned, Hills Financial Group, A Limited Partnership, an Ohio limited partnership being the holder of an existing mortgage and other security on the real estate described in the above and foregoing Declaration of Covenants and Restrictions of Cotswold at Oak Manor (the "Declaration") as follows:

See Exhibit A to Declaration

hereby consents to the recording of the above and foregoing Declaration, and further agrees that its mortgage and other security with respect to the Real Estate shall be subject to the foregoing Declaration, Exhibits attached thereto and the documents incorporated therein; provided, however, except and to the extent that the mortgage and other security are modified by this Consent, such mortgage and other security shall remain in full force and effect.

EXECUTED this 12th day of February, 2007.

Hills Financial Group, A Limited Partnership

By: 
Printed: Ian Guttman
Title: Vice President

STATE OF OHIO)
) SS:
COUNTY OF Hamilton)

Before me, a Notary Public in and for said County and State, personally appeared Ian Guttman, by me known and by me known to be the Vice President of Hills Financial Group, A Limited Partnership, who acknowledged the execution of the foregoing DECLARATION OF COVENANTS AND RESTRICTIONS OF COTSWOLD AT OAK MANOR on behalf of said limited partnership.

WITNESS my hand and Notarial Seal this 12th day of February, 2007.



WENDY S. BASSMAN
Notary Public, State of Ohio
My Commission Expires
June 19, 2010


Notary Public - Signature
Wendy S. Bassman
Notary Public - Printed

My Commission Expires: June 19, 2010
My County of Residence: Hamilton

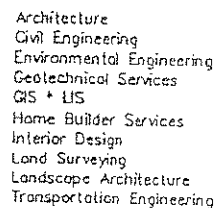


EXHIBIT A



The Schneider Corp.
5250 East U.S. 36
Building 1000
Avon, Indiana 46123
317-745-9928
317-745-9973 FAX
www.schneidercorp.com

Architecture
Civil Engineering
Environmental Engineering
Geotechnical Services
GIS * LIS
Home Builder Services
Interior Design
Land Surveying
Landscape Architecture
Transportation Engineering

LAND DESCRIPTION

A part of the West Half of Section 5, Township 18 North, Range 4 East of the 2nd Principal Meridian, Washington Township, Hamilton County, Indiana, being described as follows:

Commencing at the northwest corner of the Northwest Quarter of said Section 5; thence South 00 degrees 03 minutes 28 seconds East (bearings based on previous survey by the Schneider Corporation job number 4134.001 on an assumed bearing) along the West line of said Northwest Quarter a distance of 917.53 feet to the northwest corner of the South Half of said Northwest Quarter; thence South 89 degrees 00 minutes 37 seconds East along the North line of said South Half a distance of 615.41 feet to the Point of Beginning; thence continuing South 89 degrees 00 minutes 37 seconds East along said North line a distance of 847.85 feet; thence South 04 degrees 45 minutes 59 seconds West a distance of 160.83 feet; thence South 87 degrees 29 minutes 59 seconds East a distance of 63.08 feet; thence South 37 degrees 16 minutes 51 seconds West a distance of 38.91 feet; thence South 10 degrees 29 minutes 04 seconds East a distance of 144.45 feet; thence South 43 degrees 04 minutes 55 seconds East a distance of 98.33 feet; thence South 25 degrees 06 minutes 19 seconds East a distance of 173.90 feet; thence South 25 degrees 12 minutes 12 seconds West a distance of 130.28 feet; thence South 32 degrees 19 minutes 22 seconds East a distance of 84.22 feet; thence South 46 degrees 28 minutes 24 seconds East a distance of 192.52 feet; thence South 07 degrees 59 minutes 38 seconds East a distance of 103.93 feet; thence South 13 degrees 12 minutes 09 seconds East a distance of 22.67 feet; thence North 88 degrees 45 minutes 21 seconds West a distance of 343.66 feet; thence South 01 degrees 11 minutes 09 seconds East a distance of 120.58 feet to a non-tangent curve to the left having a radius of 525.00 feet, the radius point of which bears South 01 degrees 11 minutes 09 seconds East; thence westerly along said curve an arc distance of 156.65 feet to a point which bears North 18 degrees 16 minutes 54 seconds West from said radius point; thence South 71 degrees 43 minutes 06 seconds West a distance of 93.79 feet to a tangent curve to the right having a radius of 25.00 feet, the radius point of which bears North 18 degrees 16 minutes 54 seconds West; thence westerly, northwesterly and northerly along said curve an arc distance of 40.91 feet to a point which bears South 75 degrees 29 minutes 07 seconds West from said radius point; thence North 14 degrees 30 minutes 53 seconds West a distance of 112.66 feet; thence South 78 degrees 07 minutes 28 seconds West a distance of 50.00 feet; thence North 14 degrees 30 minutes 53 seconds West a distance of 16.73 feet to a tangent curve to the right having a radius of 1225.00 feet, the radius point of which bears North 75 degrees 29 minutes 07 seconds East; thence northerly along said curve an arc distance of 263.57 feet to a point which bears South 87 degrees 48 minutes 46 seconds West from said radius point; thence South 81 degrees 01 minutes 44 seconds West a distance of 420.61 feet; thence North 08 degrees 58 minutes 16 seconds West a distance of 100.03 feet; thence North 31 degrees 07 minutes 37 seconds West a distance of 84.12 feet; thence North 00 degrees 00 minutes 00 seconds East a distance of 112.96 feet to a point on a non-tangent curve to the left having a radius of 40.00 feet, the radius point of which bears North 89 degrees 07 minutes 17 seconds West; thence northerly along said curve an arc distance of 8.96 feet to a point which bears North 78 degrees 02 minutes 19 seconds East from said radius point; thence North 11 degrees 57 minutes 41 seconds West a distance of 61.41 feet to a tangent curve to the right having a radius of 130.00 feet, the radius point of which bears North 78 degrees 02 minutes 19 seconds East; thence northerly along said curve an arc distance of 27.14 feet to a point which bears North 90 degrees 00 minutes 00 seconds West from said radius point; thence North 00 degrees 00 minutes 00 seconds East a distance of 55.25 feet to a tangent curve to the right having a radius of 130.00 feet, the radius point of which bears South 90 degrees 00 minutes 00 seconds East; thence northerly along said curve an arc distance of 10.38 feet to a point which bears North 85 degrees 25 minutes 27 seconds West from said radius point; thence North 04 degrees 34 minutes 33 seconds East a distance of 264.78 feet to a tangent curve to the left having a radius of 170.00 feet, the radius point of which bears North 85 degrees 25 minutes 27 seconds West; thence northerly along said curve an arc distance of 13.58 feet to a point which bears South 90 degrees 00 minutes 00 seconds East from said radius point; thence North 00 degrees 00 minutes 00 seconds East a distance of 186.08 feet to the Point of Beginning, containing 22.62 acres, more or less.

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EXHIBIT B

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**SURVEYOR'S CERTIFICATE
LAND DESCRIPTION**

A part of the West Half of Section 5, Township 18 North, Range 4 East, located in Washington Township, Hamilton County, Indiana, being more particularly described as follows:

