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AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS OF CRYSTAL BAY & CRYSTAL COVE HOMEOWNERS ASSOCIATION, INC.

Effective September 22, 2025

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AMENDED DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS OF CRYSTAL BAY & CRYSTAL COVE HOMEOWNERS ASSOCIATION, INC.

THIS IS AN AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS OF CRYSTAL BAY & CRYSTAL COVE, HOMEOWNERS ASSOCIATION, A PLATTED SUBDIVISION IN HAMILTON, STEUBEN COUNTY, INDIANA. THIS AMENDMENT IS MADE EFFECTIVE THIS 22 DAY OF Sep, 2025 AND AMENDS THE AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS OF CRYSTAL BAY & CRYSTAL COVE HOMEOWNERS ASSOCIATION, INC, RECORDED JULY 17, 2013 AS DOCUMENT NO. 13070462 IN THE OFFICE OF THE RECORDER OF STEUBEN COUNTY, INDIANA. THIS AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS OF CRYSTAL BAY & CRYSTAL COVE HOMEOWNERS ASSOCIATION, INC, WAS APPROVED BY AN AFFIRMATIVE VOTE OR WRITTEN CONSENT, OR ANY COMBINATION THEREOF, OF AT LEAST TWO-THIRDS (2/3) OF THE ELIGIBLE VOTES COUNTED AT A MEETING HELD THE 16 DAY OF Sep, 2025.

RECITALS:

WHEREAS, on January 11, 2002, Northwest Hamilton Lake Development Company, LLC identified as the Declarant therein approved and imposed Covenants, Conditions, Easements and Restrictions upon real estate commonly known as Crystal Bay and Crystal Cove, a subdivision in Hamilton, Steuben County, Indiana, which Covenants, Conditions, Easements and Restrictions were recorded in the Steuben County Recorder's office on January 16. 2002 as Document No. 02-01-0684.

WHEREAS, the Crystal Bay & Crystal Cove Homeowners Association, Inc., a non-profit domestic corporation was duly formed and created on October 18, 2002, through the Office of the Indiana Secretary of State; and

WHEREAS, the Board of Directors of the Association has submitted this Amended Declaration of Covenants, Conditions, Easements and Restrictions of Crystal Bay & Crystal Cove Homeowners Association, Inc., to the eligible members of the Association for approval.

NOW, THEREFORE, Association hereby declares that all of the real estate described in "Exhibit A" of the original Declaration of Covenants, Conditions, Easements and Restrictions of Crystal Bay & Crystal Cove Homeowners Association, Inc., recorded January 16, 2002 as Document No. 02-01-0684, and any Additional Land as may by subsequent amendment be added to and subject to this Declaration, shall be held, sold and conveyed subject to the following covenants, conditions, easements, restrictions, which shall "run with the land" and are for the purpose of protecting the value and desirability and which shall run with the real property

subjected to this Declaration and which shall be binding on all parties having any right, title or interest in the described Development or any part thereof, their heirs, successors, successors-in-title, and assigns and shall inure to the benefit of each owner thereof. Association, for itself and its successors and assigns, specifically reserves unto itself the right and privilege to include Additional Land (as defined herein) within and subject to, the terms and provisions of this Declaration by recording a document with the Recorder of Steuben County, Indiana, making reference to the terms and provisions hereof and purporting to accomplish such addition of real estate with respect to the provisions hereof.

ARTICLE I
DEFINITIONS

Section 1.1. Additional Land. Additional Land shall mean and refer to additional real property now owned or which may in the future be owned by Association subject to Association's reserved unilateral right to annex the same within and subject to this Declaration as provided elsewhere herein.

Section 1.2. Lane 280C. Lane 280C shall mean the private drive depicted on the Plat and Plans from its point of inception at the 3-way intersection (generally in the vicinity of Lot 96) of the Lane 280C, Lane 280 and Lane 280C and continuing to its point of termination at Lane 280 (generally in the vicinity of Lot 88).

Section 1.3. Articles of Incorporation. Articles of Incorporation means and refers to the Articles of Incorporation of the Association, as filed with the Secretary of State of the State of Indiana.

Section 1.4. Association. Association shall mean and refer to Crystal Bay & Crystal Cove Homeowners Association. The Board of Directors or Board shall mean the elected body of the Association having its normal meaning under Indiana not-for-profit corporation law, as amended.

Section 1.5. Bylaws. Bylaws shall refer to the Bylaws of the Association, as the same may exist and are or may be in effect from time to time

Section 1.6. Common Area. Common area shall mean all real property designated as such upon the Plat and Plans as recorded with the Recorder of Steuben County, Indiana. Common Areas shall be construed to mean and include, without limitation, any and all landscaping, accent or special effect lighting systems, community recreational facilities, and similar items and personal property as such may be contemplated by the Plat and Plans filed with the Recorder of Steuben County, Indiana, from time to time with respect to the Development.

