

**ARTICLES OF INCORPORATION
OF
THE COMMONS AT VALLEY LAKES HOMEOWNERS' ASSOCIATION, INC.**

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

ARTICLE I

The name of the Corporation is THE COMMONS AT VALLEY LAKES HOMEOWNERS' ASSOCIATION, INC

ARTICLE II

The principal office of the Corporation is located at 8355 Rockville Road, Indianapolis, Indiana 46234

ARTICLE III

The Corporation is a Mutual Benefit corporation.

ARTICLE IV

Timmy J. ShROUT, whose address is 8355 Rockville Road, Indianapolis, Indiana 46234, is hereby appointed the initial registered agent of this Corporation.

**ARTICLE V
PURPOSE AND POWERS OF THE CORPORATION**

This Corporation does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residence Lots and Dwelling Units, Common Areas and Easement Areas within that certain tracts of property described as:

See Exhibit "A" attached.

hereinafter called the "Development" and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Corporation for this purpose to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the CORPORATION AS SET FORTH IN THAT CERTAIN Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration," applicable to the property and recorded or to be recorded in the Office of Recorder of Tippecanoe County, Indiana and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length,

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the Corporation;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation;

(d) borrow money, and with the assent of sixty-seven percent (67%) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the

members. No such dedication or transfer shall be effective unless an instrument has been signed by sixty-seven percent (67%) of each class of members, agreeing to such dedication, sale or transfer.

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of sixty-seven percent (67%) of each class of members;

(g) have and to exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation Act of 1991 of the State of Indiana (as amended) by law may now or hereafter have or exercise

ARTICLE VI MEMBERSHIP

Every person or entity who is record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Corporation, including contract sellers, shall be a member of the Corporation ("Owner"). The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Corporation.

ARTICLE VII VOTING RIGHTS

The Corporation shall have two (2) classes of voting membership:

1. Class A: Class A members shall be all Owners with the exception of Cedar Run Limited, Inc., the "Declarant," and shall be entitled to one vote for each Lot owned.

When more than one person holds an interest in any Lot, all such persons shall be

members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

2 Class B: The Class B member(s) shall be the Declarant, who shall be entitled to three (3) votes for each Lot owned, and the members of the first Board of Directors during their respective terms, who shall have no voting rights. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- a. When the total votes outstanding in the Class A membership equal seventy-five percent (75%) of the total votes of Class A and Class B members; or
- b. On June 1, 2012.

**ARTICLE VIII
BOARD OF DIRECTORS**

The affairs of this Corporation shall be managed by an initial Board of two (2) Directors, who need not be members of the Corporation. The control and management of the affairs of the Corporation shall be vested in a Board of not less than two (2) nor more than eight (8) Directors. The exact number of Directors within the above limits, shall be prescribed from time to time in the By-Laws of the Corporation. The names and addresses of the persons who are to act in the capacity of the initial board of directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
Timmy J. Shrout	8355 Rockville Road, Indianapolis, IN 46234
Randy W Prock	8355 Rockville Road, Indianapolis, IN 46234

Any vacancy occurring on the Board of Directors caused by a death, resignation or otherwise, shall be filled until the next annual meeting through a vote of a majority of the remaining members of the Board.

The Corporation shall make no advancement for services to be performed in the future nor shall it make any loan of money or property to any Director or Officer of the Corporation.

Members of the Board of Directors may only be removed for cause, as defined by the By-Laws of the Corporation, by a vote of majority of the members entitled to vote at an election of Directors at a meeting of the members called expressly for the purpose.

The Board of Directors may designate a person to exercise some or all of the powers that would otherwise be exercised by the Board of Directors.

ARTICLE IX INCORPORATOR

Name and Post Office address of the Incorporator of the Corporation is: Timmy J. Shrout, P. O. Box 34297, Indianapolis, IN 46234.

ARTICLE X

The Corporation shall be deeded the Common Area which is defined in the Declaration. The value of the Common Area is of a nominal amount.

ARTICLE XI DISSOLUTION

The Corporation may be dissolved with the assent given in writing and signed by not less than sixty-seven percent (67%) of the members. Upon dissolution of the Corporation, other than incident to a merger or consolidation, the assets of the Corporation shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Corporation was

created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE XII DURATION

The Corporation shall exist perpetually.

ARTICLE XIII AMENDMENTS

Amendment of these articles shall require the assent of sixty-seven percent (67%) of the entire membership.

ARTICLE XIV

Other provisions consistent with the laws of this state, for the regulation and conduct of the affairs of the Corporation, and creating, defining, limiting or regulating the powers of the Corporation, the directors or the members of any class or classes of members are as follows:

Section 1. Liability of Members. Neither the Individual Members of the Corporation nor their individual property shall be subject to any liability for any debts of the Corporation.

Section 2. Code of By-Laws. The power to make, alter, amend or repeal the Code of By-Laws and the rules and regulations for the conduct of the affairs of the Corporation, including the power to elect officers of the Corporation, shall be vested in the Board of Directors of the Corporation without the assent or vote of the members; provided, however, that no acts of the Board of Directors shall be inconsistent with or contradictory to these Articles of Incorporation, the Declaration, or any provision of law.

Section 3 No Private Benefit. No money or property received or held by the Corporation shall ever inure, directly or indirectly, to the private benefit of any Member, Director, or officer of the Corporation or any other person whomsoever except for reasonable compensation for services actually rendered to the Corporation

Section 4 Non-Liability of Directors. The Directors shall not be liable to the Members of the Corporation for any error or mistakes 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 Corporation shall indemnify and hold harmless each of the Directors against any and all liability to any person, firm or corporation arising out of contracts made by the Board on behalf of the Corporation, unless any such contract shall have been made in bad faith or contrary to the provisions of the Articles of Incorporation or Code of By-Laws. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Corporation and that in all matters the Board is acting for and on behalf of the Corporation and as its agent. Every contract made by the Board or the Managing Agent on behalf of the Corporation shall provide that the Board of Directors and the Managing Agent, as the case may be, is acting as agent for the Corporation and shall have no personal liability thereunder.

Section 5. Additional Indemnity of Directors. The Corporation shall indemnify 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, officer or employee of the Corporation, against the reasonable expenses, including attorney's 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 relation to matters as to which it shall be adjudged in such

action, suit or proceeding that such Director is liable for gross negligence or misconduct in the performance of his duties. The Corporation shall also reimburse to any such Director the reasonable costs of settlement of or judgment rendered in any action, suit or proceeding, if it shall be found by a majority of the committee composed of the Directors not involved in the matter in controversy (whether or not a quorum) in their judgment reasonably exercised that such Director, officer or employee was not guilty of gross negligence or misconduct. In making such findings and notwithstanding the adjudication in any action, suit or proceeding against a Director, officer or employee, no Director, officer or employee shall be considered or deemed to be guilty of or liable for negligence or misconduct in the performance of his duties where, acting in good faith, such Director, officer or employee relied on the books and records of the Corporation or statements or advice made by or prepared by the Managing Agent of the Corporation's property or any officer or employee thereof, or any accountant, attorney or other person, firm or corporation employed by the Corporation to render advice or service unless such Director had actual knowledge of the falsity of incorrectness thereof; nor shall a Director be deemed guilty of or liable for negligence or misconduct by virtue of the fact that he failed or neglected to attend a meeting or meetings of the Board of Directors.

The rights of indemnification and reimbursement set forth above shall not be deemed exclusive of any other rights to which such officers, Directors or employees may be entitled apart from the provisions of this Article

Section 6. Reliance by Directors on Books of Account, etc. Each Director of the Corporation shall be fully protected in relying in good faith upon (a) the books of account of the Corporation, or (b) statements prepared by any of its officers and employees as to the value and

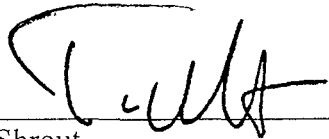
amount of the assets, liabilities, and net profits of the Corporation, or any of such items, or (c) statements or advice made by or prepared by an officer or employee of the Corporation or any accountant, attorney, other person of firm, employed by the Corporation to render advice or service.

Section 7 Declaration Controls. In the event of any conflict between the provisions of these Articles and Declaration, the provisions of the Declaration shall govern.

**ARTICLE XV
FHA/VA APPROVAL**

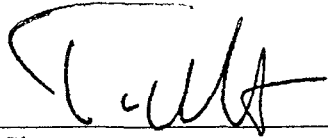
As long as Declarant controls the Corporation, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration or sixty-seven percent (67%) of the members. annexation of additional properties, mergers and consolidations, mortgage of Common Area, dedication of Common Area, dissolution and amendment of these Articles

IN WITNESS WHEREOF, I, the undersigned, do hereby execute these Articles of Incorporation and certify the truth of the facts herein stated, this 12th day of August, 2002.



Timmy J. Shrout

I affirm under the penalties for perjury that the above and foregoing representations are true and correct to the best of my knowledge and belief.



Timmy J. Shrout

Exhibit "A"

LAND DESCRIPTION - THE COMMONS AT VALLEY LAKES, PHASE 1, PART 1

A part of the Southeast Quarter of Section 9, Township 22 North, Range 4 West, Wea Township, Tippecanoe County, Indiana, being more particularly described as follows:

Commencing at the Southwest Corner of the Southeast Quarter of said Section 9; thence North 00°01'00" West along the West Line of said Southeast Quarter 650.00 feet to the Point of Beginning of the herein-described tract; thence continuing North 00°01'00" West along said West Line 753.61 feet; thence North 89°59'00" East perpendicular to said West Line 60.59 feet to the east right-of-way line of South 18th Street; thence South 59°54'52" East 203.75 feet to an iron pipe with a yellow plastic cap stamped 'Fisher P.C. 5092', hereafter referred to as a capped iron pipe, on a non-tangent curve to the right, having a radius of 125.00 feet and a central angle of 61°26'27"; thence northeasterly along said curve an arc distance of 134.04 feet (said arc being subtended by a chord having a bearing of North 60°48'22" East and a length of 127.71 feet); thence South 88°28'25" East 495.18 feet to the point of curvature of a curve to the right, having a radius of 125.00 feet and a central angle of 58°10'52", thence southeasterly along said curve an arc distance of 126.93 feet to a capped iron pipe; thence North 59°42'27" East 176.06 feet to a capped iron pipe; thence South 00°01'00" East 548.18 feet to a capped iron pipe; thence North 89°59'00" East 256.39 feet to the point of curvature of a curve to the left, having a radius of 75.00 feet and a central angle of 37°29'27"; thence northeasterly along said curve an arc distance of 49.08 feet, thence North 52°29'33" East 225.01 feet to the point of curvature of a curve to the right, having a radius of 125.00 feet and a central angle of 37°11'29"; thence northeasterly along said curve an arc distance of 81.14 feet; thence North 89°41'02" East 192.74 feet to the point of curvature of a curve to the left, having a radius of 25.00 feet and a central angle of 90°00'00"; thence northeasterly along said curve an arc distance of 39.27 feet; thence North 00°18'58" West 425.16 feet; thence North 89°41'02" East 50.00 feet; thence South 00°18'58" East 82.83 feet to the point of curvature of a curve to the left, having a radius of 25.00 feet and a central angle of 90°00'00"; thence southeasterly along said curve an arc distance of 39.27 feet; thence North 89°41'02" East 115.00 feet; thence South 00°18'58" East 400.00 feet to a capped iron pipe; thence South 03°52'36" East 75.01 feet to a capped iron pipe; thence South 79°10'16" West 187.32 feet to a capped iron pipe on a non-tangent curve to the right, having a radius of 625.00 feet and a central angle of 1°55'30"; thence northerly along said curve an arc distance of 21.00 feet (said arc being subtended by a chord having a bearing of North 09°52'00" West and a length of 21.00 feet); thence South 81°05'45" West 150.73 feet to a capped iron pipe; thence South 20°14'39" East 57.43 feet to a capped iron pipe; thence South 70°14'04" West 130.03 feet to a capped iron pipe on a non-tangent curve to the right, having a radius of 200.00 feet and a central angle of 4°38'49"; thence southeasterly along said curve an arc distance of 16.22 feet (said arc being subtended by a chord having a bearing of South 17°26'25" East and a length of 16.22 feet); thence South 74°53'00" West 50.00 feet to a capped iron pipe; thence South 64°26'17" West 171.38 feet to a capped iron pipe; thence South 89°59'00" West 1212.00 feet; thence North 00°01'00" West 11.09 feet to a capped iron pipe; thence South 89°59'00" West 220.00 feet to the point of beginning, containing 23.984 acres, more or less.