Commencing at the northwest corner of the Northwest Quarter of said Section 5; thence South 00 degrees 03 minutes 28 seconds East (assumed bearing) along the West line of said Northwest Quarter 1875.40 feet to the POINT OF BEGINNING; thence North 89 degrees 56 minutes 32 seconds East 55.00 feet; thence North 78 degrees 12 minutes 35 seconds East 127.36 feet to a non-tangent curve to the right having a radius of 225.00 feet, the radius point of which bears North 78 degrees 12 minutes 35 seconds East; thence northerly along said curve an arc distance of 40.38 feet to a point which bears South 88 degrees 29 minutes 29 seconds West from said radius point; thence North 88 degrees 29 minutes 29 seconds East 159.99 feet; thence South 32 degrees 50 minutes 15 seconds East 68.52 feet; thence North 81 degrees 01 minutes 44 seconds East 113.00 feet; thence North 08 degrees 58 minutes 16 seconds East 6.98 feet; thence North 81 degrees 01 minutes 44 seconds East 420.61 feet to a non-tangent curve to the right having a radius of 1225.00 feet, the radius point of which bears North 87 degrees 49 minutes 36 seconds East; thence northerly along said curve an arc distance of 46.29 feet to a point which bears South 89 degrees 59 minutes 31 seconds West from said radius point; thence North 00 degrees 00 minutes 29 seconds West 237.06 feet; thence North 89 degrees 59 minutes 31 seconds East 40.00 feet to a non-tangent curve to the left having a radius of 25.00 feet, the radius point of which bears North 89 degrees 59 minutes 31 seconds East; thence southerly, southeasterly and easterly along said curve an arc distance of 39.27 feet to a point which bears South 00 degrees 00 minutes 00 seconds West from said radius point; thence South 90 degrees 00 minutes 00 seconds East 230.74 feet; thence North 00 degrees 00 minutes 00 seconds West 529.83 feet; thence South 89 degrees 00 minutes 37 seconds East 92.29 feet; thence South 04 degrees 45 minutes 59 seconds West 135.77 feet; thence South 87 degrees 29 minutes 59 seconds East 63.08 feet; thence South 37 degrees 16 minutes 51 seconds West 38.91 feet; thence South 10 degrees 29 minutes 04 seconds East 166.45 feet; thence South 43 degrees 04 minutes 55 seconds East 98.33 feet; thence South 25 degrees 06 minutes 19 seconds East 173.90 feet; thence South 25 degrees 12 minutes 12 seconds West 130.28 feet; thence South 32 degrees 19 minutes 22 seconds East 84.22 feet; thence South 46 degrees 26 minutes 24 seconds East 192.52 feet; thence South 07 degrees 59 minutes 38 seconds East 103.93 feet; thence South 13 degrees 12 minutes 09 seconds East 146.59 feet; thence North 88 degrees 45 minutes 25 seconds West 87.20 feet; thence South 01 degrees 14 minutes 39 seconds West 170.77 feet to the South line of the Northwest Quarter of said Section 5; thence North 88 degrees 45 minutes 21 seconds West along said South line 412.01 feet; thence North 00 degrees 00 minutes 29 seconds West 9.16 feet; thence South 89 degrees 59 minutes 31 seconds West 111.97 feet to a non-tangent curve to the left having a radius of 275.00 feet, the radius point of which bears South 81 degrees 25 minutes 35 seconds West; thence northerly along said curve an arc distance of 1.94 feet to a point which bears North 81 degrees 01 minutes 21 seconds East from said radius point; thence South 81 degrees 01 minutes 21 seconds West 50.00 feet to a non-tangent curve to the right having a radius of 225.00 feet, the radius point of which bears South 81 degrees 01 minutes 21 seconds West; thence southerly along said curve an arc distance of 107.46 feet to a point which bears South 71 degrees 36 minutes 45 seconds East from said radius point; thence North 85 degrees 55 minutes 34 seconds West 18.49 feet; thence South 72 degrees 13 minutes 19 seconds West 246.23 feet; thence South 82 degrees 03 minutes 21 seconds West 227.60 feet; thence North 87 degrees 58 minutes 11 seconds West 94.53 feet to a non-tangent curve to the left having a radius of 254.36 feet, the radius point of which bears North 80 degrees 00 minutes 29 seconds West; thence northerly along said curve an arc distance of 18.23 feet to a point which bears South 84 degrees 06 minutes 55 seconds East from said radius point; thence North 84 degrees 26 minutes 15 seconds West 50.00 feet to a non-tangent curve to the left having a radius of 16.71 feet to a point which bears North 89 degrees 55 minutes 55 seconds East from said radius point; thence North 00 degrees 04 minutes 06 seconds West 50.78 feet to the point of curvature of a curve to the left having a radius of 25.00 feet, the radius point of which bears South 89 degrees 55 minutes 54 seconds West; thence northerly, northwesterly and westerly along said curve an arc distance of 39.27 feet to a point which bears North 00 degrees 04 minutes 06 seconds West from said radius point; thence South 89 degrees 55 minutes 54 seconds West 159.11 feet to then point of curvature of a curve to the right having a radius of 232.50 feet, the radius point of which bears North 00 degrees 04 minutes 06 seconds West; thence westerly along said curve an arc distance of 82.97 feet to a point which bears South 20 degrees 22 minutes 38 seconds West from said radius point; thence South 23 degrees 14 minutes 19 seconds West 104.15 feet; thence North 72 degrees 56 minutes 44 seconds West 40.29 feet; thence South 53 degrees 29 minutes 35 seconds West 165.72 feet; thence South 00 degrees 04 minutes 06 seconds East 42.42 feet; thence South 89 degrees 55 minutes 54 seconds West 55.00 feet to the West line of the Southwest Quarter of said Section 5; thence North 00 degrees 04 minutes 06 seconds West along said West line 329.05 feet to the northwest corner of said Southwest Quarter; thence North 00 degrees 03 minutes 28 seconds West along the West line of the aforesaid Northwest Quarter 352.64 feet to the Point of Beginning, containing 28.489 acres, more or less.

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03/24/2009 08:08:47A 2 PGS
Jennifer J Hayden
HAMILTON County Recorder IN
Recorded as Presented

Cross Reference Instrument Nos. 2007009407, 2008015711, 2008018415, 2008018412, 2009003444

**FIRST AMENDMENT TO DECLARATION OF COVENANTS AND
RESTRICTIONS OF THE VILLAGES OF OAK MANOR PROPERTY OWNERSHIP**

This First Amendment to Declaration of Covenants and Restrictions of The Villages of Oak Manor Property Ownership ("First Amendment") is made this 17th day of March, 2009, by Hills Homes of Indiana, LLC, an Indiana limited liability company formerly known as Creekside Crossing, LLC, an Indiana limited liability company, successor by merger to Hills Oak Manor, LLC, an Indiana limited liability company ("Declarant").

WITNESSETH:

WHEREAS, Declarant executed a certain Declaration of Covenants and Restrictions of The Villages of Oak Manor Property Ownership dated February 12, 2007, and recorded in the Office of the Recorder of Hamilton County, Indiana ("Recorder") on February 21, 2007 as Instrument No. 2007009407, as supplemented by a Supplement to Declaration of Covenants and Restrictions of The Villages of Oak Manor Property Ownership recorded in the Office of the Recorder on March 26, 2008 as Instrument No. 2008015711 and a Supplemental Declaration of Covenants and Restrictions of The Villages at Oak Manor Property Ownership recorded in the Office of the Recorder on January 26, 2009 as Instrument No. 2009003444 (collectively, the "Declaration");

WHEREAS, Declarant desires to amend part of Section 18(e) of the Declaration relating to an Owner's initial contribution to the working capital of the Corporation; and

WHEREAS, Declarant is executing this First Amendment pursuant to Section 23(b) of the Declaration.

NOW, THEREFORE, the Declaration is amended as follow:

1. The Recitals set forth above are hereby incorporated by reference. In the event of any inconsistency between the provisions of this First Amendment and the Declaration, the terms and provisions of this First Amendment shall govern and control. Any capitalized term not otherwise defined herein shall have the meaning ascribed to it in the Declaration.
2. The last paragraph of Section 18(e) of the Declaration is hereby deleted in its entirety and replaced with the following:

"In addition, at the initial closing on the purchase of each Dwelling Unit or Condominium Unit (other than a conveyance to Declarant, a Section Declarant, an affiliate of Declarant or a builder approved by Declarant or Section Declarant who will not occupy the Dwelling Unit), the purchaser is required to pay a sum established by Declarant, which sum shall not be less than one-sixth (1/6) of the annual Master Regular Assessment or Master Guaranteed

Charge applicable to the Dwelling Unit of Condominium Unit or greater than the annual Master Regular Assessment or Master Guaranteed Charge applicable to the Dwelling Unit of Condominium Unit as his or her initial contribution to the working capital of the Corporation. This sum is not an advance payment of Master Regular Assessments or Master Guaranteed Charges and will not be held in any trust or reserve account. While the Declarant is in control of the Master Corporation, Declarant cannot use any of the working capital funds to defray Declarant's expenses, reserve contributions, or construction costs. Such working capital funds shall be available for immediate use by and shall be used by the Master Corporation for Master Common Expenses. After control of the Master Corporation is transferred to the Owners, the Declarant shall be responsible to collect the initial contribution to the working capital account and forward such funds to the Master Corporation.