Section 1.7. Common Expenses. Common Expenses shall mean and include the actual and estimated expenses of operating the Association, including, without limitation, any reasonable reserves, all as may be found to be necessary and appropriate by the Board of Directors pursuant to this Declaration, the Bylaws, and the Articles of Incorporation of the Association. Common Expenses shall include, without limitation, the actual and estimated cost to the Association for the maintenance, management, operation, repair, improvement and replacement of Common

Area, any private drives or roadways, any private bridges (inclusive, without limitation, the Island Crossing Drive bridge), real estate taxes or personal property taxes assessed against any Common Area, as well as any other costs or expense incurred by the Association for the benefit of the Common Area and the Owners.

Section 1.8. Dedicated Lake Area. Dedicated Lake Area shall mean and refer to all additional water area created as a result of the Development and located within the legally established shoreline (or water line) as such may be formed on the bank or shore of the water surface at the legally established average normal level for Hamilton Lake, Steuben County, Indiana. The Dedicated Lake Area is set forth on the Plat and Plans and identified as Lake Area, Common Area B. Nothing set forth in these Declarations, the Plat and Plans or any other document or instrument, whether recorded or not, shall be construed to confer any greater rights or obligations upon any Owner with respect to the Dedicated Lake Area than are otherwise provided in accordance with the applicable laws, including, without limitation, the Lake Preservation Act codified at I.C. 14-26-1 *et. seq.*, as amended.

Section 1.9. Development. Development shall mean and refer to the real property described in **Exhibit A**, attached hereto and incorporated herein by reference.

Section 1.10. DCC. DCC shall mean and refer to the Development Control Committee established pursuant to the provisions of Article X hereof.

Section 1.11. Drainage System. Drainage System shall mean and include, without limitation, the retention/detention ponds, storm sewers, subsurface drainage tiles, swales, ditches, pipes, and other structures, fixtures, properties, equipment, and facilities located in, upon, or under the Common Area, Streets, or easements affecting one or more Lots or property located outside the Development, and designed for the purpose of expediting the drainage of surface and subsurface waters from, over, across and under the Development, other than such as may have been dedicated to the public and accepted for maintenance by the appropriate public agency.

Section 1.12. Eligible Mortgage Holder. Eligible Mortgage Holder shall mean a holder, insurer, or guarantor of a first mortgage on a Lot who has requested notice of certain matters from the Association as herein and in the Association's Bylaws provided.

Section 1.13. Eligible Votes. Eligible Votes shall mean those votes available to be cast on the issue at hand. A vote which is for any reason suspended is not available to be cast.

Section 1.14. Lane 270A. Lane 270A shall mean the private drive depicted on the Plat and Plans from its point of inception at Lane 270 (generally in the vicinity of Lot 17 and Lot 18) and continuing to its point of termination at the cul-de-sac abutting Lot 194, Lot 195 and Lot 196 on Upland Island.

Section 1.15. Lake Association. Lake Association shall mean and refer to the Hamilton Lake Association Incorporated, an Indiana non-profit domestic corporation.

Section 1.16. Lot. Lot shall mean a portion of the Development other than the Common Area intended for any type of independent ownership and use as may be set out in this Declaration and

as shall be shown on the Plats and Plans filed with this Declaration and amendments thereto_ Where the context indicates or requires, the term Lot shall include, without limitation, any structure on the Lot.

Section 1.17. Majority. Majority means more than fifty percent (50%) of the total number of eligible groups, Eligible Votes, eligible Owners, or others, as the context may indicate.

Section 1.18. Member. Member shall mean and refer to a Person entitled to membership in the Association, as provided herein.

Section 1.19. Mortgage. Mortgage means any mortgage, deed to secure debt, and any and all other similar instruments used for the purpose of conveying or encumbering real property as security for the payment or satisfaction of an obligation.

Section 1.20. Owner. Owner shall mean and refer to the record owner, whether one or more Persons, of any Lot which is part of the Development, but excluding any party holding the fee simple title merely as security for the performance of an obligation.

Section 1.21. Person. Person means a natural person, a corporation, a limited liability company, a partnership, a limited partnership, a limited liability partnership, a trust and/or trustee, or other legal entity.

Section 1.22. Pier. Pier means and shall refer to any structure built on posts or floating upon the water which extends lake ward from a Lot or Common Area over the water, including, without limitation, (i) docks and floating piers which do not use posts, (ii) any dock or structure used as a landing place for boats, and (iii) any other structure classified by the Indiana Department of Natural Resources or by the DCC as a pier, which classification if made by the DCC must be reasonable under the circumstances.