The above bearings are based on Valley Forge Estates

Exhibit "A"

LAND DESCRIPTION - THE COMMONS AT VALLEY LAKES, PHASE 1, PART 2

A part of the Southeast Quarter of Section 9, Township 22 North, Range 4 West, Wea Township, Tippecanoe County, Indiana, being more particularly described as follows:

Commencing at the Southwest Corner of the Southeast Quarter of said Section 9; thence North 00°01'00" West along the West Line of said Southeast Quarter 1403.61 feet to the point of beginning of the herein described tract; thence continuing North 00°01'00" West 216.77 feet; thence South 83°39'50" East 1101.18 feet; thence North 88°23'10" East 931.53; thence South 0°18'58" East 172.98 feet to an iron pipe with a yellow plastic cap stamped 'Fisher P.C. 5092', hereafter referred to as a capped iron pipe; thence South 89°41'02" West 79.55 feet to the point of curvature of a curve to the right, having a radius of 25.00 feet and a central angle of 90°00'00"; thence northwesterly along said curve an arc distance of 39.27 feet; thence North 0°18'58" West 82.83 feet; thence South 89°41'02" West 50.00 feet; thence South 00°18'58" East 425.16 feet to the point of curvature of a curve to the right, having a radius of 25.00 feet and a central angle of 90°00'00"; thence southwesterly along said curve an arc distance of 39.27 feet; thence South 89°41'02" West 192.74 feet to the point of curvature of a curve to the left, having a radius of 125.00 feet and a central angle of 37°11'29"; thence southwesterly along said curve an arc distance of 81.14 feet; thence South 52°29'33" West 225.01 feet to the point of curvature of a curve to the right, having a radius of 75.00 feet and a central angle of 37°29'27"; thence southwesterly along said curve an arc distance of 49.08 feet; thence South 89°59'00" West 256.39 feet to a capped iron pipe; thence North 00°01'00" West 548.18 feet to a capped iron pipe; thence South 59°42'27" West 176.06 feet to a capped iron pipe on a non-tangent curve to the left, having a radius of 125.00 feet and a central angle of 58°10'52"; thence along said curve an arc distance of 126.93 feet (said arc being subtended by a chord having a bearing of North 59°22'59" West and a length of 121.55 feet); thence North 88°28'25" West 495.18 feet to the point of curvature of a curve to the left, having a radius of 125.00 feet and a central angle of 61°26'27"; thence southwesterly along said curve an arc distance of 134.04 feet to a capped iron pipe; thence North 59°54'52" West 203.75 feet to a capped iron pipe; thence South 89°59'00" West 60.59 feet to the point of beginning, containing 16.242 acres, more or less.

The above bearings are based on Valley Forge Estates

**BY-LAWS
OF
THE COMMONS AT VALLEY LAKES HOMEOWNERS' ASSOCIATION, INC.**

**ARTICLE I
GENERAL**

Section 1. Name The name of the corporation is The Commons at Valley Lakes Homeowners' Association, Inc., hereinafter referred to as "Association".

Section 2. Principal Office. The post office address of the principal office of the Association is 8355 Rockville Road, P O. Box 34297, Indianapolis, Indiana 46234, but meetings of Members and Directors may be held at such places within the State of Indiana, including Marion County, Indiana, in the case of Members' meetings, as may be designated by the Board of Directors.

Section 3. Fiscal Year The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

**ARTICLE II
DEFINITIONS**

Section 1. "Articles" means the Articles of Incorporation of the Association (as hereinafter defined) filed, or to be filed, with the Office of the Secretary of State of Indiana, as the same are or hereafter may be amended from time to time.

Section 2. "Association" means The Commons at Valley Lakes Homeowners' Association, Inc., a formed or to-be-formed Indiana not-for-profit corporation, its successors and assigns.

Section 3. "Board of Directors" means the Board of Directors of the Association.

Section 4. "Common Area" means those areas, if any, set aside for conveyance to the Association, as shown on the Plat as Common Areas.

Section 5. "Common Expenses" shall mean and refer to expenses of administration of the Association, and expenses for the upkeep, maintenance, repair and replacement of the Common Area, if any, and all sums lawfully assessed against the Owners by the Association, and all sums, costs and expense declared by the Declaration to be Common Expenses.

Section 6. "Declarant" and "Declaration" means Cedar Run Limited, Inc., an Indiana corporation, its successors and assigns as a declarant, if such successors or assigns should acquire

more than one (1) undeveloped Lot from the Declarant for the purposes of development pursuant to the Declarations of Covenants, Conditions, and Restrictions of The Commons at Valley Lakes, Phase I and Subsequent Sections recorded the 26th day of April, 2002 as Instrument No. 02013412 in the Office of the Recorder of Tippecanoe County, Indiana (the "Declaration").

Section 7. "Development Period" means the period of time commencing with Declarant's acquisition of the Property and ending when Declarant has completed the development and sale of, and no longer owns, any Lot or any other portion of the real estate in the Property (as hereinafter defined).

Section 8. "Dwelling Unit" means any single-family residence situated upon a Lot (as hereinafter defined) whether attached or detached

Section 9 "Lot" means any parcel of real estate, whether residential or otherwise, described by the recorded plat of the Development which is recorded in the Office of the Recorder of Tippecanoe County, Indiana. No Lot may be subsequently subdivided for development purposes.

Section 10. "Owner" and "Member" means a person who has any right, title or interest, legal or equitable, in and to a Lot, but excluding those persons having such interest merely as security for the performance of an obligation

Section 11. "Plat" means the subdivision plat of the Property (as hereinafter defined) identified as "The Commons at Valley Lakes, Phase I, Part I" recorded the 26th day of April, 2002 as Instrument No. 02013411 in the Office of the Recorder of Tippecanoe County, Indiana, as the same may be hereafter amended or supplemented by law or pursuant to the Declaration which includes additional phases.

Section 12. "Property" means the real estate described in Exhibit "A" and any subsequent phases recorded thereafter.

ARTICLE III MEMBERSHIP AND MEETINGS OF MEMBERS

Section 1. Membership and Voting. Membership in the Association and voting rights of Members are governed by the Articles. Except as otherwise provided in the Articles, in the Declaration or in Article V of these By-Laws, each question shall be determined by a majority of the eligible votes cast by the Members present, in person or by proxy, at a meeting at which a quorum is present. The Members may take any action without a meeting that could be taken at a meeting, in the manner provided in the Articles. Additionally, any action required or permitted to be taken at any meeting of the Board of Directors, may be taken without a meeting, if prior to such action a written consent to such action is signed by all members of the Board of Directors, and such written consent is filed with the Minutes of the proceeding of the Board.

Section 2. Annual Meeting. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at a time and place to be specified by the Board of Directors, unless such date is not within six (6) months after the end of the Fiscal Year. If the annual meeting date is not within six (6) months after the close of the Fiscal Year, the meeting will be held on a date within said period set by the Board of Directors and thereafter on the same day of the same month of each year, at a time and place to be specified by the Board of Directors. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 3. Special Meetings. Special meetings of the Members may be called at any time by the President of the Association, or by a majority of the Board of Directors, or upon written request of Members who together are entitled to vote one-fourth (1/4) of all the votes.

Section 4. Notice of Meetings. Except as otherwise required by the Declaration, written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by delivering or mailing a copy of such notice at least thirty (30) days before such meeting, to each Member entitled to vote thereat, at or addressed to the Member's address last appearing in the records of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose or purposes of the meeting. Notice of any meeting may be waived by a written waiver filed with the Secretary or by attendance at the meeting in person or by proxy.

Section 5. Quorum The presence at the meeting, in person or by proxy, of Members entitled to cast one-tenth (1/10) of the votes of membership shall constitute a quorum for any action, except as otherwise required by the Articles or the Declaration. If, however, such quorum shall not be present at any meeting, the Members present and entitled to vote thereat are empowered to adjourn the meeting from time to time, without notice other than announcement at the meeting, until such later time or date that a quorum shall be present in person or by proxy.

Section 6. Voting by Co-Owners and Entities. The vote appurtenant to any Lot in which more than one person owns an interest may be exercised by any of such persons present at any meeting, unless the Association is advised (by objection or protest at the meeting or written notice prior thereto) by any other person owning an interest in such Lot that the Owners of the Lot are unable to agree upon the manner in which the vote appurtenant to such Lot shall be cast at such meeting or on any particular question to come before such meeting. In such event the vote appurtenant to the Lot shall not be counted at the meeting or on the particular question noted, as the case may be. In the event any Lot is owned by a corporation, then the vote appurtenant to such Lot shall be cast by a person designated in a certificate signed by the President or any Vice President of such corporation and attested by the Secretary or an Assistant Secretary of such corporation and filed with the Secretary of the Association prior to the meeting. The vote appurtenant to any Lot owned

by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and unless any objection or protest by any other such trustee or partner is noted at such meeting or in writing prior thereto, the Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes.

Section 7. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot. No proxy shall be valid after eleven (11) months from the date of its execution unless a longer time is expressly provided in the proxy.

Section 8. Suspension of Voting Rights. No Member shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due to the Association shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors.

Section 9. Rights of Mortgagees. An institutional mortgagee (as defined in Article XII, Section 2 of these By-Laws) of any Lot who desires notice of the annual and special meetings of the Members shall notify the Secretary to that effect by Registered Mail - Return Receipt Requested. Any such notice shall contain the name and post office address of such institutional mortgagee and the name of the person to whom such notice should be addressed. The Secretary of the Association shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual or special meeting of the Members to each such institutional mortgagee, in the same manner, and subject to the same requirements and limitations as are provided for notice to the Members in Section 4 of this Article III. Any representative to attend any annual or special meeting of the Members and such representative may participate in the discussion at any such meeting and may, upon his request made to the Chairman in advance of the meeting, address the Members present at any such meeting. Such representative shall have no voting rights at any such meeting.

Section 10. Action Taken By Conference Phone. Any or all the members of the Association may participate in a meeting of the Board by means of a conference telephone or similar communication equipment, by which all persons participating in the meeting, can communicate with each other, and participation in this manner constitutes presence in person at the meeting.

ARTICLE IV BOARD OF DIRECTORS GENERAL INFORMATION

Section 1. General Powers and Duties. The Board of Directors shall manage the affairs of the Association.

Section 2. Number The Board of Directors shall be composed of an initial Board of two (2) members and no more than eight (8) on subsequent Boards, who need not be Members of the Association.

Section 3. Term of Office. The members of the initial Board of Directors shall serve until the first annual meeting of the Members of the Association. Thereafter, such Director shall be elected to serve a term of one (1) year and until his successor is elected and qualified. A Director may serve any number of consecutive terms

Section 4. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association, at a meeting of the Members called expressly for that purpose. A Director also may be removed by a majority vote of the other members of the Board of Directors if he fails to attend three (3) or more consecutive meetings of the Board.