3. All provisions of the Declaration not expressly modified or amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned Declarant has caused this First Amendment to be executed as of the day and year first above written.

HILLS HOMES OF INDIANA, LLC, an Indiana limited liability company formerly known as CREEKSIDE CROSSING, LLC, an Indiana limited liability company, successor by merger to HILLS OAK MANOR, LLC, an Indiana limited liability company

By: *Ian Guttman*
Printed: Ian Guttman
Title: Vice President

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

Before me, a Notary Public and for the State of Ohio, personally appeared Ian Guttman, by me known to be the Vice President of Hills Homes of Indiana, LLC, an Indiana limited liability company formerly known as Creekside Crossing, LLC, an Indiana limited liability company, successor by merger to Hills Oak Manor, LLC, an Indiana limited liability company, Declarant, who acknowledged the execution of the foregoing First Amendment to Declaration of Covenants and Restrictions of The Villages of Oak Manor Property Ownership on behalf of said limited liability



Witness my hand and seal this 17th day of March, 2009.

WENDY S. BASSMAN
Notary Public, State of Ohio
My Commission Expires
June 19, 2010

Wendy S. Bassman
Printed: Wendy S. Bassman
Notary Public

My Commission expires: June 19, 2010

My county of residence: Hamilton

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

This instrument prepared by, and after recording return to, Tammy K. Haney, Bose McKinney & Evans LLP, 111 Monument Circle, Suite 2700, Indianapolis, IN 46204

2009053424 AMND DECL \$29.00
09/04/2009 08:10:58A 6 PGS
Jennifer J Hayden
HAMILTON County Recorder IN
Recorded as Presented

Cross Reference Instrument Nos. 2007009407, 2008015711, 2008018415, 2008018412, 2009003444,
2009015975

**SECOND AMENDMENT TO DECLARATION OF COVENANTS AND
RESTRICTIONS OF THE VILLAGES OF OAK MANOR PROPERTY OWNERSHIP**

This Second Amendment to Declaration of Covenants and Restrictions of The Villages of Oak Manor Property Ownership ("Second Amendment") is made this 28 day of August, 2009, by Hills Homes of Indiana, LLC, an Indiana limited liability company formerly known as Creekside Crossing, LLC, an Indiana limited liability company, successor by merger to Hills Oak Manor, LLC, an Indiana limited liability company ("Declarant").

WITNESSETH:

WHEREAS, Declarant executed a certain Declaration of Covenants and Restrictions of The Villages of Oak Manor Property Ownership dated February 12, 2007, and recorded in the Office of the Recorder of Hamilton County, Indiana ("Recorder") on February 21, 2007 as Instrument No. 2007009407, as supplemented by a Supplemental Declaration of Covenants and Restrictions of The Villages of Oak Manor Property Ownership recorded in the Office of the Recorder on March 26, 2008 as Instrument No. 2008015711, a Supplemental Declaration of Covenants and Restrictions of the Villages of Oak Manor Property Ownership recorded in the Office of the Recorder on April 8, 2008 as Instrument No. 2008018415, a Supplemental Declaration of Covenants and Restrictions of The Villages at Oak Manor Property Ownership recorded on April 8, 2008 as Instrument No. 200818412, a Supplemental Declaration of Covenants and Restrictions of The Villages at Oak Manor Property Ownership recorded in the Office of the Recorder on January 26, 2009 as Instrument No. 2009003444 and a First Amendment to Declaration of Covenants and Restrictions of the Villages of Oak Manor Property Ownership recorded on March 24, 2009 as Instrument No. 2009015975 (collectively, the "Declaration");

WHEREAS, Declarant desires to replace Exhibits A and B to the Declaration with corrected exhibits; and

WHEREAS, Pursuant to Section 23(b) of the Declaration, Declarant is amending the Declaration as provided herein.

NOW, THEREFORE, the Declaration is amended as follow:

1. The Recitals set forth above are hereby incorporated by reference. In the event of any inconsistency between the provisions of this Second Amendment and the Declaration, the terms and provisions of this Second Amendment shall govern and control. Any capitalized term not otherwise defined herein shall have the meaning ascribed to it in the Declaration.
2. Exhibit A of the Declaration is hereby deleted in its entirety and replaced with Exhibit A attached hereto.

②

3. Exhibit B of the Declaration is hereby deleted in its entirety and replaced with Exhibit B attached hereto.
4. All provisions of the Declaration not expressly modified or amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned Declarant has caused this Second Amendment to be executed as of the day and year first above written.

HILLS HOMES OF INDIANA, LLC, an Indiana limited liability company formerly known as CREEKSIDE CROSSING, LLC, an Indiana limited liability company, successor by merger to HILLS OAK MANOR, LLC, an Indiana limited liability company

By: [Signature]
 Printed: Ian Guttman
 Title: Vice President

STATE OF OHIO)
) SS:
 COUNTY OF HAMILTON)

Before me, a Notary Public and for the State of Ohio, personally appeared Ian Guttman by me known to be the Vice President of Hills Homes of Indiana, LLC, an Indiana limited liability company formerly known as Creekside Crossing, LLC, an Indiana limited liability company, successor by merger to Hills Oak Manor, LLC, an Indiana limited liability company, Declarant, who acknowledged the execution of the foregoing Second Amendment to Declaration of Covenants and Restrictions of The Villages of Oak Manor Property Ownership on behalf of said limited liability company.



Wendy S. Bassman
 Notary Public, State of Ohio
 My Commission Expires June 19, 2010

Wendy S. Bassman
 Printed: Wendy S. Bassman
 Notary Public

My Commission expires: 06-19-2010 My county of residence: Hamilton

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

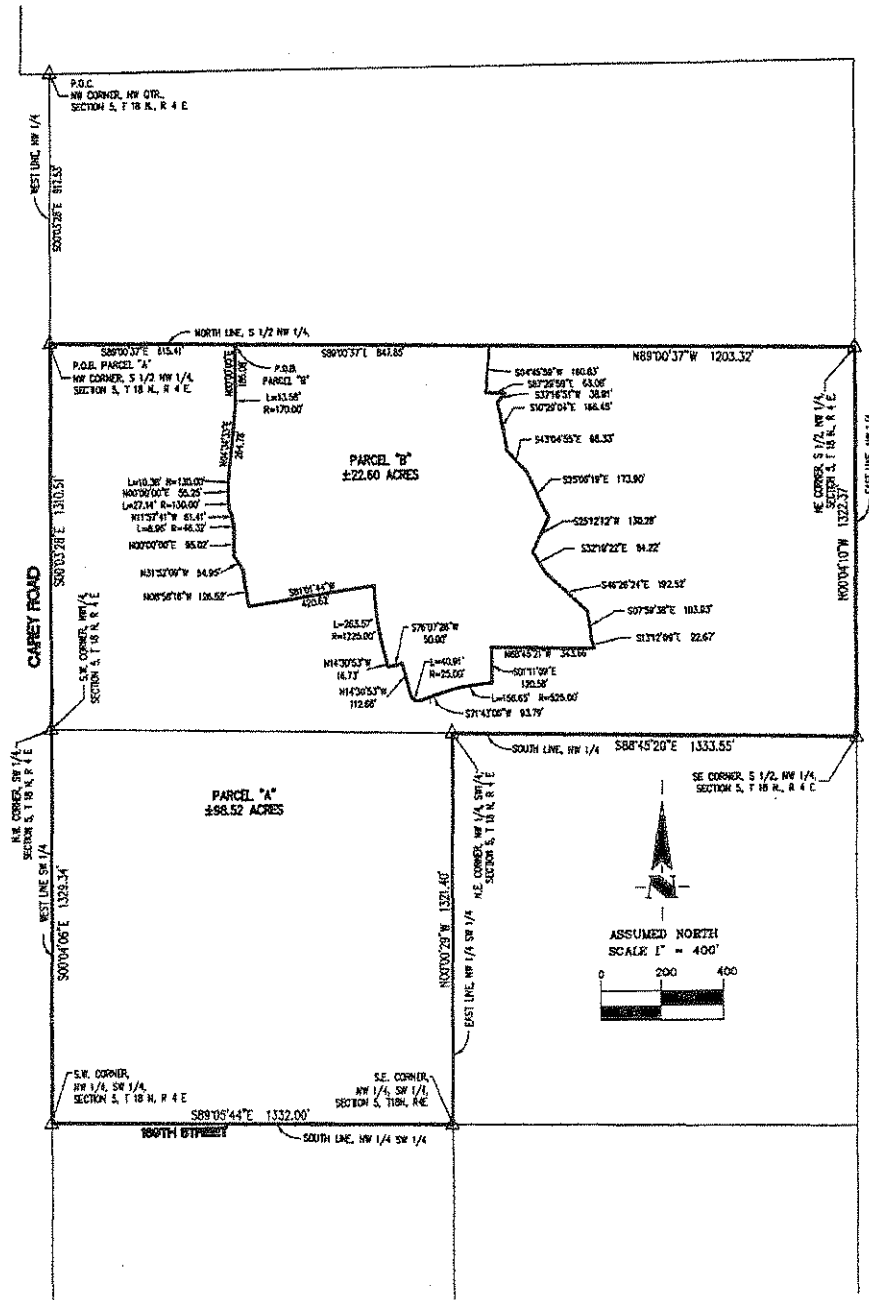
This instrument prepared by, and after recording return to, Tammy K. Haney, Bose McKinney & Evans LLP, 111 Monument Circle, Suite 2700, Indianapolis, IN 46204