Section 1.23. Plats and Plans. Plats and Plans shall collectively mean those plats or plans of all or any portion of the Development making reference hereto which have been or hereafter may be recorded in the office of the Recorder of Steuben County, Indiana, as the same may be amended or supplemented by replats or otherwise.

Section 1.24. Preservation Areas. Preservation Areas shall mean those portions of the Common Area that shall be maintained by the Association in their present condition, subject to drainage improvements and Drainage Easements (as hereinafter defined) as required by the applicable law or local authority; provided, further, that Preservation Areas shall also mean to include, without limitation, all areas subject to conservation easements to the Indiana Department of Natural Resources, with any such conservation easement areas being subject to the terms and conditions of the conservation easement itself and applicable laws; and, provided, finally, to the extent these Declarations conflict with or are otherwise inconsistent with any term or provision of a conservation casement, it is the intent that the term or provision of the conservation easement shall prevail and that these Declarations, to the extent reasonably necessary, shall be deemed modified to conform with such conservation easement.

Section 1.25. Quorum. Quorum shall mean the percent of Eligible Votes entitled to be cast on

a matter at any meeting of Members as specified in the Bylaws.

Section 1.26. Lane 270. Lane 270 shall mean the private access drive depicted on the Plat and Plans from its point of inception at the cul-de-sac (generally in the vicinity of Lot 7) and continuing to its point of termination (generally in the vicinity of Lot 2).

Section 1.27. Special Assessments. Special Assessments shall mean those certain assessments authorized and made pursuant to the terms of Section 9.4 hereof.

Section 1.28. Streets. Streets shall mean all driveways, walkways, roadways, streets and similar areas, designated as such on the Plats and Plans, which have been or hereafter are constructed for the purpose of providing common access for Owners, occupants and their guests and invitees, to any or all Lots, other than those that have been dedicated to the public and accepted for maintenance by the appropriate public agency.

Section 1.29. Lane 271. Lane 271 shall mean the private drive depicted on the Plat and Plans which services Lot 24, Lot 25, Lot 26, Lot 27, Lot 28, Lot 29, Lot 30, and Lot 31 (the "Lane 271 Serviced Lots") and which runs generally north and south bordered on the west by Common Area A and bordered on the east by Lots 25 through Lot 30, inclusive.

ARTICLE II
PROPERTY RIGHTS

Section 2.1. Owner's Easement of Enjoyment. Every Owner shall have a right and easement of ingress and egress in and to, and, use and enjoyment of the Common Areas, which shall be appurtenant to and shall pass with the title to every Lot, subject to:

(i) the right of the Association to charge reasonable admission and other fees for the use of any Common Area and to impose reasonable limits on the number of guests who may use such facilities;

(ii) the right of the Association to suspend or terminate a Member's voting rights in accordance with law, the Articles of Incorporation, and the Bylaws;

(iii) the right to suspend use of any such facilities for any period during which any assessment for Common Expenses against that Owner's Lot remains unpaid, and for any violation by an Owner of the Association's rules and regulations, for the duration of the violation and for an additional period thereafter not to exceed thirty (30) days;

(iv) the Association's reserved easements as described herein and the right of the Association to grant easements in and to the Common Area to any public agency, authority, or utility for such purposes as benefit the Development or portions thereof and Owners or Lots contained therein;

(v) the right of the Association to borrow money for the purpose of improving the Common Area, or any portion thereof, for acquiring additional Common Area, or for constructing, repairing, or improving any facilities located or to be located thereon, and to give

as security for the payment of any such loan a mortgage conveying all or any portion of the Common Area, provided two-thirds (2/3) of Eligible Votes shall approve; provided, however, the lien and encumbrance of any such mortgage given by the Association shall be subject and subordinate to any and all rights, interests, options, easements, and privileges reserved or established in this Declaration for the benefit of Association or any Owner, or the holder of any Mortgage, irrespective of when executed, given by Association or any Owner encumbering any Lot or other property located within the Development; and,

(vi) the right of the Association to dedicate or transfer all or any portion 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 of the Association.

Section 2.2. Delegation of Use. No Owner may delegate his or her right of enjoyment to the Common Area to any other individual without the prior written consent of the Board of Directors of the Association.

Section 2.3. Owner's Right to Ingress, Egress and Support. Each Owner shall have the right to ingress and egress over, upon, and across the Common Area necessary for access to his or her Lot and shall have the right to lateral support for his or her Lot, and such rights shall be appurtenant to and pass with the title to each Lot.