Section 5. Compensation. Directors shall receive no compensation for their services as directors of the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of his duties

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor by any Member eligible to vote at the meeting The Nominating Committee shall consist of a Chairman who shall be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by written ballot. In the election of Directors, each Member or his proxy may cast, in respect to each vacancy, as many votes as he is entitled to cast under the provisions of the Articles. The persons receiving the highest numbers of votes, respectively (whether or not a majority of the votes cast) shall be elected. Cumulative voting is not permitted.

Section 3. Vacancy. When a vacancy occurs on the Board of Directors by reason of the death, resignation, removal or incapacity of a Director, or for any other reason except the expiration of a Director's term or an increase in the number of Directors prescribed in these By-Laws, the remaining Directors shall by majority vote elect a Director to serve until the next annual meeting of the Members of the Association. When a vacancy occurs by reason of an increase in the number of

Directors prescribed in these By-Laws, the vacancy shall be filled by a vote of the Members of the Association, pursuant to Sections 1 and 2 of this Article V.

ARTICLE VI MEETINGS OF DIRECTORS

Section 1. Quorum and Voting. A majority of the Board of Directors shall be necessary to constitute a quorum for the transaction of any business except the filling of vacancies on the Board of Directors, and the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2. Annual Meeting. The newly elected Board of Directors shall meet annually, without notice, immediately following the annual meeting of the Members, for the purpose of electing officers of the Association for the ensuing year and transacting such other business as properly may come before the meeting

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Association or by a majority of the Board of Directors upon not less than three (3) days written notice. A special meeting may be held at such place as is specified in the call of the special meeting. The purpose of any such meeting need not be specified.

Section 4. Regular Meetings Regular meetings of the Board of Directors may be held without notice, other than the adoption of a resolution of the Board establishing the meeting schedule, at such place and hour as may be fixed by resolution of the Board. Should any regular meeting date fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 5. Waiver of Notice. Notice of the time, place, and call of any meeting of the Board may be waived in writing if the waiver sets out in reasonable detail the purpose or purposes of which the meeting is called and the time and place thereof. Attendance at any meeting of the Board shall constitute a waiver of notice of such meeting and of the time, place and call thereof.

Section 6. Action Taken Without a Meeting. The Board of Directors may take any action without a meeting that could be taken at a meeting, in the manner provided in the Articles. Additionally, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof, may be taken without a meeting, if prior to such action a written consent to such action is signed by all members of the Board of Directors or of such committee, as the case may be, and such written consent is filed with the minutes of proceeding of the Board or committee.

Section 7. Action Taken By Conference Phone. Any or all the members of the Board of Directors may participate in a meeting of the Board or committee, by means of a conference telephone or similar communication equipment, by which all persons participating in the meeting

can communicate with each other, and participation in this manner constitutes presence in person at the meeting

ARTICLE VII
SPECIFIC POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. Without limitation on the Board's general power to manage the affairs of the Association, the Board of Directors shall have power to:

- A. Adopt and publish rules and regulations governing the use of the Lots, the Common Area and any facilities at any time located on the Properties, and the personal conduct of the Members and guests thereon, and to establish penalties for the infraction thereof;
- B. Suspend the voting rights and right to use of the Common Area of a Member during any period in which such Member shall be in default in payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations; and,
- C. Exercise for the Association all powers, duties and authority vested in or delegated to the Association (and not reserved to the membership) by the provisions of these By-Laws, the Articles or the Declaration and applicable law.

Section 2. Duties. Without limitation on the Board's general duty to manage the affairs of the Association, it shall be the duty of the Board of Directors to:

- A. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;
- B. Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- C. As more fully provided in the Declaration, to:
 - 1. Fix and send written notice of assessments; and,
 - 2. Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date, or bring an action at law against the owner personally obligated to pay the same.

- D. Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment,
- E. Procure and maintain the insurance coverages required by the Declaration;
- F. Cause all officers or employees having fiscal responsibilities to be bonded, as required by the Declaration; and,
- G. Cause the Property to be maintained to the extent of the Association's responsibility therefor as provided in the Declaration.

ARTICLE VIII DUTIES OF OFFICERS

Section 1. Enumeration of Officers. The officers of this Association shall be a President who shall at all times be a member of the Board of Directors, a Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time-to-time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year and until his successor is elected and qualified, unless he shall sooner resign, or shall be removed or otherwise become disqualified to serve.

Section 4. Other Offices. The Board may elect one or more additional vice presidents, assistant secretaries or other officers as the Board may deem necessary or appropriate, each of whom shall hold office for one (1) year (and until his successor is elected and qualified) or such shorter period, and shall have such authority and perform such duties, as the Board may from time-to-time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7 Multiple Offices. The offices of Secretary and Treasurer, or those of Vice President and Treasurer, may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The general duties of the officers, subject at all times to further delineation and delegation of duties by the Board, are as follows:

- A. President The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes
- B. Vice President. The Vice President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise such other duties as may be required by the Board.
- C. Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association (if one is adopted) and affix it on all appropriate documents; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association, together with their addresses, and shall perform such other duties as required by the Board.
- D. Treasurer The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the Members.

ARTICLE IX COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE X BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member and institutional mortgagee (as hereinafter

defined). The Declaration, the Articles and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost

ARTICLE XI ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. As more particularly set forth in the Declaration, if an assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at a rate to be determined by the Board of Directors, the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment; and no Owner may waive or otherwise escape liability for the assessments provided for in the Declaration by non-use of the Common Area or abandonment of his Lot.

ARTICLE XII NOTICE ON MORTGAGES

Section 1. Notice to Board of Directors. Any Member who mortgages the Lot to which his membership is appurtenant shall promptly notify the Board of Directors of the name and address of his mortgagee and, if requested to do so, shall file a conformed copy of such mortgage with the Board of Directors. The Board of Directors shall maintain a suitable roster pertaining to such mortgages. Any mortgagee of any Lot that desires that a record of its name and address be maintained by the Association may forward such information to the Secretary for the purpose of assisting in compliance with the notice provisions of these By-Laws.

Section 2. Definition. As used in this Article, the term "mortgagee" shall mean any mortgagee and shall not be limited to institutional mortgagees, and the term "mortgage" shall include a deed of trust. As used generally by these By-Laws, the term "institutional holder" or "institutional mortgagee" shall include the insurer of any mortgage and the following mortgages: banks, trust companies, insurance companies, savings and loan associations, pension funds, real estate investment trusts, FnMA, FHLMC, and any corporation, including a corporation of, or affiliated with, the United States Government, or any agency thereof.

ARTICLE XIII CONTRACTS, LOANS, AND CHECKS

Section 1. Authorization. The Board of Directors may authorize any officer or officers or agent or agents of the Association to enter into any contract or execute any instrument on its behalf. Such authorization may be general or confined to specific instances. Except as provided in these By-

Laws, no officer, agent, or employee shall have any power to bind the Association or to render it liable for any purpose or amount unless so authorized by the Board of Directors.

Section 2. Signatures All checks, drafts, or other orders for payment of money by the Association shall be signed by any two of the following officers: President, Secretary, Treasurer, or such other person as the Board of Directors may from time to time designate by resolution.

ARTICLE XIV CORPORATE SEAL

The Association need not have a seal, except as may otherwise be specifically required by applicable law, and no seal is required to make any action of or document executed by the Association effective. If a seal is adopted, it shall be in circular form having within its circumference the words "THE COMMONS AT VALLEY LAKES HOMEOWNERS' ASSOCIATION, INC."

ARTICLE XV AMENDMENTS AND CONSTRUCTION

Section 1. Procedure These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of members present in person or by proxy. If the Property has been approved for mortgage financing, insured or issued by the Federal Housing Administration ("FHA") or the Veterans Administration ("VA"), the FHA or VA shall have the right to veto amendments while the Declarant controls the Association.

Section 2. Conflict with Declaration or Articles. In the case of any conflict between the Articles and these By-Laws, the Articles shall control, and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

This instrument was prepared by: William T. Rees, Attorney at Law, 8355 Rockville Road, Indianapolis, IN 46234.

DECLARATION OF COVENANTS, CONDITIONS, COMMITMENTS,
RESTRICTIONS, EASEMENT AND ASSESSMENTS
OF THE COMMONS AT VALLEY LAKES, PHASE I,
AND SUBSEQUENT SECTIONS THERETO
LAFAYETTE, INDIANA

TABLE OF CONTENTS

	PAGE
Article I -- Definitions	
A. 1. Assessment.....	2
2. Association.....	2
3. Builder.....	2
4. Committee.....	2
5. Common Expenses.....	2
6. Common Property/Common Areas.....	2
7. Dwelling Unit.....	3
8. Lot.....	3
9. Owner.....	3
10. Plat.....	3
 Article II -- Character of the Development	
A. In General.....	3
B. Other Restrictions.....	4
 Article III -- Restrictions Concerning Size, Placement, and Maintenance of Dwelling Units and Other Structures	
A. Type, Size and Nature of Construction Permitted and Approvals Required.....	4
1. Minimum Areas.....	4
2. Masonry Requirement.....	4
3. Attached Garages.....	5
4. Driveways and Off-Street Parking Spaces.....	5
5. Prohibition of Relocated or Moveable Structures.....	5
6. Time Limits on Construction.....	6
7. Maintenance of Lots During Construction.....	6
8. Basketball Goals and Similar Structures.....	6
9. Fences.....	7
10. Landscaping.....	8
11. Mailboxes.....	8
12. Storage Tanks.....	9
13. Gutters and Downspouts.....	9
14. Awnings and Patio Covers.....	9
15. Above Ground Swimming Pools.....	9

DULY ENTERED FOR TAXATION
SUBJECT TO FINAL ACCEPTANCE
FOR TRANSFER

APR 26 2002


AUDITOR OF TIPPECANOE CO.

DECLARATION OF COVENANTS, CONDITIONS, COMMITMENTS,
 RESTRICTIONS, EASEMENT AND ASSESSMENTS
 OF THE COMMONS AT VALLEY LAKES, PHASE I,
 AND SUBSEQUENT SECTIONS THERETO
 LAFAYETTE, INDIANA

TABLE OF CONTENTS
 (Continued)

	PAGE
16. In Ground Swimming Pools.....	9
17. Storage Sheds.....	9
18. Satellite Dishes and Antennas.....	9
19. Dog Kennels.....	10
20. Clothes lines.....	10
21. Solar Heat Panels.....	10
22. Utility Lines.....	10
23. Utility Meters and HVAC Units.....	10
24. Notice.....	10
25. Street Lights.....	10
B. Sight Distance at Intersections.....	10
C. Building Setback Lines.....	10
D. Damaged Structures.....	11
E. Maintenance of Lots and Improvements.....	11
F. Requirement to Mow Grass in Public Rights-of-Way.....	11
Article IV -- Easements.....	11
Article V -- Miscellaneous Provisions and Prohibitions	
A. Nuisances.....	12
B. Signs.....	12
C. Animals.....	12
D. Vehicle Parking.....	12
E. Ditches and Swales.....	13
F. Annexation to the City of Lafayette.....	14
G. No Vehicular Access.....	14
H. Garbage, Trash, and Other Refuse.....	14
I. Outside Toilets.....	14
J. Regulated Drain.....	14
K. Recreation Areas.....	14
Article VI -- Submittal and Approval of Plans	
A. Submittal of Plans.....	15
B. Approval of Plans.....	15
C. Development Control Committee.....	15
1. Power of Committee.....	15

DECLARATION OF COVENANTS, CONDITIONS, COMMITMENTS,
 RESTRICTIONS, EASEMENT AND ASSESSMENTS
 OF THE COMMONS AT VALLEY LAKES, PHASE I,
 AND SUBSEQUENT SECTIONS THERETO
 LAFAYETTE, INDIANA

TABLE OF CONTENTS
 (Continued)