EXHIBIT A



THE SCHNEIDER CORPORATION
 Historic Fort Harrison
 8901 Otis Avenue
 Indianapolis, IN 46216-1037
 Telephone: 317.826.7100
 Fax: 317.826.7200
 www.schneidercorp.com

Architecture
 Civil Engineering
 Environmental Engineering
 Geotechnical Services
 GIS • LRS
 Home Builder Services
 Interior Design
 Land Surveying
 Landscape Architecture
 Transportation Engineering



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Landscape Architecture
Transportation Engineering

PARCEL "A"

A part of the West Half of Section 5, Township 18 North, Range 4 East of the 2nd Principal Meridian, Washington Township, Hamilton County, Indiana, being described as follows:

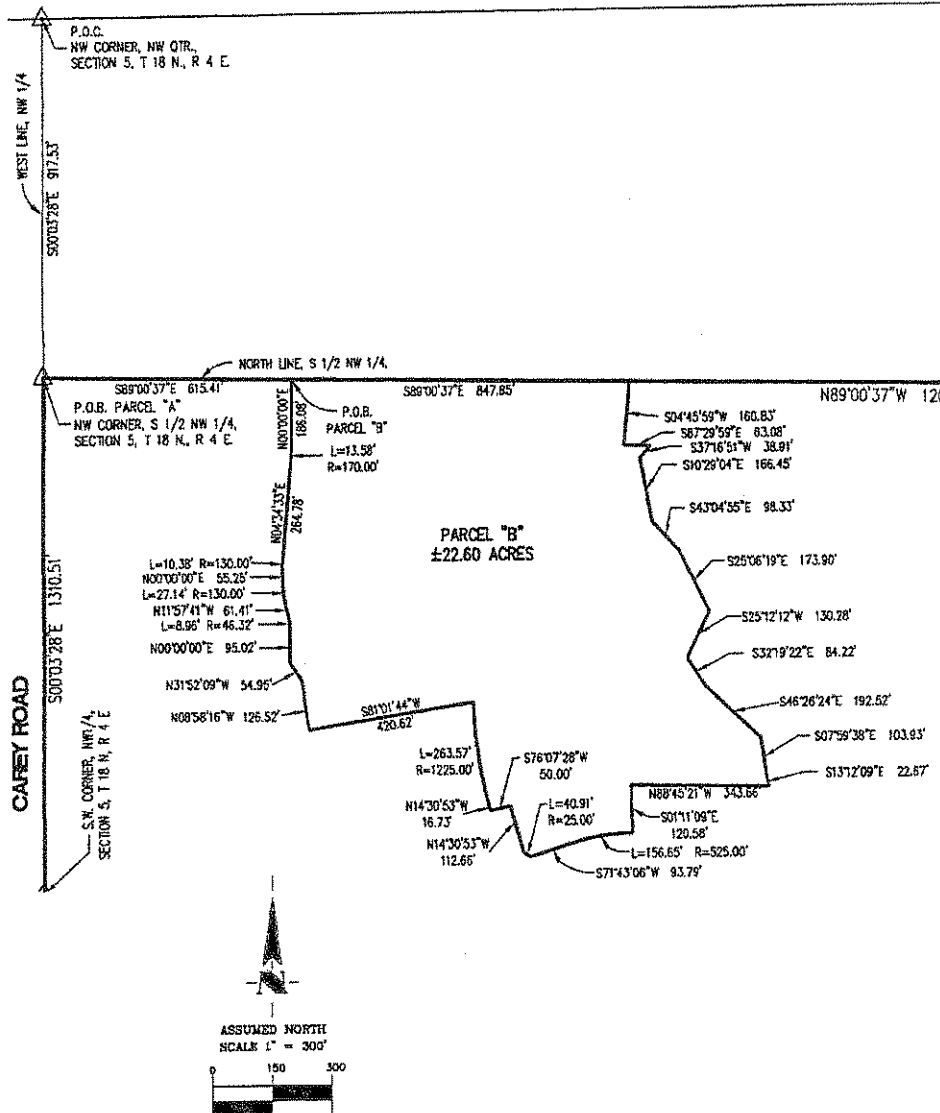
Commencing at the northwest corner of the Northwest Quarter of said Section 5; thence South 00 degrees 03 minutes 28 seconds East (bearings based on previous survey by the Schneider Corporation job number 4134.001 on an assumed bearing) along the West line of said Northwest Quarter a distance of 917.53 feet to the northwest corner of the South Half of said Northwest Quarter, being the POINT OF BEGINNING; thence continuing South 00 degrees 03 minutes 28 seconds East along said West line a distance of 1310.51 feet to the southwest corner of said Northwest Quarter; thence South 00 degrees 04 minutes 06 seconds East along the West line of the Southwest Quarter of said Section a distance of 1329.34 feet to the southwest corner of the Northwest Quarter of said Southwest Quarter; thence South 89 degrees 05 minutes 44 seconds East along the South line of said Quarter-Quarter a distance of 1332.00 feet to the southeast corner of said Quarter-Quarter; thence North 00 degrees 00 minutes 29 seconds West along the East line of said Quarter-Quarter a distance of 1321.40 feet to the northeast corner of said Quarter-Quarter; thence South 88 degrees 45 minutes 20 seconds East along the South line of said Northwest Quarter a distance of 1333.55 feet to the southeast corner of said Northwest Quarter; thence North 00 degrees 04 minutes 10 seconds West along the East line of said Northwest Quarter a distance of 1322.37 feet to the northeast corner of the South Half of said Northwest Quarter; thence North 89 degrees 00 minutes 37 seconds West along the North line of said Half Quarter a distance of 1203.32 feet; thence South 04 degrees 45 minutes 59 seconds West a distance of 160.83 feet; thence South 87 degrees 29 minutes 59 seconds East a distance of 63.08 feet; thence South 37 degrees 16 minutes 51 seconds West a distance of 38.91 feet; thence South 10 degrees 29 minutes 04 seconds East a distance of 166.45 feet; thence South 43 degrees 04 minutes 55 seconds East a distance of 98.33 feet; thence South 25 degrees 06 minutes 19 seconds East a distance of 173.90 feet; thence South 25 degrees 12 minutes 12 seconds West a distance of 130.28 feet; thence South 32 degrees 19 minutes 22 seconds East a distance of 84.22 feet; thence South 46 degrees 26 minutes 24 seconds East a distance of 192.52 feet; thence South 07 degrees 59 minutes 38 seconds East a distance of 103.93 feet; thence South 13 degrees 12 minutes 09 seconds East a distance of 22.67 feet; thence North 88 degrees 45 minutes 21 seconds West a distance of 343.66 feet; thence South 01 degrees 11 minutes 09 seconds East a distance of 120.58 feet to a non-tangent curve to the left having a radius of 525.00 feet, the radius point of which bears South 01 degrees 11 minutes 09 seconds East; thence westerly along said curve an arc distance of 156.65 feet to a point which bears North 18 degrees 16 minutes 54 seconds West from said radius point; thence South 71 degrees 43 minutes 06 seconds West a distance of 93.79 feet to a tangent curve to the right having a radius of 25.00 feet, the radius point of which bears North 18 degrees 16 minutes 54 seconds West; thence westerly, northwesterly and northerly along said curve an arc distance of 40.91 feet to a point which bears South 75 degrees 29 minutes 07 seconds West from said radius point; thence North 14 degrees 30 minutes 53 seconds West a distance of 112.66 feet; thence South 76 degrees 07 minutes 28 seconds West a distance of 50.00 feet; thence North 14 degrees 30 minutes 53 seconds West a distance of 16.73 feet to a tangent curve to the right having a radius of 1225.00 feet, the radius point of which bears North 75 degrees 29 minutes 07 seconds East; thence northerly along said curve an arc distance of 263.57 feet to a point which bears South 87 degrees 48 minutes 46 seconds West from said radius point; thence South 81 degrees 01 minutes 44 seconds West a distance of 420.62 feet; thence North 08 degrees 58 minutes 16 seconds West a distance of 126.52 feet; thence North 31 degrees 52 minutes 09 seconds West a distance of 54.95 feet; thence North 00 degrees 00 minutes 00 seconds East a distance of 95.02 feet to a tangent curve to the left having a radius of 46.32 feet, the radius point of which bears South 90 degrees 00 minutes 00 seconds West; thence northerly along said curve an arc distance of 8.96 feet to a point which bears North 78 degrees 55 minutes 02 seconds East from said radius point; thence North 11 degrees 57 minutes 41 seconds West a distance of 61.41 feet to a tangent curve to the right having a radius of 130.00 feet, the radius point of which bears North 78 degrees 02 minutes 19 seconds East; thence northerly along said curve an arc distance of 27.14 feet to a point which bears South 90 degrees 00 minutes 00 seconds West from said radius point; thence North 00 degrees 00 minutes 00 seconds East a distance of 55.25 feet to a tangent curve to the right having a radius of 130.00 feet, the radius point of which bears North 90 degrees 00 minutes 00 seconds East; thence northerly along said curve an arc distance of 10.38 feet to a point which bears North 85 degrees 25 minutes 27 seconds West from said radius point; thence North 04 degrees 34 minutes 33 seconds East a distance of 264.78 feet to a tangent curve to the left having a radius of 170.00 feet, the radius point of which bears North 85 degrees 25 minutes 27 seconds West; thence northerly along said curve an arc distance of 13.58 feet to a point which bears South 90 degrees 00 minutes 00 seconds West from said radius point; thence North 00 degrees 00 minutes 00 seconds East a distance of 186.08 feet to the North line of the South Half of the Northwest Quarter; thence North 89 degrees 00 minutes 37 seconds West along said North line a distance of 615.41 feet to the Point of Beginning, containing 98.52 acres, more or less.