Section 2.4. Rules and Regulations. The Board of Directors of the Association may establish reasonable rules and regulations concerning the use of the Common Area, facilities located thereon, and individual Lots in the Development, as appropriate. Copies of such regulations and amendments thereto shall be furnished by the Association to all Owners prior to the rule's effective date. Such regulations shall be binding upon the Owners, their families, tenants, guests, invitees, and agents until and unless such regulation, rule, or requirement shall be specifically overruled, cancelled, or modified by the Board of Directors of the Association or the Members by two-thirds (2/3) of all Eligible Votes. The Board shall have the authority to impose reasonable monetary fines and other sanctions, and monetary fines may be collected by lien and foreclosure, as provided in Article IX. In addition, the Association, through its Board of Directors, may, by contract or other agreement, enforce county or local ordinances or permit Steuben County and/or the Town of Hamilton to enforce ordinances affecting the Development for the benefit of the Association and its Members.

Section 2.5. Character of the Development.

(a) **Use of Lots.**

(i) Except as may be otherwise expressly provided in this Declaration, each Lot shall be used for residential purposes only as a residence for a single family related by blood, adoption, or marriage. No business buildings shall be erected on said Lots, and no business may be conducted on any part thereof, other than the home occupations permitted in the Town of Hamilton Code of Ordinances, state of Indiana, as amended from time to time. Lease or rental of a Lot or any building thereon shall be considered to be a violation of this covenant excepting house rental provided, however, all such Leases shall be in writing and shall be for a minimum term of not less than six (6) months. Any lessee or tenant shall in all respects be subject to the

terms and conditions of this Declaration, the Bylaws, and the rules and regulations adopted hereunder.

(ii) Without the prior written consent of the Association's Board of Directors, nothing shall be done or kept on any Lot or on the Common Area or any part thereof to increase the rate of insurance on the Development or any part thereof over what the Association, but for such activity, would pay. Noxious, destructive, or offensive activity, or any activity constituting an unreasonable source of annoyance, shall not be conducted on any Lot or on the Common Area or any part thereof, and the Association shall have standing to initiate legal proceedings to abate such activity. Each Owner shall refrain from any act or use of his or her Lot which could reasonably cause embarrassment, discomfort, or annoyance to other Owners, and the Board of Directors shall have the power to make and to enforce reasonable rules and regulations in furtherance of this provision.

(b) **Use of Common Areas.** No planting or gardening shall be done, and no fences, hedges, walls or any other structure or planting shall be erected or maintained upon the Common Area, except in accordance with the initial construction of the improvements located thereon by the Association or as approved by the Association's Board of Directors or their designated representatives. No antennas may be erected upon the Common Area. Except for the right of ingress and egress, the Owners of Lots may use the property outside their respective Lots only in accordance with reasonable regulations as may be adopted by the Association's Board of Directors or as is expressly provided herein. It is expressly acknowledged and agreed by all parties concerned that this Section 2.6 is for the mutual benefit of all Owners and is necessary for the protection of all Owners.

(c) **Signs.** Except as hereinafter provided for Association, no signs of any type whatsoever, billboards, unsightly objects, or nuisances shall be erected, placed, or permitted to remain on the Development, other than signage provided by Association and approved by the DCC.

(d) **Storage and Parking of Vehicles.** There shall be no outside storage or parking upon any Lot or the Common Area of any automobile, commercial vehicle, truck, tractor, mobile home or trailer (either with or without wheels), camper, camper trailer, boat or other water craft, boat trailer, or any other transportation device of any kind, except within the parking spaces in the Owner's garage and for visitors temporarily parking in spaces and in accordance with rules and regulations designated and promulgated by the Board; provided, however, that the parking of the Owner's primary vehicle on the driveway of the Owner's Lot shall not be prohibited. No Owners or tenants shall repair or restore any vehicle of any kind upon any Lot or Common Area, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility. No garage may be altered in such a manner that the number of automobiles which may reasonably be parked therein after the alteration is less than the number of automobiles that could have been reasonably parked in the garage as originally constructed.

(e) **Pets.** No animals, livestock, or poultry of any kind shall be raised, bred, or kept on the Development, except that normal household pets in reasonable numbers (presumably, two [2] or less) may be kept in residences subject to rules and regulations adopted by the Association through its Board of Directors; provided, however, that such pets are not kept, bred, or

maintained for any commercial purpose. The Board shall have the absolute power to prohibit a pet from being kept on any Lot in the Development, including, without limitation, inside residences constructed thereon. No doghouses or other pet enclosures shall be constructed or located on any Lot without the prior written approval of the DCC. Owners shall not permit pets, if permitted within the Development, to run free or to defecate in areas other than such pet owner's Lot; and, provided, further, that defecation, even in or upon a pet owner's lot, shall be promptly removed.