	PAGE
Article VII -- Rules Governing Building on Several Contiguous Lots Having One Owner.....	18
Article VIII -- Remedies	
A. Available Remedies.....	18
B. Government Enforcement.....	18
C. Delay or Failure to Enforce.....	18
Article IX -- Effect of Becoming an Owner.....	19
Article X -- Titles.....	19
Article XI -- Duration and Amendment	
A. Duration of Declaration.....	19
B. Amendment of Declaration.....	20
Article XII -- Severability.....	20
Article XIII -- Dedication of Street Rights-of-way.....	20
Article XIV -- Homeowners' Association.....	21
Article XV -- Association Membership and Voting Rights	
A. Membership.....	21
B. Classes of Membership.....	21
1. Class A	
2. Class B	
C. Board of Directors.....	21
D. Responsibilities of the Association.....	22
E. Transfer of Control of Association.....	22
Article XVI -- Insurance	
A. Public Liability Insurance for Common Property.....	22
B. Comprehensive Public Liability Insurance.....	22
C. Professional Management Firm Insurance.....	23
D. Owner's Responsibility for Loss.....	23

DECLARATION OF COVENANTS, CONDITIONS, COMMITMENTS,
 RESTRICTIONS, EASEMENT AND ASSESSMENTS
 OF THE COMMONS AT VALLEY LAKES, PHASE I,
 AND SUBSEQUENT SECTIONS THERETO
 LAFAYETTE, INDIANA

TABLE OF CONTENTS
 (Continued)

	PAGE
Article XVII -- Covenant for Assessments	
A. Purpose of Assessments.....	23
B. Pro-rata Share.....	24
C. Liability for Assessments.....	24
D. Basis of Annual Assessments.....	24
E. Basis of Special Assessments.....	24
F. Fiscal Year; Date of Commencement of Assessments; Due Date.....	25
G. Duties of the Association.....	25
1. Books and Records.....	25
2. Certificate of Assessments.....	26
3. Request for Notice from Mortgagee.....	26
H. Association Remedies for Non-Payment of Assessments.....	26
1. Lien for Non-Payment of Assessment.....	26
2. Initiation of Action by Association for Non-Payment of Assessment.....	27
I. Adjustments.....	27
J. Initial Assessments.....	27
K. Notice and Quorum for any Action to Increase Assessments or to Amend the Declaration.....	27
L. Subordination of the Lien to Mortgages.....	28
Article XVIII -- Future Improvements	
A. Valley Lakes Projects.....	28

DECLARATION OF COVENANTS, CONDITIONS, COMMITMENTS, RESTRICTIONS,
EASEMENTS, AND ASSESSMENTS
OF THE COMMONS AT VALLEY LAKES, PHASE I,
AND SUBSEQUENT SECTIONS THERETO
LAFAYETTE, INDIANA

THIS DECLARATION of Covenants, Conditions, Commitments, Restrictions, Easements, and Assessments, hereinafter referred to as the "Declaration" or the "Covenants," is made this 18th day of January, 2002 by Cedar Run Limited, Inc., an Indiana Corporation, hereinafter referred to as "Declarant" or "Developer,"

WITNESSETH:

WHEREAS, Declarant is the owner of a certain 23.984 acre parcel of real property, hereinafter referred to as the "Real Estate/Development," as described in Exhibit "A" attached hereto and by reference is made a part hereof;

WHEREAS, Declarant hereby subdivides a portion of said Real Estate into single-family lots known and designates said subdivision as THE COMMONS AT VALLEY LAKES, PHASE I, hereinafter referred to as the "Subdivision", as per plat thereof recorded on the 26th day of APRIL, 2002, under Instrument No. 02013411, Plat Cabinet 7, Slide 2, in the records of the Office of the Recorder of Tippecanoe County, Indiana, and by reference made a part hereof; and

WHEREAS, Declarant establishes a system of assessments and charges, hereinafter referred to as the "Assessments," to be borne by Lot Owners (hereinafter referred to as "Owners") of the Development, to provide for maintenance of the Common Property in the Development, for insurance coverage, and for mutual enforcement of the Covenants; and

NOW, THEREFORE, Declarant hereby affirms that the Real Estate described in Exhibit "A" attached hereto and by reference made a part hereof shall be held, subdivided, sold and conveyed subject to the following Covenants which purport to protect the value and desirability of the Development, and which shall run with the Real Estate and shall be binding on all parties having any right, title or interest in the Real Estate or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I
DEFINITIONS

- A. The following are the definitions of terms used in this Declaration:
1. "Assessment" shall mean that share of the Common Expenses imposed upon each Lot, as determined and levied pursuant to the provisions of Article XVII herein.
 2. "Association" shall mean The Commons at Valley Lakes Homeowners' Association, Inc. or an organization of similar name, its successors and assigns, and shall be created as an Indiana not-for-profit corporation. Its membership shall consist of Owners who pay mandatory assessments for liability insurance, project sign maintenance, storm water detention area maintenance, maintenance of landscaped areas in landscape easements, management fees and other expenses as determined by the Association.
 3. "Builder" shall mean the contractor(s) constructing the first residence on each Lot, which may be the Developer for one or more Lots.
 4. "Committee" shall mean The Commons at Valley Lakes Development Control Committee, composed of three (3) members appointed by Developer who shall be subject to removal by Developer at any time with or without cause as long as Developer owns one (1) lot. Developer by appointment shall fill vacancies which may occur from time to time on the Committee until such time as the Subdivision is completely developed, at which time the Association shall appoint the Committee from its membership.
 5. "Common Expenses" shall mean the actual and estimated cost to the Association for maintenance, management, operation, repair, improvement, and replacement of the Common Property as hereinafter defined and including, but not limited to, the maintenance of the storm water detention areas, but excluding normal mowing and cleaning of such areas, etc., and any other costs or expenses incurred by the Association for the benefit of the Common Property, including the cost of insurance as required herein. Common Expenses shall not include any costs or expenses incurred in connection with the initial installation and completion of streets, utility lines and mains, the drainage system, or other public improvements constructed by Developer.
 6. "Common Property/Common Area" shall mean all real and personal property which is in the nature of common or public improvements, including but not limited to private landscape easement areas (entrance landscaping and signage),

easements for detention/retention pond(s), recreation area and equipment, and common property.

It is anticipated all future sections may have certain additional amenities.

On Outlot A there are landscape, utility, stormwater, and sign easements, as well as recreational facilities.

Any medians within the public rights-of-way shall be Common Area and shall be maintained by the Association as such.

7. "Dwelling Unit" shall mean a single-family residence, including attached garage, situated upon a Lot in the Development.
8. "Lot" shall mean any residential parcel of Real Estate identified by number and as shown on the Plat of the Development which is recorded in the Office of the Recorder of Tippecanoe County, Indiana. No Lot may be subsequently subdivided for development purposes, except to adjust for minor side yard infractions which may occur.
9. "Owner" shall mean a person who acquires any right, title or interest, legal or equitable, in and to a Lot, but shall exclude those persons having such interest merely as security for the performance of an obligation.
10. "Plat" shall mean the subdivision plat of the Development identified as the Final Plat of The Commons at Valley Lakes, Phase I, recorded on the 26th day of APRIL, 2002, under Instrument Number 02013411 in the Office of the Recorder of Tippecanoe County, Indiana, and any Plats of subsequent Phases recorded thereafter.

ARTICLE II CHARACTER OF THE DEVELOPMENT

- A. In General: Each Lot in the Development shall be a residential lot and shall be used exclusively for single family residential purposes. No structure shall be erected, placed or permitted to remain upon any Lot except a Dwelling Unit.

No business buildings may be erected on any Lots thereof. No business may be conducted on any Lots thereof, other than those occupations permitted in the Unified

Zoning Ordinance of the City of Lafayette, Indiana.

Outlot A is a non-residential Lot; the purpose of Outlot A is recreational, for drainage and utilities, as well as greenspace. Ownership is to be deeded to the Homeowners' Association.

- B. Other Restrictions: All Lots in the Development shall be subject to the easements, restrictions and limitations of record, and to all governmental zoning authority and regulations affecting the Development, all of which are incorporated herein by reference.

ARTICLE III
RESTRICTIONS CONCERNING SIZE, PLACEMENT, AND MAINTENANCE OF
DWELLING UNITS AND OTHER STRUCTURES

- A. Type, Size, and Nature of Construction Permitted and Approvals Required: No Dwelling Unit, greenhouse, porch, garage, swimming pool, exterior structure, fences, basketball court, tennis court or other recreational facility may be erected, placed or altered on any Lot without the prior written approval of the Committee. Such approval shall be obtained prior to the commencement of construction and shall take into account restrictions as to the type of materials, exterior facade, design, layout, location, landscaping and finished grade elevations. Builders may submit sets of Master Plans of typical homes to the Committee. When approved by the Committee, these Master Plans shall not require subsequent approval unless there are changes thereto.
1. Minimum Areas: The following restrictions shall apply: Any Dwelling Unit erected, placed, or altered shall have the following minimum areas, exclusive of garages and open porches:
 - a. 1,400 square feet of main floor area for a one-story dwelling unit; or
 - b. 900 square feet of main floor area if higher than one-story; any dwelling unit higher than one story having a minimum of 1,800 square feet of finished living space.
 2. Masonry Requirement: The front elevation of all homes shall be a minimum of fifty percent (50%) masonry of the first floor exterior wall area, exclusive of doors, windows, gables, and garage doors.

Side elevations of all homes on corner lots shall have a minimum masonry requirement on the side facing the street of three feet (3') side masonry.

A waiver of this requirement may be allowed by The Commons at Valley Lakes Development Committee on any two-story dwelling.

3. Attached Garages: Each Dwelling Unit shall have a minimum of a two-car attached garage. No detached garages or carports shall be permitted.
4. Driveways and Off-Street Parking Spaces: There shall be a minimum of two (2) off street parking spaces in each driveway. All driveways shall be constructed of concrete or asphalt material.

A driveway shall not exceed in width the side boundaries of the garage it serves by more than twelve (12) inches.

A driveway must be a minimum width of no less than the interior width of the garage door or doors it serves.

Side entry garages are permitted, provided that the entry side of the garage meets the width requirements immediately preceding.

Any other driveway design requires the approval of both Committee and Governmental Authorities and must be submitted with site plan.

No additional parking shall be permitted on a Lot other than in the existing driveway.

Builders shall install driveways during original construction of the Dwelling Units.

No inoperative or unlicensed vehicles shall be stored or repaired on the outside on any Lot or on the driveway thereof. No camper, trailer, motor home, mobile home, boat, truck, school bus or other vehicle of like kind may be parked within the subdivision unless such vehicle is kept in the garage, except for personal automobiles, vans, and pick-up trucks. Also, refer to Article V, D.

5. Prohibition of Relocated or Moveable Structures: No Dwelling Unit, garage, out building or other structure of any kind may be moved onto any Lot. No trailer, mobile home, tent, basement, shack, garage, motor home, barn or other structure may be placed or constructed on any Lot at any time for use as either a temporary

or permanent residence or for any other purpose, except as reasonably required in connection with the construction of a Dwelling Unit on a Lot.

6. Time Limits on Construction: The exterior of every Dwelling Unit, garage, or other structure permitted to be constructed or to remain on any Lot shall be completed within six (6) months from the start of construction, including the application of at least one (1) coat of paint, stain or varnish on any exterior wood surfaces.

All structures must be One Hundred Percent (100%) complete, and the site graded, sodded, or seeded and reasonably landscaped within one (1) year from the date of the commencement of construction thereof.

7. Maintenance of Lots During Construction: All Lots shall be kept and maintained in a sightly and orderly manner during the period of construction of any structures on said Lots. No trash or rubbish of any kind shall be permitted to accumulate on any Lot or adjacent Lots. Construction debris shall be placed in dumpsters or wire/plastic trash enclosures which shall be placed on the Lots and not on the streets. The streets shall be kept clear of mud and dirt from water run off and excavation.