EXHIBIT B



THE SCHNEIDER CORPORATION
 Historic Fort Harrison
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 Indianapolis, IN 46216-1037
 Telephone: 317.826.7100
 Fax: 317.826.7200
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 Civil Engineering
 Environmental Engineering
 Geotechnical Services
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 Interior Design
 Land Surveying
 Landscape Architecture
 Transportation Engineering



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GIS • LIS
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Land Surveying
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Transportation Engineering

PARCEL "B"

A part of the West Half of Section 5, Township 18 North, Range 4 East of the 2nd Principal Meridian, Washington Township, Hamilton County, Indiana, being described as follows:

Commencing at the northwest corner of the Northwest Quarter of said Section 5; thence South 00 degrees 03 minutes 28 seconds East (bearings based on previous survey by the Schneider Corporation job number 4134.001 on an assumed bearing) along the West line of said Northwest Quarter a distance of 917.53 feet to the northwest corner of the South Half of said Northwest Quarter; thence South 89 degrees 00 minutes 37 seconds East along the North line of said South Half a distance of 615.41 feet to the Point of Beginning; thence continuing South 89 degrees 00 minutes 37 seconds East along said North line a distance of 847.85 feet; thence South 04 degrees 45 minutes 59 seconds West a distance of 160.83 feet; thence South 87 degrees 29 minutes 59 seconds East a distance of 63.08 feet; thence South 37 degrees 16 minutes 51 seconds West a distance of 38.91 feet; thence South 10 degrees 29 minutes 04 seconds East a distance of 166.45 feet; thence South 43 degrees 04 minutes 55 seconds East a distance of 98.33 feet; thence South 25 degrees 06 minutes 19 seconds East a distance of 173.90 feet; thence South 25 degrees 12 minutes 12 seconds West a distance of 130.28 feet; thence South 32 degrees 19 minutes 22 seconds East a distance of 84.22 feet; thence South 46 degrees 26 minutes 24 seconds East a distance of 192.52 feet; thence South 07 degrees 59 minutes 38 seconds East a distance of 103.93 feet; thence South 13 degrees 12 minutes 09 seconds East a distance of 22.67 feet; thence North 88 degrees 45 minutes 21 seconds West a distance of 343.66 feet; thence South 01 degrees 11 minutes 09 seconds East a distance of 120.58 feet to a non-tangent curve to the left having a radius of 525.00 feet, the radius point of which bears South 01 degrees 11 minutes 09 seconds East; thence westerly along said curve an arc distance of 156.65 feet to a point which bears North 18 degrees 16 minutes 54 seconds West from said radius point; thence South 71 degrees 43 minutes 06 seconds West a distance of 93.79 feet to a tangent curve to the right having a radius of 25.00 feet, the radius point of which bears North 18 degrees 16 minutes 54 seconds West; thence westerly, northwesterly and northerly along said curve an arc distance of 40.91 feet to a point which bears South 75 degrees 29 minutes 07 seconds West from said radius point; thence North 14 degrees 30 minutes 53 seconds West a distance of 112.66 feet; thence South 76 degrees 07 minutes 28 seconds West a distance of 50.00 feet; thence North 14 degrees 30 minutes 53 seconds West a distance of 16.73 feet to a tangent curve to the right having a radius of 1225.00 feet, the radius point of which bears North 75 degrees 29 minutes 07 seconds East; thence northerly along said curve an arc distance of 263.57 feet to a point which bears South 87 degrees 48 minutes 46 seconds West from said radius point; thence South 81 degrees 01 minutes 44 seconds West a distance of 420.62 feet; thence North 08 degrees 58 minutes 16 seconds West a distance of 126.52 feet; thence North 31 degrees 52 minutes 09 seconds West a distance of 54.95 feet; thence North 00 degrees 00 minutes 00 seconds East a distance of 95.02 feet to a tangent curve to the left having a radius of 46.32 feet, the radius point of which bears South 90 degrees 00 minutes 00 seconds West; thence northerly along said curve an arc distance of 8.96 feet to a point which bears North 78 degrees 55 minutes 02 seconds East from said radius point; thence North 11 degrees 57 minutes 41 seconds West a distance of 61.41 feet to a tangent curve to the right having a radius of 130.00 feet, the radius point of which bears North 78 degrees 02 minutes 19 seconds East; thence northerly along said curve an arc distance of 27.14 feet to a point which bears South 90 degrees 00 minutes 00 seconds West from said radius point; thence North 00 degrees 00 minutes 00 seconds East a distance of 55.25 feet to a tangent curve to the right having a radius of 130.00 feet, the radius point of which bears North 90 degrees 00 minutes 00 seconds East; thence northerly along said curve an arc distance of 10.38 feet to a point which bears North 85 degrees 25 minutes 27 seconds West from said radius point; thence North 04 degrees 34 minutes 33 seconds East a distance of 264.78 feet to a tangent curve to the left having a radius of 170.00 feet, the radius point of which bears North 85 degrees 25 minutes 27 seconds West; thence northerly along said curve an arc distance of 13.58 feet to a point which bears South 90 degrees 00 minutes 00 seconds West from said radius point; thence North 00 degrees 00 minutes 00 seconds East a distance of 186.08 feet to the Point of Beginning, containing 22.60 acres, more or less.