(f) **Nuisances.** No outside toilets shall be permitted on any Lot in the Development (except during a period of construction and then only with -the consent of the DCC), and no sanitary waste or other wastes shall be permitted to enter the storm drainage system. No discharge from any floor drain shall be permitted to enter into the storm drainage system. No noxious or offensive activities shall be carried on any Lot in the Development, nor shall anything be done on any of said Lots that shall become or be an unreasonable annoyance or nuisance to any Owner of another Lot in the Development. By purchase of a Lot, each Owner agrees that any violation of this paragraph constitutes a nuisance which may be abated by the Association in any manner provided at law or in equity. The cost or expense of abatement, including, without limitation, court costs and attorneys' fees, shall become a charge or lien upon the offending Owner's Lot, and may be collected (i) in any manner provided by law or in equity for collection of a liquidated debt, or (ii) by foreclosure of said lien in the manner provided for in Section 9.6 for the lien of assessments. Neither the Association, nor any officer, agent, employee or contractor thereof, in enforcing the provisions of this paragraph shall be liable for any damage which may result from enforcement hereof.

(g) **Garbage, Trash and Other Refuse.** No Owner of a Lot in the Development shall burn or permit the burning out-of-doors of garbage or other refuse, nor shall any such Owner accumulate or permit the accumulation out-of-doors of such refuse on his Lot except as may be permitted below. All dwellings built in the Development shall be equipped with a garbage disposal unit. Every outdoor receptacle for ashes, trash, rubbish or garbage shall be so placed and kept so as to be enclosed and as not to be visible from any street within the Development or from the Dedicated Lake Area at any time, except at the time when refuse collections are being made.

(i) **Temporary Structures.** No temporary house, trailer, tent, garage, mini-barn or other out building shall be placed or erected on any Lot, nor shall any regular overnight camping be permitted on any Lot.

(j) **Utility Services.** No utility services will be installed under any paved areas in the Development, except by jacking, drilling, or boring, unless specifically approved by the DCC. All utility facilities in the Development will be underground, except where. required to be placed above ground by the individual utility supplier.

(k) **Wells and Septic Tanks.** No water wells shall be drilled on any of the Lots in the Development without the approval of the DCC. No septic tanks shall be installed on any of the Lots or in any of the Common Areas.

(m) **Accessory Outbuildings Prohibited.** No accessory outbuildings, including , without limitation, mini-barns, shall be erected on any of the residential Lots.

(n) **Occupancy or Residential Use of Partially Completed Dwelling Houses Prohibited.** No dwelling house constructed on any of the residential Lots shall be occupied or used for residential purposes or human habitation until it has received occupancy permit from the Town of Hamilton. The determination of whether the house shall have been substantially completed for occupancy shall be made by the building inspector of the governmental entity having jurisdiction over the Development and such decision shall be binding on all parties.

(o) **Other Restrictions.** All tracts of ground in the Development shall be subject to all covenants, conditions, casements, restrictions and limitations of record, and to all governmental zoning authority and regulations affecting the Development, all of which are incorporated herein by reference.

(p) **Fences, Light Fixtures, Etc.** In order to preserve the natural quality and aesthetic appearance of the existing geographic areas within the Development, any fence, swimming pool, play structure (such as swing-set) or other exterior structure must be approved by the DCC as to size, location, height and composition before it may be installed. Light fixtures, including, without limitation, fixtures upon or within a structure which shed more than incidental light outside of such structure, must be approved by the DCC as to size, location, height and composition before being installed. No metal swing-sets shall be permitted. Any fencing in the Development will be designed and installed to be as harmonious as possible with the architectural character of the Community. No fence or screen will be approved if its installation will obstruct necessary site lines for vehicular traffic. Undue obstruction of view or other amenities from adjoining properties will be taken into consideration by the DCC when reviewing for approval. Fences in general shall not be located any closer to the back of the home (i.e. street side of home) than the rear foundation line of the home. The DCC will discourage fencing of the entire front yard due to the effect that this fencing may have on the feeling of spaciousness desired by other property owners. Fences may be privately installed but must be constructed to professional levels of quality. Non-professionally installed fences will be inspected by the DCC after completion in order to insure the final product is of a professional quality and final approval of the fence shall be deemed withheld until successful completion of this final review. **Height Restriction.** The DCC may approve fences up to four (4) feet in height which otherwise meet these guidelines. The DCC will give consideration, however, to a variance in this height limit where clearly unique circumstances exist. The specific fence height restrictions are as follows:

(1) Property fencing and walls above grade shall not exceed four (4) feet above grade unless otherwise approved by the DCC.

(2) The DCC will not approve any proposed fence which exceeds four (4) feet in height unless the rear line of that Lot offers some circumstance clearly unique to that Lot.

(ii) Materials and Finish.

(1) Wood fencing or screening will be approved if the design is in conformity with the architectural design of the Development, and either (i) stained or

complimented to match the exterior colors of the home, or (ii) has a natural wood finish.