8. Basketball Goals and Similar Structures: To preserve the natural quality and aesthetic appearance of the Development, basketball goals or similar structures shall be approved in writing by the Committee for size, location, height, composition, and color prior to installation.

- A. No goal or structure may be installed or maintained such that playing basketball occurs in the street.

No portable goals shall be approved.

Backboards of all basketball goals shall be translucent fiberglass with a black pole (or approved equal). The Committee reserves the right to approve or disapprove the location of all basketball goals.

- B. Play equipment. Children's play equipment such as sandboxes, temporary swimming pools having a depth less than twenty-four (24) inches, swing and slide etc., playhouses and tents shall not require approval by the Committee provided such equipment is not more than six (6) feet high, maintained by the Lot owner in good repair (including painting) and every reasonable effort has been made by the Lot owner to screen or shield such

equipment from view of adjacent Lot owners and the equipment shall be located in the rear of the Lot. Equipment higher than six (6) feet shall require approval in writing of design, location, color, material, and use by the Committee.

9. Fences: All fences and masonry landscape walls except those built by the Developer, shall meet the following standards, must be approved in writing by the Committee prior to installation, and shall comply with the standards of the Unified Zoning Ordinance of the City of Lafayette, Indiana:

- a. Pool fences, where required, shall be a decorative type with some screen landscaping of the sides exposed to the streets. All pool fences must meet requirements of the City Engineer, City of Lafayette, codes and regulations, including, but not limited to, the requirement that all pool fences must be six (6) feet in height.
- b. No solid fence construction shall be permitted without approval of the Committee.
- c. Fences shall be shadow box, split rail, black vinyl clad chain link, or black ornamental picket style, unless otherwise approved by the Committee.
- d. The Committee shall require fences to be painted or stained to blend with the color of the respective houses.
- e. For non-corner lots, no fence may be installed between the street and the rear face of a house.

For corner lots, no fence may be installed between the street and the side and the rear corner of the house facing the two respective streets.

Landscaping shall be required along corner lot side-yard fences exposed to the street yard and must be approved by the Committee.

- f. All corner lot fences shall meet the requirements of Article III, Section B of these covenants.
- g. The height of shadow box fences or pool fences may not exceed six (6) feet. The height of any other type of fence may not exceed four (4) feet. All owners shall maintain their respective fences in good condition including repainting and/or restaining wood fences, removing rust and

repainting metal fences, and repairing any structural defects or signs of deterioration.

- h. Any deviation from the above requirements shall require approval from the Committee.
 - i. The Committee shall have the discretion to allow other fence types, based on the plans submitted under Article III, Section A. and Article VI, Section A.
10. Landscaping: Initial landscaping of each lot will be required by Declarant to include specific numbers of each of the following:
- a. One (1) deciduous shade (overstory) tree in the front yard;
 - b. One (1) deciduous shade (overstory) tree in the back yard;
 - c. One (1) deciduous ornamental (understory) tree in the front yard; and
 - d. Six (6) shrubs as foundation plantings, 18 to 24 inch spread and 30 to 36 inches in height.
 - e. Each Lot shall have a sod requirement, as specified below:
 - 1. Front yards shall be sodded;
 - 2. Corner side yards shall be sodded to the back face of the house; and
 - 3. Non-corner side yards and back yards shall be seeded and strawed (or better)

Builder is to install required planting material as part of the initial construction of the Dwelling Unit on each Lot. All landscaping shall be completed no later than 6 months from the commencement of construction of the home, weather permitting. In any case, any landscaping delayed by winter weather shall be completed by May 1st.

City of Lafayette regulations prohibit trees from being planted in the right-of-way (i.e., specifically, between the curb and sidewalk) of any of the street in the subdivision.

11. Mailboxes: Builders shall install matching Committee-approved and Post Office-approved curb side rural mail boxes during original construction of the Dwelling Units. Each Owner shall maintain and replace his or her mailbox with the same type, unless a change in design and color is approved by the Committee.

The City of Lafayette prohibits permanent structures (example: brick mailboxes)

to be constructed in the right-of-way of the streets in the subdivision (i.e., specifically, between the sidewalk and the curb).

12. Storage Tanks: Gasoline or other fuel storage tanks will not be permitted in the Development.
13. Gutters and Downspouts: All gutters and downspouts shall be painted, except if copper gutters are installed.
14. Awnings and Patio Covers: Awnings and patio covers made of metal, fiberglass or similar type materials will not be permitted in the Development. Requests for other types of awnings and patio covers must be submitted to the Committee and be granted written approval.
15. Above Ground Swimming Pools: Above ground swimming pools will not be permitted in the Development.
16. In Ground Swimming Pools: In ground swimming pools shall be permitted in the Development, with the written approval of the Committee.
17. Storage Sheds: All accessory buildings shall be placed on a permanent foundation, shall be constructed of new materials, shall be architecturally and aesthetically compatible with the dwelling unit, shall be constructed with the same or equivalent materials as the dwelling unit and shall be subject to the written approval of the Committee. Accessory buildings shall not exceed ten (10) feet in width, ten (10) feet in height, and ten (10) feet in length. Only one accessory building shall be permitted per lot.
18. Satellite Dishes and Antennas: Satellite dish antennas exceeding 29 inches in diameter will not be allowed. Satellite dishes 29 inches in diameter or less shall not be visible from the public street; similarly, the satellite dishes shall not be visible from the first floor level of adjoining homes.

All antennas and satellite dishes shall be approved in writing by the Committee and shall be screened from view, as required by the Committee. The color of the dish shall blend with the color of the background in such a way that the dish shall become essentially invisible.

Any television or communication antenna shall not extend more than five (5) feet above the highest point of the dwelling unit, shall be new or in like-new condition, and shall be maintained in good condition.

19. No dog kennels or dog runs: No dog kennels or dog runs will be allowed in the development.
 20. Clothes lines: No clothes lines fixtures of any type shall be permitted.
 21. Solar Heat Panels: Solar heat panels will not be permitted.
 22. Utility Lines: All utility lines in the Development shall be placed underground. Utility lines shall be installed under completed streets by jacking or boring methods. Street cuts will not be permitted.
 23. Utility Meters and HVAC Units: Wherever possible, all utility meters and HVAC units in the Development shall be located in places not seen from the street or shall be screened, if located in the fronts of the Dwellings.
 24. Notice: The Developer shall include a copy of the recorded Plat and a copy of the recorded Declaration with all Builder's Agreements or forward same to Builder as soon as these documents are recorded. The aforesaid Plat and Declaration shall be presented to and reviewed with the Home Buyer by the Builder during the selection of the Lot by the Buyer (prior to the Closing of the Lot).
 25. Street Lights. Developer shall enter into a lease agreement for the installation of uniform street lights as a part of the development improvements; the Association shall pay the lease payments and maintain street lights, according to the lease with the supplier.
- B. Sight Distance at Intersections: No fence, wall, hedge, shrub, or landscape planting which obstructs sight lines at elevations between two (2) and six (6) feet above the street shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting points twenty-five (25) feet from the intersection of said street lines, or in the case of a rounded property corner, from the intersection of the street lines extended. The same sight line limitations shall apply to any lot within ten (10) feet from the intersection of a street line with the edge of a driveway. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at a height sufficient to prevent obstruction of such sight lines.
- C. Building Setback Lines: Front building setback lines are established as shown on the Plat. Between said lines and the right-of-way lines of the streets no structures may be erected or maintained. Additionally, no structures may be erected or maintained between the side and rear lot lines and the right-of-way lines of the street.

- D. Damaged Structures: No dwelling unit which has been partially or totally destroyed by fire or other catastrophic event shall be allowed to remain in such state for more than thirty (30) days from the date of such occurrence.
- E. Maintenance of Lots and Improvements: The Owner of any Lot in the Development shall at all times maintain the Lot and any improvements thereon in such a manner to prevent the Lot and its improvements from becoming unsightly. Specifically, the Owner shall:
1. Establish and mow the grass with reasonable frequency to prevent its growth from exceeding four (4) inches in height. This mowing requirement shall not apply to Lots owned by the Declarant.
 2. Keep Lot free of debris and rubbish;
 3. Prevent conditions of any kind from evolving which in the Committee's opinion may detract from or diminish in any way the aesthetic value of the Development;
 4. Remove dead trees and replace with like species; and,
 5. Maintain the exterior of all improvements in a state of good repair.
- F. Requirement to Mow Grass in Public Rights-of-Way: All Owners shall be required to mow the grass in public rights-of-way including the areas between the sidewalk and the curb for their respective Lots.

On Outlot A, Lots 1 through 7, inclusive, and Lot 116, the grass in the landscape easement, the median within the public right-of-way, and the right-of-way for Public Roads (City and/or County) shall be maintained by the Association.

ARTICLE IV EASEMENTS

The strips of ground shown on the recorded plat of the Development which are marked "D. & U. Ease." (Drainage and Utility Easements) are reserved for the use of public utility companies, including cable television companies and municipal agencies, but not including transportation companies, for the purpose of installing and maintaining drainage swales, ducts, poles, lines, wires, sewers, drains and appurtenances thereto. Said easements shall be perpetual from the date of this Instrument as subscribed to by the Developer, its successors and assigns. No permanent or other structures may be erected or maintained in said easements except for temporary

structures, fences, driveways and walkways. The Owners of Lots in the Development shall take title to said Lots subject to the rights of said companies and agencies and the other owners of said Lots in the Development for purposes of ingress and egress and maintenance and repair in, along and through said easements so reserved.

ARTICLE V
MISCELLANEOUS PROVISIONS AND PROHIBITIONS

- A. Nuisances: No noxious or offensive activities shall be conducted on any Lot in the Development, nor shall anything be done on any Lot which shall be or shall become an unreasonable annoyance or nuisance to the Owners of other Lots in the Development. Nor shall Developer, any officer, agent, employee or contractor thereof, the Association, or any Owner be liable for any damage which may result from enforcement of the provisions of this paragraph.

- B. Signs: No signs or advertisements shall be displayed or placed on any Lot or structure in the Development without the prior written approval of the Committee, except for the sale of a Lot or residence. However, Developer and designated Builders may use for sale and advertising signs during the sale of lots and the construction of houses in the Development.

- C. Animals: No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats, or other household pets may be kept, provided that they
 1. shall not be kept, bred, or maintained for any commercial purpose;
 2. shall not become a nuisance to other Owners; and
 3. shall be leashed upon leaving Owner's property.No more than three (3) pets of 20 pounds or less, no more than two (2) pets of 21 to 75 pounds, and no more than 1 pet 76 to 150 pounds shall be permitted to be domiciled in a Dwelling Unit or on a Lot. Pets which exceed 150 pounds shall be approved by the Committee.

D. Vehicle Parking:

No Street Parking; No Semi Tractor-Trailers. No motor vehicle shall be continuously or habitually parked on any street or public right-of-way in the Development. This being the intent of Declarant and this Declaration that vehicles be kept in driveways and

garages. No semi tractor-trailers, other large trucks, vans, or other vehicles, as determined by Declarant in its sole discretion, shall be permitted within the Development, except for limited periods as determined by Declarant in its sole discretion for moving vans being utilized by residents for moving in or out of a residence, except for such construction, delivery, or other vehicles as Declarant may permit from time-to-time in its sole discretion.

Any motor vehicle which is inoperative and not being used for normal transportation will not be permitted to remain on any street or lot except within a closed garage. Motor vehicles may not be parked upon grassy or landscaped areas.

Unless otherwise provided by the rules and regulations of the Committee, motor homes, mobile homes, boats, campers, trailers, commercial trucks and similar vehicles may not be parked or stored upon a Lot unless within a closed garage.