22

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12/14/2009 11:25:08A 13 PGS
Jennifer J Hayden
HAMILTON County Recorder IN
Recorded as Presented

Cross Reference: 2007009407

2008015711

2008018415

2008018412

2009003444

2009015975

2009053424

**THIRD AMENDMENT TO DECLARATION OF
COVENANTS AND RESTRICTIONS OF THE VILLAGES OF OAK MANOR
PROPERTY OWNERSHIP**

This Third Amendment to Declaration of Covenants and Restrictions of the Villages of Oak Manor Property Ownership is made this 9th day of December, 2009, by Hills Homes of Indiana, LLC, an Indiana limited liability company, formerly known as Creekside Crossing, LLC, an Indiana limited liability company successor by merger recorded as Instrument No. 2007-000215 to Hills Oak Manor, LLC, an Indiana limited liability company ("Declarant").

W I T N E S S E T H:

WHEREAS, the following facts are true:

A. WHEREAS, Declarant executed a certain Declaration of Covenants and Restrictions of The Villages of Oak Manor Property Ownership dated February 12, 2007, and recorded in the Office of the Recorder of Hamilton County, Indiana ("Recorder") on February 21, 2007 as Instrument No. 2007009407, as supplemented by a Supplemental Declaration of Covenants and Restrictions of The Villages of Oak Manor Property Ownership recorded in the Office of the Recorder on March 26, 2008 as Instrument No. 2008015711, a Supplemental Declaration of Covenants and Restrictions of the Villages of Oak Manor Property Ownership recorded in the Office of the Recorder on April 8, 2008 as Instrument No. 2008018415, a Supplemental Declaration of Covenants and Restrictions of The Villages at Oak Manor Property Ownership recorded on April 8, 2008 as Instrument No. 200818412, a Supplemental Declaration of Covenants and Restrictions of The Villages at Oak Manor Property Ownership recorded in the Office of the Recorder on January 26, 2009 as Instrument No. 2009003444, a First Amendment to Declaration of Covenants and Restrictions of the Villages of Oak Manor Property Ownership recorded on March 24, 2009 as Instrument No. 2009015975 and a Second Amendment to Declaration of Covenants and Restrictions of the Villages of Oak Manor Property Ownership recorded on September 4, 2009 as Instrument No. 2009053424 (collectively, the "Declaration");

B. The merger of Hills Oak Manor, LLC into Creekside Crossing, LLC and the change of name of Creekside Crossing, LLC to Hills Homes of Indiana, LLC are recorded as Instrument No. 2007-000216 of the miscellaneous official records of Hamilton County, Indiana. Based upon such merger and change of name, Hills Homes of Indiana, LLC is the Declarant under the Declaration.

C. Pursuant to Section 23(b) of the Declaration, Declarant desires to amend the Declaration relating to the rights of Declarant regarding the expansion and development of the Villages of Oak Manor and/or the Master Real Estate.

NOW THEREFORE, the Declaration is amended as follows:

1. Paragraph 11(b)(ii) is deleted in its entirety and replaced with the following:

- (ii) Class B Members shall be Declarant and all successors and assigns of Declarant (including, at Declarant's option, a builder purchasing one (1) or more Lot or Condominium Unit) designated by Declarant as Class B Members in a written notice mailed or delivered to the Secretary of the Master Corporation. Each Class B Member shall be entitled to ten (10) votes for each Lot or Condominium Unit of which it is the Owner on all matters requiring a vote of the Members of the Master Corporation. The Class B membership shall cease and terminate upon the Applicable Date, which shall be the first to occur of (i) the date upon which the written resignation without replacement of all Class B Members is delivered to the Secretary of the Master Corporation, (ii) the date when at least seventy-five percent (75%) of all Lots platted or planned in The Villages of Oak Manor and seventy-five percent (75%) of all Condominium Units planned in Lancashire at Oak Manor have been conveyed to Owners other than entities designated by Declarant as Class B Members, or (iii) December 31, 2032.

2. Paragraph 23(a)(v) is deleted in its entirety and replaced with the following:

- (v) Special Amendments. No amendment to this Master Declaration shall be adopted which changes (1) the applicable share of an Owner's liability for the Master Common Expenses, or the method of determining the same, or (2) the provisions of Paragraph 20 of this Master Declaration with respect to casualty insurance to be maintained by the Master Corporation, or (3) the provisions of Paragraph 21 of this Master Declaration with respect to reconstruction or repair of the Master Common Area, or the provisions of Paragraph 21 with respect to the reconstruction or repair of the Master Common Area and/or a Dwelling Unit, in the event of fire or any other casualty or disaster, or (4) the provisions of Paragraph 18 of this Master Declaration with respect to the commencement of assessments on any Lot, or (5) the provisions of Paragraph 12 relating to the makeup of the Board and the duties of the Master Board and the Master Corporation without, in each and any of such circumstances, or (6) the

provisions of Paragraph 17 of this Master Declaration establishing the Architectural Review Board and providing for its functions without, in each and any of such circumstances the unanimous approval of all Owners, including Declarant so long as Declarant owns any Lot, and of all Mortgagees whose mortgage interests have been made known to the Master Board of Directors in accordance with the provisions of this Master Declaration. No amendment to this Master Declaration which changes the provisions of Paragraphs 23(b) or 37 shall be adopted without the written consent of Declarant so long as Declarant owns any Lot, Condominium Unit or any part of the Master Real Estate.

3. Paragraph 23(b) is deleted in its entirety and replaced with the following:

Amendments by Declarant Only. Notwithstanding the foregoing or anything elsewhere contained herein or in any other documents, the Declarant shall have and hereby reserves the right and power acting alone and without the consent or approval of the Owners, the Master Corporation, the Master Board of Directors, any Mortgagees or any other person to amend or supplement this Master Declaration at any time and from time to time if such amendment or supplement is made (a) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Master Corporation, the Department of Housing & Urban Development, the Federal Housing Association, the Veteran's 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 such entities, (b) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Lots, Dwelling Units and Condominium Units, (c) to bring this Master Declaration into compliance with any statutory requirements, (d) to correct clerical, typographical or other errors in this Master Declaration or any Exhibit hereto or any supplement or amendment thereto, (e) to clarify Declarant's original intent, (f) to expand or subject to this Master Declaration additional portions of the Master Real Estate by Supplemental Master Declarations, or (g) to amend Paragraph 37. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to vote in favor of, make, or consent to any amendments described in this Paragraph 23 on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot or Dwelling Unit or Condominium Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Declarant to vote in favor of, make, execute and record any such amendments. The right of the Declarant to act pursuant to rights reserved or granted under this Paragraph 23 shall terminate at such time as the Declarant no longer holds or controls title to any Lot, Condominium Unit or any part or portion of the Master Real Estate.

4. Paragraph 24 is deleted in its entirety and replaced with the following:

24. Dispute Resolution

(a) Introduction

The Section Corporations, Master Corporation, Owners, Declarant, and all persons subject to this Declaration (collectively, the "Parties") agree to encourage the amicable resolution of disputes involving matters such as the initial construction and development of the Master Tract or any Section Tract, the repair, restoration or replacement of the Master Tract or any Section Tract, contributions to the Master Regular Assessments, Section Regular Assessments, Master Replacement Reserve, Section Replacement Reserve (if applicable), and working capital fund, and the budget, including Master Common Expense and Section Common Expense. To that end, and to avoid the financial and emotional costs associated with litigation, the Parties agree that should a Claim (as defined below) arise out of or be in relation to the Master Tract, any Section Tract or any Governing Documents (as defined below), and the Parties are unable to resolve the Claim through direct discussion, the Parties shall attempt in good faith to resolve the Claim promptly by mediation between the Parties. If the mediation does not prove successful, either Party may seek to resolve the Claim through proceedings in any Court with jurisdiction over the Claim. Accordingly, each Party covenants and agrees that this Article applies to all Claims.

(b) Definitions

- (i) "Claim" means any grievance or dispute between Parties involving the Master Tract, any Section Tract or Governing Documents, except Exempt Claims as they are defined below. "Claims" include, without limitation:
 - A. Claims arising out of or relating to the interpretation, application, or enforcement of the Governing Documents.
 - B. Claims relating to the rights and/or duties of Parties under the Governing Documents.
 - C. Claims relating to the design, construction, or maintenance of the Master Tract and any Section Tract.
- (ii) "Claimant" means any Party having a Claim against any other Party.
- (iii) "Exempt Claims" refers to grievances or actions which are exempt from this Article, "Exempt Claims" include:
 - A. The Master Corporation or Section Corporation's claim for Assessments due from an Owner (other than Declarant), and any action by the Master Corporation or Section

Corporation to collect Assessments from an Owner (other than Declarant).