(2) The DCC will not approve an application for the installation of a chain link or other galvanized metal fencing.

(q) **Damaged Structures.** No improvement which has partially or totally been destroyed by fire or otherwise shall be allowed to remain in such state for more than three (3) months from the time of such destruction or damage.

(r) **Prohibition of Used Structures.** All structures constructed or placed on any Lot in the Development, including, without limitation, play structures, shall be constructed with substantially all new materials, and no used structures shall be relocated or placed on any such Lot without the prior written approval of the DCC.

(s) **Maintenance of Lots and Improvements.** Unless the Association is obligated to perform the same, the Owner of any Lot in the Development shall at all times maintain the entire Lot and any improvements situated thereon in such a manner as to prevent the same from becoming unsightly and, specifically, such Owner shall:

(i) mow and care for the entire lot's lawn at such times as may reasonably be required in order to prevent the unsightly growth of grass, vegetation and weeds or any combination thereof. Furthermore, grass, vegetation and/or weeds shall be kept from overgrowing the curb and any debris from caring for the lot/yard such as mowing shall be cleaned from the roadway.

(ii) remove all debris or rubbish;

(iii) prevent the existence of any other condition that reasonably tends to detract from or diminish the aesthetic appearance of the Development;

(iv) cut down and remove dead trees; furthermore, if the lot is vacant of a home, no trees shall be allowed unless approved as part of a DCC approved landscape plan for the vacant lot.

(v) keep the exterior of all improvements in such a state of repair or maintenance as to avoid their becoming unsightly.

(t) **Fertilizer Containing Phosphorus.** The use of fertilizer containing phosphorus is prohibited within the Development unless and until such fertilizer is determined by the Indiana Department of Natural Resources or similar agency not to adversely affect, directly or indirectly, water quality in or within the immediate vicinity of Hamilton Lake.

(u) **Pier Placement.** All Pier placement is subject to regulation by, among other agencies, the Indiana Department of Natural Resources. To the extent any provision in these Declarations purports or may be construed to afford rights or privileges inconsistent with any law or regulation of any federal, state, or local authority, then these Declarations shall be deemed amended by omitting the offending language and replacing such offending language

automatically with a provision as similar in terms to the offending provision as may be permissible and be legal, valid, reasonable and enforceable. Notwithstanding the foregoing, it is the intent of the Association to impose limitations which may be more stringent than those that may otherwise be imposed upon owners of Lots within the Development, which provisions may be modified by the DCC and are as follows:

(i) No two (2) Piers may be placed by opposing lots in such a fashion as to afford less than fifty feet (50') of distance between the Piers for use by passing boats (the phrase "Opposing Lots" shall mean, by way of example and not limitation, Lot 42 and Lot 18, Lot 60 and Lot 11, Lot 114 and Lot 180, and Lot 47 and Lot 51; provided, further, that phrase "Opposing Lots" shall NOT be construed to refer to adjacent lots such as Lot 141 and Lot 140).

(ii) No Pier may be placed which in the reasonable opinion of the DCC constitutes an unreasonable interference with the use, enjoyment or aesthetics of the Development.

(iii) No Owner shall place or allow more than one (1) Pier in front of such Owner's Lot without the prior written approval of the DCC.

(iv) Lot 1, Lot 60, Lot 71, Lot 72, Lot 73, Lot 96, Lot 97, Lot 98, Lot 99, Lot 100, Lot 101, Lot 102, Lot 117, Lot 118, Lot 119, Lot 120, Lot 141A, Lot 142A, Lot 143A, Lot 160, Lot 161, Lot 162, Lot 178, Lot 179, Lot 180, Lot 181, Lot 186, Lot 187, and Lot 188 shall be limited to the use of horizontally placed Piers which extend no more than seven feet (7') outward from the Lot and which begin and terminate not closer than eight feet (8') from their side Lot lines.

(v) Lot 2 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within fifteen feet (15') from its adjoining lot line with Lot 3.

(vi) Lot 41 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within thirty feet (30') from the center-line of its Lot.

(vii) Lot 59 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within thirty feet (30') from its adjoining lot line with Lot 58.

(viii) Lot 61 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within fifteen feet (15') from its adjoining lot line with Lot 62.

(ix) Lot 70 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within thirty feet (30') from its adjoining lot line with Lot 69.

(x) Lot 74 shall be restricted to (A) either complying with the Pier placement

restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within fifteen feet (15') from its adjoining lot line with Lot 75.

(xi) Lot 75 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within fifteen feet (15') from its adjoining lot line with Lot 76 (which pier must extend in a generally southerly direction from Lot 75).

(xii) Lot 103 shall be restricted to limiting its Pier placement to within fifteen feet (15') from its adjoining lot line with Lot 104 (which pier must extend in a generally northern direction from Lot 103).