All passenger vehicles shall be parked in garages or in driveways. Guest vehicles may be parked on the public streets for a period not to exceed twenty-four (24) hours. Guest vehicle does not include any vehicle which is parked frequently on public streets (i.e., if a vehicle is parked on the street for more than 24 hours per month is does NOT qualify as a guest vehicle). Vehicles may not be placed on blocks or jacks for purposes of repair, except for repairs made inside of garages.

The above restriction does not prohibit the temporary parking of such vehicles for loading and unloading purposes either on the street or in the driveway, as long as, it is removed from the Subdivision within twenty-four (24) hours of its being parked in the Subdivision.

- E. Ditches and Swales: All Owners shall keep unobstructed and in good repair, all open storm water drainage ditches and swales located on their respective Lots. Owners of all Lots in the Development shall comply at all times with the provisions of the Development and Grading Plans for the Plat as approved by the Drainage Board, City of Lafayette, Indiana, and with the requirements of all drainage permits issued for any Lot within the Development. Any field tile or underground drain encountered during the construction of any improvements within the Development shall be perpetuated. All Lot Owners in the Development, their successors, and assigns, shall comply with the Indiana Drainage Code of 1965, and all amendments thereto. No culverts shall be installed by any Lot Owner without the written consent of the City of Lafayette Drainage Board.

No sanitary waste or other wastes shall be permitted to enter the storm drainage system. Discharge from any floor drain shall be permitted to discharge into the sanitary sewer system. Footing drains and downspouts shall not discharge into the sanitary sewer

system. Downspouts shall discharge onto the surface at the ground. Footing drains shall be connected to yard subdrains or storm drains. With the purchase of a Lot, each Owner agrees that any violation of this paragraph constitutes a nuisance which may be abated by Developer, the Association, or any Owner in the Development in any manner provided at law or in equity. The cost or expense of abatement, including court costs and attorneys' fees, shall become a lien upon the Lot, and may be collected in any manner provided by law or in equity for collection of a liquidated debt.

- F. Annexation to the City of Lafayette: In consideration of the City of Lafayette, Indiana, for permitting the Developer to connect, at its request, to the City sewerage system and for other good and valuable consideration, the Developer, being the fee simple owner of all the real estate to be serviced, for itself and its successors-in-interest, hereby waives all rights to participate in any attempt for dis-annexation of the subdivision from the City of Lafayette.
- G. No Vehicular Access: No vehicular access permitted from South Eighteenth Street from Lots 1 through 7, inclusive, and Lot 116.
- This no vehicular access requirement shall be irrevocable by the Association and/or Lot Owners, and is enforceable by the Tippecanoe County Area Plan Commission.
- H. Garbage, Trash, and Other Refuse: No owner of a Lot in the Development shall burn or bury out-of-doors, any garbage or refuse. Nor shall any such Owner accumulate or permit the accumulation out-of-doors of such refuse on his or her Lot.
- I. Outside toilets: No outside toilets shall be permitted on any Lot in the Development (except during the period of construction and then only with the consent of Committee).
- J. Regulated Drain: The Development's water surface drainage system, including the public storm sewer pipes, the open channels, and the off-site drainage easements will be part of the Kirkpatrick Ditch Regulated Drain. Each Lot Owner will receive an annual assessment from the County of Tippecanoe for the upkeep of this regulated drain.
- K. Recreation Areas: Outlot A is platted as a non-residential building site for purpose of recreation. The use of the recreational facilities on Outlot A is restricted to that of the residents of Valley Lakes project (ie., Waterstone, The Landing, The Commons, and any future sections of the Valley Lakes project, as determined by Declarant). Ownership of Outlot A will be transferred to the Homeowners' Association. Maintenance of Outlot A will be the duty of the Association.

ARTICLE VI
SUBMITTAL AND APPROVAL OF PLANS

- A. Submittal of Plans: No building, wall or other structure, except original construction of buildings by or on behalf of Declarant or an original Builder, may be commenced, erected or maintained in the Development, nor may any exterior additions, changes, or alterations therein or thereto be made until the plans and specifications for said additions, changes or alterations are submitted to and approved in writing by the Committee for harmony of external design and location in relation to surrounding structures and topography.
- B. Approval of Plans: Approvals, determinations, permissions or consents of and for plans required herein shall be deemed granted if given in writing and signed with respect to Developer by an authorized Officer or agent thereof, or with respect to the Committee by two of its authorized designee(s).
- C. Development Control Committee: Upon transfer of control of the Association to the Board of Directors and/or Officers of the Association, Developer will retain the approval of the first Dwelling constructed upon any Lot. All other approvals of plans will be transferred to the Development Control Committee.
1. Power of Committee:
- a. In General: No building structure, or improvement of any type of kind shall be constructed or placed on any Lot in the Development without prior approval of the Committee. Such approval shall be obtained only after written application has been made to the Committee by the Owner of the Lot requesting authorization from the Committee.

Such written application shall be in the manner and form prescribed from time to time by the Committee, and shall be accompanied by two (2) complete sets of plans and specifications for any such proposed construction or improvement. Such plans shall include plot plans showing all existing conditions upon the Lot and the location of the improvement proposed to be constructed or placed upon the Lot, each properly and clearly designated. Such plans and specifications shall set forth the color and composition of all exterior materials proposed to be used and any proposed landscaping, together with any other material or information which the Committee may require. All plans and drawings required to be submitted to the Committee shall be drawn to a scale of one-quarter (1/4) inch equals one foot (1'), or to such other scales as the Committee may

require. There shall also be submitted, where applicable, the permits or plot plans which shall be prepared by either a registered land surveyor, engineer, or architect. Plot plans submitted for Building Permits shall bear the stamp or signature of the Committee acknowledging the approval thereof.

- b. Power of Disapproval. The Committee may refuse to grant permission to remove trees, repaint, construct, place or make the requested improvement, when:
 - 1. the plans, specifications, drawings, or other material submitted are inadequate or incomplete, or show the proposed improvement to be in violation of these Restrictions;
 - 2. the design or color scheme of a proposed improvement is not in harmony with the general surroundings of the Lot or with adjacent buildings or structures; or
 - 3. the proposed improvement, or any part thereof, would, in the opinion of the Committee, be contrary to the interests, welfare, or rights of all or any part of the other Owners.
- c. Developer Improvements: The Committee shall have no power with respect to any improvements or structures erected or constructed by the Developer (or any Builder, if Developer has approved the plans therefore).
- d. Duties of Committee. The Committee shall approve or disapprove the proposed improvements within fifteen (15) days after all required information is received by it. One (1) copy of submitted material shall be retained by the Committee for its permanent files. All notifications to applicants shall be in writing, and, in the event that such notification is one of disapproval, it shall specify the reason or reasons

for such disapproval. In the event that a written approval is not received from the Committee within fifteen (15) days from the date of receipt of the information required to be submitted by these Subdivision Restrictions, the failure to issue such written approval shall be construed as the disapproval of any such plans submitted.

The submitting party can re-submit and if no written approval or denial is received, after the next fifteen (15) days, the no action shall be construed as approval.

- e. In General. Any party to whose benefit these restrictions inure, including Developer, Association and any Owner in the Development, may proceed at law or in equity to prevent the occurrence or continuation of any violation of these Restrictions, but neither Developer nor Association shall be liable for damages of any kind to any person for failing to abide by, enforce, or carry out any of these Restrictions.
- f. Liability of Committee. Neither the Committee nor any agency thereof, nor the Developer, shall be responsible in any way for any defects in any plans, specifications, or other materials submitted to it, nor for any defects in any work done according thereto.
- g. Inspections. The Committee may inspect work being performed to assure compliance with these Restrictions and applicable regulations.
- h. The failure of the Committee to act in any particular situation with any particular party shall in no way be a waiver of any right of action or enforcement in the future.

ARTICLE VII
RULES GOVERNING BUILDING ON SEVERAL
CONTIGUOUS LOTS HAVING ONE OWNER

Whenever two or more contiguous Lots in the Development are owned by the same Owner, and said Owner proposes to use two or more of said Lots as a site for one (1) Dwelling Unit, said Owner shall apply in writing to the Committee for permission to use said Lots for this purpose. If permission is granted, Owner must comply with all requirements of the Tippecanoe County/City of Lafayette Unified Subdivision Ordinance. The Lots constituting the site for said Dwelling Unit shall be treated as a single Lot for the purpose of applying these restrictions while the Lots remain improved with one (1) Dwelling Unit. No two-family dwellings shall be permitted in the Development.

ARTICLE VIII
REMEDIES

- A. Available Remedies: In the event of a violation, or threatened violation, of any of the Covenants herein recited, Declarant, the Owners and all other parties claiming under them ("Interested Parties"), individually or through the Association, shall have the right to enforce the Covenants contained herein, and may pursue any and all remedies, at law or in equity, available under applicable Indiana law, with or without proving any actual damages, and including the right to secure injunctive relief or to secure removal by due process of any structure not in compliance with the Covenants contained herein, and shall be entitled to recover reasonable attorneys' fees and the costs and expenses incurred as a result thereof.
- B. Government Enforcement: The Tippecanoe County Area Plan Commission, its successors and assigns, shall have no right, power or authority to enforce any Covenants contained in this Declaration other than those Covenants which expressly run in favor of the Tippecanoe County Area Plan Commission; provided further, that nothing herein shall be construed to prevent the Tippecanoe County Area Plan Commission from enforcing any provisions of the Unified Subdivision Ordinance, as amended, or any conditions attached to approval of the plat of The Commons at Valley Lakes, Phase I, by the Plat Committee, and any subsequent sections approved thereafter.
- C. Delay or Failure to Enforce: No delay or failure on the part of any aggrieved party to invoke any available remedy with respect to a violation of any one or more of these Covenants shall be held to be a waiver by that party (or any estoppel of that party to assert) of any right available to him upon the occurrence, recurrence or continuation of such violation or violations of these Covenants.

ARTICLE IX
EFFECT OF BECOMING AN OWNER

All present and future Owners, Mortgagees, tenants and occupants of the Lots and Dwelling Units, and other Persons claiming by, through, or under them, shall be subject to and shall comply with the provisions of this Declaration and the Articles, the By-Laws, and the rules and regulations adopted by the Board of Directors of the Association as each may be amended or supplemented from time to time. The acceptance of a deed or conveyance of the act of occupancy of any Lot or Dwelling Units shall constitute an agreement that the provisions of this Declaration and the Articles, the By-laws and the rules and regulations of the Association 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 bind any Person having at any time any interest or estate in a Lot or Dwelling Unit or the Real Estate, all as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. All Persons who may own, occupy, use, enjoy or control a Lot or Dwelling Unit or any part of the Real Estate in any manner shall be subject to this Declaration and the Articles, the By-Laws, and the rules and regulations of the Association applicable thereto as each may be amended or supplemented from time to time.

ARTICLE X
TITLES

The underlined titles of the various Articles and Sections of these Covenants are for the convenience of reference only. None of them shall be used as an aid to the construction of any provisions of the Covenants. Wherever and whenever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or the neuter.

ARTICLE XI
DURATION AND AMENDMENT

- A. Duration of Declaration: This Declaration shall be effective for an initial term of twenty (20) years from the date of its recordation by the Recorder of Tippecanoe County, Indiana, and shall automatically renew for additional terms of ten (10) years each, in perpetuity, unless at the end of any term the Owners' vote pursuant to Article XVII, Section K. to terminate this Declaration, in which case this Declaration shall terminate as of the end of the term during which such vote was taken. Notwithstanding the preceding sentence, all easements created or reserved by this Declaration shall be perpetual unless

otherwise expressly indicated herein.