- B. An action by a Party to obtain a temporary restraining order or equivalent emergency equitable relief to maintain the status quo and preserve the Party's ability to enforce the provisions of this Section Declaration.
- C. Enforcement of the easements, architectural control and use restrictions of this Master Declaration or a Section Declaration.
- D. A suit to which an applicable statute of limitations would expire within the notice period of this Article, unless a Party against whom the Claim is made agrees to toll the statute of limitations as to the Claim for the period reasonably necessary to comply with this Article.
- E. A dispute that is subject to alternate dispute resolution - such as mediation or arbitration - by the terms of applicable law or another instrument, such as a contract or warranty agreement, in which case the dispute is exempt from this Article, unless the Parties agree to have the dispute governed by this Article.

(iv) "Respondent" means any Party responding to a Claim.

(v) "Governing Documents" means, singly or collectively as the case may be, a Section Declaration, the Master Declaration, the Condominium Plans, the Plat, any Section Bylaws, any Section Articles, the Master Articles and the Master By-Laws, as any of these may be amended from time to time. An appendix, exhibit, schedule, or certification accompanying a Governing Document is a part of that Governing Document.

(c) Mediation

- (i) Notice. Claimant must notify Respondent of his demand for mediation of his Claim in writing (the "Claim Notice"), stating plainly and concisely: (1) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim; (2) the basis of the Claim (i.e., the provision of the Governing Documents or other authority out of which the Claim arises); (3) what Claimant wants Respondent to do or not do to resolve the Claim; and (4) that the Claim Notice is given pursuant to this Section.

- (ii) Location of Mediation. The location of any mediation will be Hamilton County, Indiana.
- (iii) Choice of Mediator. Once a Respondent receives a Claim Notice, the Respondent will have twenty (20) days to respond to the Claimant's Claims. Within ten (10) days after the Respondent submits his response, both Parties must also exchange a list of five (5) acceptable mediators. The mediation will be conducted by a single mediator mutually agreed to by the Parties from the mediator list. If the Parties do not have a mutually agreeable mediator on their lists, the Parties will have to reach an agreement upon a mediator with the only requirement being that the mediator must have experience serving as a mediator and must have technical knowledge or expertise appropriate to the subject matter of the Claim. The Parties will have ten (10) days to agree to a mediator after the lists have been exchanged.
- (iv) Role of Mediator. Once the date of the first formal mediation session is set, the mediator may require the Parties to submit (a) a mediation statement clarifying the disputed issues, as well as each Party's position and a summary of arguments supporting that position, and (b) the name and title of the person or persons who will attend and have authority to make settlement decisions binding on the respective Parties. At all times during the mediation process, the mediator will maintain impartiality, though he may give his views, opinions or settlement proposals as a means to move the dispute toward resolution. However, the mediator's views, opinions, and settlement proposals shall not be deemed to be legal advice. Information exchanged during the mediation is confidential unless it otherwise would be discoverable or admissible at another legal proceeding.
- (v) Waiver of Mediation. If Claimant does not submit the required list of mediators, cannot reach an agreement with Respondent as to an acceptable mediator within the ten days after the lists of mediators have been exchanged, ever fails to attend a formal mediation session, or in any other way fails to participate in the mediation process, the Claimant will be deemed to have waived the Claim and the Respondent will be released and discharged from any and all liability to Claimant on account of the Claim.

- (vi) Enforcement of Resolution. Any settlement of a Claim through initial negotiation or subsequent mediation will be documented in writing and signed by the Parties. Any settlement agreement that they may enter into during the mediation process is fully binding and enforceable by any Court with jurisdiction of the Claim. Thus, if any Party thereafter fails to abide by the terms of the agreement, then the other Party may file suit or initiate administrative proceedings to enforce the agreement without the need to again comply with the procedures set forth in this Section. In that event, the Party taking action to enforce the agreement is entitled to recover from the non-complying Party all costs incurred in enforcing the agreement, including, without limitation, attorneys fees and court costs.
- (vii) Termination of Mediation. If the Parties do not settle the Claim within sixty (60) days after the Claim Notice, or within a time deemed reasonable by the mediator, the mediator will issue a notice of termination of the mediation proceedings indicating that the Parties are at an impasse and the date that mediation was terminated. Thereafter, either Party may institute proceedings in any Court with jurisdiction of the Claim.
- (viii) Partial Resolution of Claims. If the Parties were able to resolve some, but not all, of the Claims at issue at the mediation, then the issues that were resolved will be documented in writing and signed by the Parties as provided in sub-paragraph (vi) above. These claims will not be at issue in the any subsequent Court proceedings and shall be enforced in the same manner as discussed in sub-paragraph (vi) above.
- (ix) Allocation of Costs. Each Party bears all of its own costs incurred prior to and during the proceedings described above, including its attorneys fees. Respondent and Claimant will equally divide all expenses and fees charged by the mediator.

d. Declarant's Right to Cure. INDIANA CODE SECTION 32-27-3 CONTAINS IMPORTANT REQUIREMENTS THE MASTER CORPORATION, ANY SECTION CORPORATION OR AN OWNER MUST FOLLOW BEFORE THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER MAY FILE A LAWSUIT FOR DEFECTIVE CONSTRUCTION AGAINST DECLARANT. SIXTY (60) DAYS BEFORE THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER FILES A LAWSUIT, THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER MUST DELIVER TO DECLARANT A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS

THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER ALLEGES ARE DEFECTIVE AND PROVIDE DECLARANT THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR OR PAY FOR THE DEFECTS. THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER IS NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY DECLARANT. HOWEVER, IF THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER UNREASONABLY REJECTS A REASONABLE WRITTEN OFFER AND COMMENCES AN ACTION AGAINST DECLARANT, A COURT MAY AWARD ATTORNEY'S FEES AND COSTS TO DECLARANT. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER INDIANA STATE LAW, AND FAILURE TO FOLLOW THEM MAY AFFECT THE MASTER CORPORATION, A SECTION CORPORATION OR AN OWNER ABILITY TO FILE A LAWSUIT.

THE PARTIES AGREE THAT THE FOREGOING RIGHT TO CURE SHALL APPLY TO ANY CLAIM RELATED TO DEFECTIVE CONSTRUCTION. PRIOR TO PROVIDING A CLAIM NOTICE FOR MEDIATION OR ATTEMPTING TO COMMENCE A LAWSUIT RELATED TO DEFECTIVE CONSTRUCTION, SUCH PARTY SHALL COMPLY WITH THE REQUIREMENTS OF THIS SUBPARAGRAPH (D).

5. Paragraph 36 is deleted in its entirety and replaced with the following:

Expanding the Master Real Estate that is Subject to the Master Declaration. Master Phase 1 (as described in paragraph D of the recitals of this Master Declaration) is the Master Real Estate being subjected to this Master Declaration and constitutes Phase 1 of the general plan of development of the Master Real Estate. The balance of the Master Real Estate is the additional Master Real Estate that Declarant has the right, but not the obligation, to subject to the terms and provisions of this Master Declaration. The maximum number of Lots and Condominium Units which may be developed on the Master Real Estate is set forth in each Section Declaration. Subject to such limits as to the maximum number of Lots and Condominium Units to be developed on the Master Real Estate, and the obligations and restrictions contained in this Master Declaration, The Villages of Oak Manor may be expanded by Declarant to include additional portions of the Master Real Estate in one or more additional Sections by the execution and recording of one or more amendments or supplements to this Master Declaration and one or more Plats or Condominium Plans; provided, however, that no single exercise of such right and option of expansion as to any part or parts of the Master Real Estate shall preclude Declarant from time to time further expanding The Villages of Oak Manor to include other portions of the Master Real Estate and such right and option of expansion may be exercised by Declarant from time to time as to all or any portions of the Master Real Estate so long as such expansion is done on or before December 31, 2032 (the "Expansion Period"). Such expansion is entirely at the discretion of Declarant and nothing contained in this original Master Declaration or otherwise shall require Declarant to expand The Villages of Oak Manor beyond Master Phase 1 or any other portion of the real estate which Declarant may voluntarily in its sole discretion, from time to time, subject to this Master Declaration by amendments or supplements to this Master Declaration as provided above. Simultaneously with the recording of the amendments or

supplements to this Master Declaration expanding The Villages of Oak Manor, Declarant shall record an additional plat encompassing the portion of the real estate to be subjected to this Master Declaration. To the extent allowed under applicable law, Declarant reserves the right to add additional contiguous Master Real Estate to the real estate, which additional real estate may, in Declarant's discretion, have the use and benefit of the Master Common Area provided herein. On the filing of a supplement to this Master Declaration, the portion of the real estate or other real estate described in such amendment or supplement to this Master Declaration shall be governed in all respects by the provisions of this Master Declaration. To the extent that there are any inconsistencies or discrepancies between any Plat or Condominium Plans and this Master Declaration or any amendment or supplements thereto, the terms of this Master Declaration shall control.