(xiii) Lot 114 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within fifteen feet (15') from its adjoining lot line with Lot 113.

(xiv) Lot 115 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within twenty-five feet (25') from its adjoining lot line with Lot 116.

(xv) Lot 116 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within fifteen feet (15') from its adjoining lot line with Lot 115.

(xvi) Lot 133 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within thirty feet (30') from its adjoining lot line with Lot 134.

(xvii) Lot 136 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within thirty feet (30') from its adjoining lot line with Lot 135.

(xviii) Lot 137 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier such that it shall not extend lakeward of the shoreline more than twenty-five feet (25').

(xix) Lot 138 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within fifteen feet (15') from its adjoining lot line with Lot 139.

(xx) Lot 159 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within fifteen feet (15') from its adjoining lot line with Lot 158.

(xxi) Lot 163 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot I, or (B) limiting its Pier placement to within fifteen feet (15') from its adjoining lot line with Lot 198A.

(xxii) Lot 177 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within fifteen feet (15') from its adjoining lot line with Lot 176.

(xxiii) Lot 182 shall be restricted to (A) either complying with the Pier placement restrictions set forth herein and pertaining to Lot 1, or (B) limiting its Pier placement to within fifteen feet (15') from its adjoining lot line with Lot 183.

(xxiv) In addition to the restrictions set forth above and pertaining to Lot 188, Lot 188 shall be restricted to limiting its Pier placement to not closer than one hundred twenty-five feet (125') from the Lane 280 right-of-way.

(xxv) In addition to the restrictions set forth above and pertaining to Lot 71, Lot 72, Lot 73, Lot 97, Lot 98, Lot 99, Lot 100, Lot 101 and Lot 102 (the "Access Point Lots"), the Access Point Lots shall be restricted to limiting their Pier placement to the concave portion of their lot (i.e., the portion of the lot which most significantly limits the piers obstruction of boat traffic) section of the Lot.

(xxvi) Except as authorized in writing by the DCC, no Pier shall be placed in the Dedicated Lake Area which extends lakeward of the shoreline more than thirty feet (30'); provided, further, that nothing in this Section 2.6(u) shall be deemed to authorize any pier or pier placement otherwise prohibited or restricted by these Declarations.

(xxvii) Notwithstanding any provision to the contrary in these Declarations, the shoreline of Lot 198 shall be exempt from all pier restrictions and DCC authority as set forth in these Declarations, it being understood that the existing shoreline between Hamilton Lake and the eastern side of Lot 198 will not effect nor impair the use and enjoyment of any other Lot in the Development.

(xxviii) Except as authorized in writing by the DCC, no Pier nor any other structure shall be erected or placed, permanently or temporarily, upon any Common Area or into any waters which create a shoreline along any Common Area. Furthermore, no boat, jet ski, nor any other water craft of any kind or character, including, without limitation, floating islands or trampolines shall be launched from or anchored to or placed immediately offshore of any Common Area.

(xxix) Notwithstanding anything in this Declaration to the contrary, the DCC shall have the authority to determine any questions, disputes, controversies or other objections or concerns relating in any fashion, directly or indirectly, to the placements of Piers, construction of Piers, size of Piers, quality of Piers, or any Pier matter whatsoever, including waiving or modifying any limitations, restrictions or covenants under this Section 2.5(t), and such decision by the DCC shall be in writing.
In the event the Pier decision of the DCC is deemed unreasonable or unsatisfactory by any Owner, then such Owner shall have the right to appeal the written decision of the DCC to the Board, so long as such appeal is requested in writing within thirty (30) days of the written decision of the DCC. The decision of the Board with regard to such Pier issue shall be final and the Owner shall have no further recourse against the Association regarding the Pier decision

under this Section 2.5(t).

(v) **Stick Built Requirement.** All improvements constructed on any Lot shall be "Stick Built" or "Site Built". The placement or erection of mobile homes or modular homes on any Lot is strictly prohibited.

Section 2.6. Recommended Lot 198 Access. Recommend access to lot 198 is only from CR300, not from LN282

Section 2.8. Quit Claim of Riparian Interest. To the extent any Lot abuts either Hamilton Lake or the Dedicated Lake Area, such Lot shall be deemed extended to the shoreline of the lake, and each owner shall be the riparian owners thereof. It is the intention of the Developer that any Lot line shall be extended in a linear fashion to the shoreline of the lake; and, to the extent any Lot may be platted along areas wherein the legal lake level at the time of the Plat and Plans may be in dispute or otherwise questionable, such platted Lot shall be deemed to extend to the shoreline of the lake and, to the extent necessary, the Developer hereby quit claims any interest. residual or otherwise, the Developer may have to any property which may at the time of platting, lay between such Lots and the Dedicated Lake Area. This Section shall not create any independent rights or duties, and is intended only as a quit claim by the Developer to the Lot owners to insure that all Lots are extended to the Dedicated Lake Area.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 3.1. Membership. Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 3.2. Classes of Membership. The Association shall have one (1) class of Members consisting of Class A Members.