- B. Amendment of Declaration: As long as Developer is a Class B member as defined in Article XV, Section B.2., Developer hereby reserves the right to make such amendments to this Declaration as Developer may deem necessary or appropriate without the approval of any other person or entity, in order to bring this Declaration into compliance with the requirements of any public agency having jurisdiction thereof or any agency guaranteeing, insuring, or approving mortgages, or to change or modify Covenants for amendments to the Plat or Article III Restrictions which would apply to future construction, provided that Developer shall not be entitled to make any amendment which will have a materially adverse effect on the rights of any Mortgagee, nor which will substantially impair the benefits of the Covenants to any Owner or substantially increase the obligations imposed by the Covenants on any Owner without the written approval of said Owners as provided for under Article XVII, Section K.

Upon conversion of Class B membership to Class A membership as provided in Article XV, Section B.2, the Covenants may be amended as provided for under Article XVII, Section K.

Amendments to this Declaration shall require HUD/VA prior approval as long as there is a Class B membership, except for Amendments due to typographical and clerical errors.

ARTICLE XII SEVERABILITY

The within Covenants shall run with the land and shall be binding on all parties claiming under them. Invalidation or unenforceability of any of the Covenants by Judgment or Court Order shall in no way affect the validity or enforceability of any of the other provisions which shall remain in full force and effect.

ARTICLE XIII DEDICATION OF STREET RIGHTS-OF-WAY

All street rights-of-way shown on the plat and not heretofore dedicated to the public are hereby dedicated to the public.

ARTICLE XIV
HOMEOWNERS' ASSOCIATION

The Association shall be an Indiana not-for-profit corporation and shall operate in accordance with Articles XV through XVIII of this Declaration.

ARTICLE XV
ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

- A. Membership: Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from the ownership of any Lot. In addition, the Association, and/or its members therein, may be members in any one or more umbrella or joint homeowners' associations, if any, composed of associations and/or members from surrounding areas or, if organized by the Builders or Lot Owners of a community.
- B. Classes of Membership: The Association shall have two (2) classes of voting members:
1. Class A: Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.
 2. Class B: The Class B member(s) shall be the Declarant, who shall be entitled to three (3) votes for each Lot owned, and the members of the first Board of Directors during their respective terms, who shall have no voting rights. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events in The Commons at Valley Lakes, Phase I and subsequent phases thereto, whichever occurs earlier:
 - a. When 75% of the Lots are deeded to homeowners; or
 - b. on June 1, 2012.
- C. Board of Directors: The members shall elect a Board of Directors of the Association as prescribed by the Association's By-Laws. The Board of Directors shall manage the affairs of the Association. The initial Board of Directors shall be appointed by Developer and shall manage the affairs of the Association until Developer transfers control of the Association to the Owners as required herein.

- D. Responsibilities of the Association: The Association is hereby authorized to act and shall act on behalf of, and in the name, place, and stead of, the individual Owners in all matters pertaining to the determination of Common Expenses, the collection of annual and special Assessments, and the granting of any approvals whenever and to the extent called for by the Declaration for the common benefit of all such Owners. The Association shall also have the right, but not the obligation, to act on behalf of any Owner or Owners seeking enforcement of the Covenants contained in this Declaration. Neither the Association nor its officers or authorized agents shall have any liability whatsoever to any Owner for any action taken under color of authority of the Declaration or for any failure to take any action called for by the Declaration, unless such act or failure to act is in the nature of a willful or reckless disregard of the rights of the Owners or in the nature of willful, intentional, fraudulent, or reckless misconduct. The Association shall procure and maintain casualty insurance, liability insurance and such other insurance as it deems necessary or advisable. The Association by its Board of Directors may contract for management services and such other services as the Association deems necessary or advisable.
- E. Transfer of Control of Association: Developer shall transfer control of the Association to the Owners no later than the earlier of:
1. four (4) months after three-fourths (3/4) of the Lots in the completed Development have been conveyed to Owners; or
 2. on June 1, 2012.

ARTICLE XVI
INSURANCE

- A. Public Liability Insurance for Common Property: The Association shall maintain in force adequate public liability insurance protecting the Association against liability for property damage and personal injury occurring on or in connection with any and all of the Common Property, if any, as the Board of Directors shall deem appropriate.
- B. Comprehensive Public Liability Insurance: The Association also shall maintain in force comprehensive public liability insurance and such other liability insurance, with such coverages and limits, as the Board of Directors shall deem appropriate. All such policies of insurance shall contain an endorsement or clause whereby the insurer waives any right to be subrogated to any claim against the Association, its officers, the Board of Directors, the Developer, any Managing Agent, their respective employees and agents, or the Owners, and shall further contain a clause whereby the insurer waives any defenses based

on acts of individual Owners whose interests are insured thereunder, and shall cover claims of one or more insured parties against other insured parties. All such policies shall name the Association, for the use and benefit of the Owners, as the insured; shall provide that the coverage thereunder is primary even if an Owner has other insurance covering the same loss; shall show the Association or insurance trustee, in trust for each Owner and Mortgagee, as the party to which proceeds shall be payable; shall contain a standard mortgage clause and shall name Mortgagees as Mortgagee; and shall prohibit any cancellation or substantial modification to coverage without at least thirty (30) days prior written notice to the Association and to the Mortgagees. Such insurance shall inure to the benefit of each individual Owner, the Association, the Board of Directors and any managing agent or company acting on behalf of the Association. The individual Owners, as well as any lessees of any Owners, shall have the right to recover losses insured for their benefit.

- C. Professional Management Firm Insurance: A professional management firm shall provide insurance coverage to the same extent as the Association would be required to provide if it were managing its own operation and shall submit evidence of such coverage to the Association.
- D. Owner's Responsibility for Loss: Each Owner shall be solely responsible for loss of or damage to the improvements and his personal property located on his Lot, however caused. Each Owner shall be solely responsible for obtaining his own insurance to cover any such loss and risk.

ARTICLE XVII
COVENANT FOR ASSESSMENTS

- A. Purpose of Assessments: The Assessments levied by the Association shall be used exclusively for the purpose of improving, repairing, replacing and maintaining project sign structures; maintaining the landscaping for said project signs and landscaping in the landscaping easements on Outlot A in Phase I and on Outlots in a subsequent Phases, maintenance of the the median (and plantings therein) within the public right-of-way, including utilities and maintenance for a sprinkler system and entrance street light; maintaining storm water retention areas; providing insurance coverage therefor; professional management fees; and paying for any other expenses related to the Association, including lease payments and maintenance fees for street lights for the subdivision.

- 1. Each owner covenants and agrees to pay the Association:

3\Laf\Comm@VL\Cove

01-18-02

Page 23

- a. A Pro Rata Share (as hereinafter defined) of the annual Assessments established and determined from time to time as hereinafter provided.
 - b. A Pro Rata Share (as hereinafter defined) of any special Assessments established and determined from time to time, as hereinafter provided.
- B. Pro Rata Share: The pro rata share for each Owner for purposes of this paragraph shall be the percentage obtained by the fraction of one over the total number of lots (1/Total no. of Lots) within the Plat.
- C. Liability for Assessments: The Assessment on each Lot, together with any interest thereon and any costs for collection thereof, including attorneys' fees, shall be a charge on each Lot and shall constitute a lien upon each Lot from and after the due date thereof in favor of the Association. Each such Assessment, together with any interest thereon and any costs for collection thereof, including attorneys' fees, shall also be the personal obligation of the Owner of each Lot at the time the Assessment is due. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such Assessments as to payments which become due prior to such sale or transfer. The lien for any Assessment shall for all purposes be subordinate to the lien of any Mortgagee whose mortgage was recorded prior to the date such Assessment first became due and payable. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof, nor shall any sale or transfer relieve any Owner of the personal liability hereby imposed. The personal obligation for delinquent Assessments shall not pass to any successor in title unless such obligation is expressly assumed by such successor.
- D. Basis of Annual Assessments: The Board of Directors of the Association shall establish an annual budget at the beginning of each fiscal year, setting forth all anticipated Common Expenses for the coming fiscal year, together with a reasonable allowance for contingencies and reserves for periodic repair and replacement of the Common Property. A copy of this budget shall be delivered to each Owner of the Association.
- E. Basis of Special Assessments: Should the Board of Directors of the Association at any time during the fiscal year determine that the Assessments levied for such year may be insufficient to pay the Common Expenses for such year, the Board of Directors shall call a special meeting of the Association to consider imposing such special Assessments as may be necessary for meeting the Common Expenses for such year. A special Assessment shall be imposed only with the approval of the Owners in attendance at the special meeting convened under Clause K of this Article XVII, and shall be due and payable on the date(s) determined by such Owners, or if not so determined, then as may be determined by the Board of Directors.

- F. Fiscal Year; Date of Commencement of Assessments; Due Date: The fiscal year of the Association shall be the calendar year and may be changed from time to time by action of the Association. The annual Assessments on each Lot in the Development shall commence no sooner than on the first day of the first month following the month in which Declarant first conveys ownership of any Lot to an Owner; provided, that if any Lot is first occupied for residential purposes prior to being conveyed by Declarant, full Assessments shall be payable with respect to such Lot commencing on the first day of the first month following the date of such occupancy. The Declarant shall have the right, but not the obligation, to make up any deficit in the budget for the Common Expenses for any year in which Declarant controls the Association, subject to its right to be reimbursed therefor as provided herein.

The first annual Assessment shall be made for the balance of the fiscal year of the Association in which such Assessment is made and, with respect to particular Lots, shall become due and payable on the date of initial transfer of title to a Lot to the Owner thereof. The annual Assessment for each year after the first assessment year shall be due and payable on the first day of each fiscal year of the Association. Annual Assessments shall be due and payable, in full, as of the above date or as of the transfer of a Lot to an owner other than the Declarant, except that the Board of Directors may, from time to time by resolution, authorize the payment of such Assessments in monthly, quarterly, or semi-annual installments. The Declarant shall not pay an assessment on Lots which are not sold.

- G. Duties of the Association:

1. Books and Records: The Board of Directors of the Association shall cause proper books and records of the levy and collection of each annual and special Assessment to be kept and maintained, including a roster setting forth the identification of each Lot and each Assessment applicable thereto, which books and records shall be kept by the Association and shall be available for the inspection and copying by each Owner (or duly authorized representative of any Owner) at all reasonable times. Except as may be otherwise provided in the Association's By-Laws, the Association shall cause financial statements to be prepared at least annually for each fiscal year of the Association, and shall furnish copies of the same to any Owner or Mortgagee upon request. The Board of Directors of the Association shall cause written notice of all Assessments levied by the Association upon the Lots and upon the Owners to be delivered to the Owners or their designated representatives. Notices of the amount of Annual Assessments and the days following the determination thereof and Notices of the amounts of special Assessments shall be sent as promptly as practical and, in any event, not less than thirty (30) days prior to the due date of such Assessment or

any installment thereof. In the event such notice is delivered less than thirty (30) days prior to the due date of the Assessment to which such notice pertains, payment of such Assessment shall not be deemed past due for any purpose if paid by the Owner within thirty (30) days after the date of actual delivery of such notice.

2. Certificate of Assessments: Upon request the Association shall promptly furnish to any Owner, prospective purchaser, title insurance company, or Mortgagee, a certificate in writing signed by an officer of the Association, setting forth the extent to which Assessments have been levied and paid with respect to any Lot in which the requesting party has a legitimate interest. For any person relying thereon, such certificate shall be conclusive evidence that of any Assessment therein stated has been paid.
3. Request for Notice from Mortgagee: The Association shall notify any Mortgagee from which it has received a request for notice:
 - a. of any default in the performance of any obligation under this Declaration by any Owner which is not remedied within sixty (60) days;
 - b. of any condemnation of casualty loss that affects either a material portion of the Development of the Lot securing its mortgage;
 - c. of any lapse, cancellation, or material modification of any insurance policy required to be maintained by the Association; and
 - d. of any proposed action which requires the consent of the Mortgagees or a specified percentage thereof, as set forth in the Declaration.