6. A new paragraph 37 is added as follows:

37. DECLARANT'S ADDITIONAL RESERVED RIGHTS.

(a) If, at any time, and from time to time, any portion of the Master Real Estate has not been subjected and submitted to this Master Declaration by an amendment or supplement to this Master Declaration and the owner or owners of such portion or portions of the Master Real Estate not so subjected to the Master Declaration develop single or multi-family dwelling units on such portions then the owner or owners of such portions of the Master Real Estate shall have the benefit of the Master Common Areas or portions thereof, to include the roads, the recreational facilities and associated facilities, for the use of the persons and families living in such dwelling units upon the same terms and conditions as the use of such Master Common Areas by the owners of the Lots, Condominium Units, their families and guests. The owner or owners of such portions of the Master Real Estate shall then pay for the use of such facilities based on the cost of operation and maintenance of such facilities for the year of such usage and based on the number of living units so entitled to utilize such facilities in proportion to all of the living units on the Master Real Estate. The owner or owners of such living units shall make payments for the usage provided herein to the Master Corporation at the same time as the Owners of the Lots and Condominium Units pay their assessments to the Master Corporation. Such development may include the creation of a separate homeowners or similar association.

(b) Declarant shall have, and hereby reserves, an easement over, across, upon, along, in, through and under the Master Common Areas for the purposes of installing, maintaining, repairing, replacing, relocating and otherwise servicing utility equipment, facilities and installations to serve the Master Tract and any portions of the Master Real Estate which are not part of the Master Tract, to provide access to and ingress and egress to and from the Master Tract and to any such portions of the Master Real Estate which are not part of the Master Tract, to make improvements to and within the Master Tract and any such portions of the Master Real Estate which are not part of the Master Tract, to use the Master Tract for marketing purposes for the Hills at Oak Manor and other condominium projects which are being developed by Declarant and to provide for the

rendering of public and quasi-public services to the Master Tract and such portions of the Master Real Estate which are not part of the Master Tract.

(c) General Reservation and Construction. No Mortgagee, other Owner, or the Master Corporation may prevent or interfere with the rights contained in this Paragraph 37 that Declarant hereby reserves exclusively unto itself and its successors and assigns. The terms and provisions of this Paragraph 37 must be construed liberally to give effect to Declarant's intent to protect Declarant's interests in the Master Tract and Master Real Estate. The rights in this Paragraph 37 are in addition to any other rights reserved in this Master Declaration by Declarant.

(d) Purpose of Expansion Period. This Paragraph 37 gives Declarant certain rights during the Expansion Period to ensure a complete and orderly buildout and sellout of the Villages at Oak Manor, which is ultimately for the benefit and protection of Owners and Mortgagees.

(e) Changes in Development Plan. Declarant may modify the initial development plan to respond to perceived or actual changes and opportunities in the marketplace. Modifications may include, without limitation, changes in the sizes, styles, configurations, materials, and appearances of buildings, Lots, Condominium Units, and Master Common Areas.

(f) Architectural Control. During the Expansion Period, Declarant has the absolute right to exercise architectural control over the Master Tract and the Master Real Estate. Neither the Master Corporation, the Master Board of Directors, nor a committee appointed by the Master Corporation or the Master Board of Directors (no matter how the committee is named), may involve itself with the approval of improvements, alterations, modifications or other physical changes on the Master Tract and the Master Real Estate. Each Owner, by accepting an interest in or title to a Lot or a Condominium Unit, whether or not it is so expressed in the instrument of conveyance, covenants and agrees that Declarant has a substantial interest in ensuring that the improvements within the Master Tract and the Master Real Estate enhance Declarant's reputation as a community developer and do not impair Declarant's ability to market the Master Tract and the Master Real Estate. Accordingly, each Owner and the Association acknowledges and agrees that - during the Expansion Period - no improvements will be started or progressed on any Master Common Area, any part of the Master Tract or any part of the Master Real Estate without the prior written approval of Declarant, which approval may be granted or withheld at Declarant's sole discretion. In reviewing and acting on an application for approval, Declarant may act in its self-interest and owes no duty to any other person or any organization. Declarant may designate one or more persons (such as Declarant's own employees) from time to time to act on its behalf in reviewing and responding to applications. During the Expansion Period, Declarant may from time to time, but is not obligated to, delegate all or a portion of its reserved rights under this Paragraph 37 to any person or persons deemed by Declarant to be qualified to exercise architectural control. Any such delegation is at all times subject to the unilateral rights of Declarant (1) to revoke such delegation at any time and reassume jurisdiction over the matters previously

delegated and (2) to veto any decision which Declarant in its sole discretion determines to be inappropriate or inadvisable for any reason.

(g) Completion. During the Expansion Period, Declarant has (1) the right to complete or make improvements indicated on any development plan; and (2) an easement and right to erect, construct, and maintain on and any part of the Master Tract and the Master Real Estate owned by Declarant whatever Declarant determines to be necessary or advisable in connection with the construction, completion, management, maintenance, leasing, and marketing of the Master Real Estate.

(h) Promotion. During the Expansion Period, Declarant reserves for itself an easement and right to place or install signs, banners, flags, display lighting, potted plants, exterior decorative items, seasonal decorations, temporary window treatments, and seasonal landscaping on the Master Tract and the Master Real Estate, including items and locations that are prohibited to other Owners. Declarant reserves an easement and right to maintain, relocate, replace, or remove the same from time to time within the Master Tract and the Master Real Estate. Declarant also reserves the right to sponsor marketing events - such as open houses, MLS tours, and brokers parties - to promote the sale of Lots, Condominium Units, or the Master Real Estate.

(i) Offices. During the Expansion Period, Declarant reserves for itself the right to use Lots, Condominium Units and models owned by Declarant as models, storage areas, and offices for the marketing, management, maintenance, customer service, construction, and leasing of the Master Tract and the Master Real Estate and/or Declarant's developments or other products located outside the Master Tract and the Master Real Estate.

(j) Access. During the Expansion Period, Declarant has an easement and right of ingress and egress in and through the Master Tract and the Master Real Estate for purposes of constructing, maintaining, managing, and marketing the Master Tract and the Master Real Estate.

(k) Utility Easements. During the Expansion Period, Declarant may grant permits, licenses, and easements over, in, on, under, and through the Master Tract and the Master Real Estate for utilities, roads, and other purposes necessary for the proper development and operation of the Master Tract and the Master Real Estate.

(l) Successor Declarant. Declarant may designate one or more Successor Declarants for specified designated purposes and/or for specified portions of the Real Estate, or for all purposes and all of the Master Real Estate. To be effective, the designation must be in writing, signed and acknowledged by Declarant and Successor Declarant, and recorded in the Office of the Recorder of Hamilton County. Declarant (or Successor Declarant) may subject the designation of Successor Declarant to limitations and reservations. Unless the designation of Successor Declarant provides otherwise, a Successor Declarant has the rights of Declarant under this Section and may designate further Successor Declarants.

(m) Easements. In furtherance of the rights reserved and the easements retained in this Paragraph 37, the Master Corporation shall grant any specific easements and enter into any other agreements necessary to give effect to the rights retained in this Paragraph 37 upon request by Declarant.

7. To the extent not amended by this Third Amendment, all other terms, provisions and conditions of the Declaration remain the same.

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