H. Association Remedies for Non-Payment of Assessments:

1. Lien for Non-Payment of Assessment: If any Assessment is not paid on the date when due, then such Assessment shall be deemed delinquent and shall, together with any interest thereon and any cost of collection thereof, including attorneys' fees, become a continuing lien on the Lot against which such Assessment was made, and such lien shall be binding upon and enforceable as a personal liability of the Owner of such Lot as of the date of levy of such Assessment, and shall be enforceable against the interest of such Owner and all future successors and assignees of such Owner in said Lot; provided however, that the lien of the Assessment provided for herein shall be subordinate to the lien of any first mortgage.

2. Initiation of Action by Association for Non-Payment of Assessment:

If any Assessment upon any Lot is not paid within thirty (30) days after the due date, such Assessment and all cost of collection thereof, including attorneys' fees, shall bear interest from the date of delinquency until paid at a rate of eighteen percent (18%) per annum. The Association may bring an action against the delinquent Owner in any court having jurisdiction to enforce payment of the same and/or to foreclose the lien against Owner's Lot. There shall be added to the amount of such Assessment all costs of such action, including the Association's attorneys' fees, and in the event a judgment is obtained, such judgment shall include such interest, costs, and attorneys' fees.

I. Adjustments: In the event that the amounts actually expended by the Association for Common Expenses in any fiscal year exceed the amounts budgeted and assessed for Common Expenses for that fiscal year, the amount of such deficit shall be carried over and become an additional basis for Assessments for the following year, except that so long as the Declarant controls the Association, Declarant may, at its sole discretion, make up such deficit; provided, however, that Declarant shall be reimbursed by the Association for such funded deficits, together with interest at 18% per annum until so reimbursed, from available surpluses in later years or through a special assessment at the time of transfer of control of the Association to the Owners.

J. Initial Assessments: During the first year in which the date when the Declaration is recorded, the annual Assessment per Lot shall not exceed One Hundred Thirty-two Dollars (\$132.00) for Class A members, payable annually. This amount shall not indicate amounts of future annual Assessments. Future Assessments shall be based on an annual budget and shall be for a full year.

Regular Assessments may be increased up to 15% each year without a vote of the membership; provided that proper notice is given to the Owners not less than thirty (30) days in advance of the meeting to approve the annual budget.

The Declarant, at its sole discretion, may advance to the Association any of the first year deficit and may be reimbursed by subsequent assessments.

K. Notice and Quorum for any Action to Increase Assessments In Excess of 15% or to Amend the Declaration: Written notice of any meeting called for the purpose of increasing the regular or special Assessments of the Association or an Amendment to the Declaration shall be sent to all Owners not less than thirty (30) days in advance of the meeting. At the first such meeting called, the presence of Owners or of proxies entitled to cast sixty percent (60%) of all the votes shall constitute a quorum.

If the required quorum is not present, another meeting may be called, subject to the same notice requirement, and the required quorum shall be those Owners who are present at this subsequent meeting. A majority of the lots represented in this Quorum must approve the assessment or amendment.


- L. Subordination of the Lien to Mortgages: The Lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. Provided, however, the sale or transfer of any Lot pursuant to the foreclosure of any first mortgage on such Lot (without the necessity of joining the Association in any such foreclosure action) or any proceedings or deed in lieu thereof shall extinguish the lien of all assessments becoming due prior to the date of such sale or transfer. If and to the extent this Paragraph is inconsistent with any other paragraph in the Declaration, then this paragraph shall prevail.

ARTICLE XVIII FUTURE IMPROVEMENTS

- A. The Developer has preliminary plans to construct and develop adjacent Phases and Subdivisions to The Commons at Valley Lakes, which may contain certain amenities, such as a swimming pool, tennis and basketball courts, and walking paths. If the amenities are constructed, the Lot Owners shall be required to participate in the maintenance of those amenities through an increase in the monthly Association assessment. Such increase shall be determined at the time said amenities are constructed, but said increase shall not exceed One Hundred Fifty (\$150.00) annually in the first year when the amenities are completed. Thereafter, the new assessment shall be determined as per Article XVII, Paragraphs I and J. Therefore, the total assessment shall be the Class A assessment as stated in Article XVII. J. plus the assessment addition shown in this article (initially, \$132.00 + \$150.00 = \$282.00) after the amenities are constructed.

IN WITNESS WHEREOF, the undersigned officer of Declarant has hereunto caused his name to be subscribed this 18th day of January, 2002.

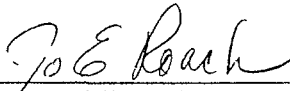
DECLARANT
CEDAR RUN LIMITED, INC.,
an Indiana Corporation

BY: 
Timmy J. Shrout, President

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Timmy J. Shrout, President of Cedar Run Limited, Inc., an Indiana Corporation, who acknowledged the execution of the foregoing Declaration of Covenants, Conditions, Commitments, Restrictions, Easements and Assessments as such Officer acting for and on behalf of said Corporation, and who, having been duly sworn, stated that any representations herein contained are true.

Witness my hand and Notarial Seal this 18th day of January, 2002.


Notary Public - Signature



JO E. ROACH, Notary Public
My Commission Expires: 8-3-07
Residing in Marion County

This instrument prepared by: William T. Rees, Attorney at Law, 8355 Rockville Road, Indianapolis, IN 46234

Exhibit "A"

LAND DESCRIPTION - THE COMMONS AT VALLEY LAKES, PHASE 1, PART 1

A part of the Southeast Quarter of Section 9, Township 22 North, Range 4 West, Wea Township, Tippecanoe County, Indiana, being more particularly described as follows:

Commencing at the Southwest Corner of the Southeast Quarter of said Section 9; thence North 00°01'00" West along the West Line of said Southeast Quarter 650.00 feet to the Point of Beginning of the herein-described tract; thence continuing North 00°01'00" West along said West Line 753.61 feet; thence North 89°59'00" East perpendicular to said West Line 60.59 feet to the east right-of-way line of South 18th Street; thence South 59°54'52" East 203.75 feet to an iron pipe with a yellow plastic cap stamped 'Fisher P.C. 5092', hereafter referred to as a capped iron pipe, on a non-tangent curve to the right, having a radius of 125.00 feet and a central angle of 61°26'27"; thence northeasterly along said curve an arc distance of 134.04 feet (said arc being subtended by a chord having a bearing of North 60°48'22" East and a length of 127.71 feet); thence South 88°28'25" East 495.18 feet to the point of curvature of a curve to the right, having a radius of 125.00 feet and a central angle of 58°10'52"; thence southeasterly along said curve an arc distance of 126.93 to a capped iron pipe; thence North 59°42'27" East 176.06 feet to a capped iron pipe; thence South 00°01'00" East 548.18 feet to a capped iron pipe; thence North 89°59'00" East 256.39 feet to the point of curvature of a curve to the left, having a radius of 75.00 feet and a central angle of 37°29'27"; thence northeasterly along said curve an arc distance of 49.08 feet; thence North 52°29'33" East 225.01 feet to the point of curvature of a curve to the right, having a radius of 125.00 feet and a central angle of 37°11'29"; thence northeasterly easterly along said curve an arc distance of 81.14 feet; thence North 89°41'02" East 192.74 feet to the point of curvature of a curve to the left, having a radius of 25.00 feet and a central angle of 90°00'00"; thence northeasterly along said curve an arc distance of 39.27 feet; thence North 00°18'58" West 425.16 feet; thence North 89°41'02" East 50.00 feet; thence South 00°18'58" East 82.83 feet to the point of curvature of a curve to the left, having a radius of 25.00 feet and a central angle of 90°00'00"; thence southeasterly along said curve an arc distance of 39.27 feet; thence North 89°41'02" East 115.00 feet; thence South 00°18'58" East 400.00 feet to a capped iron pipe; thence South 03°52'36" East 75.01 feet to a capped iron pipe; thence South 79°10'16" West 187.32 feet to a capped iron pipe on a non-tangent curve to the right, having a radius of 625.00 feet and a central angle of 1°55'30"; thence northerly along said curve an arc distance of 21.00 feet (said arc being subtended by a chord having a bearing of North 09°52'00" West and a length of 21.00 feet); thence South 81°05'45" West 150.73 feet to a capped iron pipe; thence South 20°14'39" East 57.43 feet to a capped iron pipe; thence South 70°14'04" West 130.03 feet to a capped iron pipe on a non-tangent curve to the right, having a radius of 200.00 feet and a central angle of 4°38'49"; thence southeasterly along said curve an arc distance of 16.22 feet (said arc being subtended by a chord having a bearing of South 17°26'25" East and a length of 16.22 feet); thence South 74°53'00" West 50.00 feet to a capped iron pipe; thence South 64°26'17" West 171.38 feet to a capped iron pipe; thence South 89°59'00" West 1212.00 feet; thence North 00°01'00" West 11.09 feet to a capped iron pipe; thence South 89°59'00" West 220.00 feet to the point of beginning, containing 23.984 acres, more or less.

The above bearings are based on Valley Forge Estates

Exhibit "A"

LAND DESCRIPTION - THE COMMONS AT VALLEY LAKES, PHASE 1, PART 2

A part of the Southeast Quarter of Section 9, Township 22 North, Range 4 West, Wea Township, Tippecanoe County, Indiana, being more particularly described as follows:

Commencing at the Southwest Corner of the Southeast Quarter of said Section 9; thence North 00°01'00" West along the West Line of said Southeast Quarter 1403.61 feet to the point of beginning of the herein described tract; thence continuing North 00°01'00" West 216.77 feet; thence South 83°39'50" East 1101.18 feet; thence North 88°23'10" East 931.53; thence South 0°18'58" East 172.98 feet to an iron pipe with a yellow plastic cap stamped 'Fisher P.C. 5092', hereafter referred to as a capped iron pipe; thence South 89°41'02" West 79.55 feet to the point of curvature of a curve to the right, having a radius of 25.00 feet and a central angle of 90°00'00"; thence northwesterly along said curve an arc distance of 39.27 feet; thence North 0°18'58" West 82.83 feet; thence South 89°41'02" West 50.00 feet; thence South 00°18'58" East 425.16 feet to the point of curvature of a curve to the right, having a radius of 25.00 feet and a central angle of 90°00'00"; thence southwesterly along said curve an arc distance of 39.27 feet; thence South 89°41'02" West 192.74 feet to the point of curvature of a curve to the left, having a radius of 125.00 feet and a central angle of 37°11'29"; thence southwesterly along said curve an arc distance of 81.14 feet; thence South 52°29'33" West 225.01 feet to the point of curvature of a curve to the right, having a radius of 75.00 feet and a central angle of 37°29'27"; thence southwesterly along said curve an arc distance of 49.08 feet; thence South 89°59'00" West 256.39 feet to a capped iron pipe; thence North 00°01'00" West 548.18 feet to a capped iron pipe; thence South 59°42'27" West 176.06 feet to a capped iron pipe on a non-tangent curve to the left, having a radius of 125.00 feet and a central angle of 58°10'52"; thence along said curve an arc distance of 126.93 feet (said arc being subtended by a chord having a bearing of North 59°22'59" West and a length of 121.55 feet); thence North 88°28'25" West 495.18 feet to the point of curvature of a curve to the left, having a radius of 125.00 feet and a central angle of 61°26'27"; thence southwesterly along said curve an arc distance of 134.04 feet to a capped iron pipe; thence North 59°54'52" West 203.75 feet to a capped iron pipe; thence South 89°59'00" West 60.59 feet to the point of beginning, containing 16.242 acres, more or less.

The above bearings are based on Valley Forge Estates