(a) Class A. Class A Members shall be all Owners of Lots except as otherwise provided herein or in the Articles of Incorporation, each Owner in good standing shall be entitled to one vote for each Lot owned. When more than one person is an Owner of a Lot, all such persons shall be Members. The vote for such Lot shall be exercised by the person whom the collective Members with respect to such Lot may designate. In the event that a Membership stands of record in the names of at least two (2) Persons, then if one Person votes the vote binds all Persons. In no event shall such vote be split into fractional votes and in no event shall more than one vote be cast with respect to any Lot. Each vote cast with respect to a Lot shall presumptively be valid, but if such vote is questioned by any Member holding any interest in such Lot and if all such Members holding an interest in the Lot are not in agreement as to the validity of the vote for such Lot which is questioned, then such vote shall not be counted. In addition, the Association may reject a vote, consent, waiver or proxy appointment if there is a reasonable basis to doubt the validity of a signature or the signatory's authority.

Section 3.3. Board of Directors. The Board of Directors of the Association shall be as prescribed by the Association's Bylaws. The Board of Directors shall manage the affairs of the Association.

Section 3.4. 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 maintenance, repair, and replacement of the Common Areas, the determination of Common Expenses, the collection of annual assessments and Special Assessments, and the granting of any approvals whenever and to the extent called for by this 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 in seeking enforcement of the terms, covenants, conditions and restrictions 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 this Declaration or for any failure to take any action called for by this Declaration, unless such act or failure to act is in the nature of a willful disregard of the rights of the Owners or in the nature of willful, intentional, or fraudulent misconduct. The Association shall procure and maintain insurance in accordance with the provisions of Article V hereof. The Association may contract for such services as management, snow removal, security control, mowing, maintenance of areas subject to construction easements, trash removal, and such other services as the Association deems necessary or advisable.

ARTICLE IV
MAINTENANCE

Section 4.1. Maintenance.

(a) The Association shall maintain and keep in good repair the Common Area. The maintenance of the Common Area shall be deemed to include, without limitation, maintenance, repair and replacement, subject to the insurance and casualty loss provisions contained herein, at the Association's sole cost and expense as Common Expense, of all trees, fences, shrubs, grass, Streets, Common Area parking spaces, paths, walks, Drainage System improvements, accent or special effect lighting system, central signage for the Development including, without limitation, street signage and other improvements situated upon the Common Area.

(b) In the event that the Board of Directors of the Association determines that (i) any Owner has failed or refused to discharge properly his or her obligations with regard to the maintenance, repair, or replacement of items for which he or she is responsible hereunder or otherwise; or, (ii) that the need for maintenance, repair, or replacement, which is the responsibility of the Association hereunder, is caused through the willful or negligent act of an Owner, his or her family, guests, lessees, or invitees, and is not covered or paid for by insurance, in whole or in part, then, in that event, the Association, except in the event of an emergency situation, shall give the Owner written notice of the Association's intent to provide such necessary maintenance, repair, or replacement. at the Owner's sole cost and expense; the notice shall set forth with reasonable particularity the maintenance, repairs, or replacement required and shall advise the Owner to complete the same within three (3) days from the date of such notice; provided, however, that if the same is not capable of completion within the three (3) day period, such notice shall advise the Owner to immediately commence such work which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair, or replacement at Owner's sole cost

and expense, and the cost shall be added to and become a part of the assessment to which such Owner is subject and shall become a lien against such Owner's Lot.

(c) The cost of snow removal and landscaping maintenance in excess of amounts budgeted therefore shall be paid by the Owners (on the same basis as assessments for Common Expenses are allocated to the Owners in accordance with Section 9.3 hereof) by a Special Assessment. This Section 4.1(c) is included herein in recognition of the fact that the costs of snow removal and landscaping maintenance for the Development may substantially exceed amounts budgeted therefore by the Association due to inordinate snow fall, an inordinate number of snow falls during any season, general weather conditions, agricultural conditions and amount of use. Nothing contained herein shall be construed to require that the Association provide snow removal service for the Development., In the event snow removal service is to be provided for the Development an amount therefore shall be included in the annual budget and collected as a Common Expense with the understanding that a Special Assessment maybe necessary in the event the amount budgeted therefore is insufficient to defray the actual snow removal costs.

ARTICLE V INSURANCE

Section 5.1. Insurance.

(a) The Association's Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain insurance for all insurable improvements on the Common Area against loss or damage by fire or other hazards, including, without limitation, extended coverage, vandalism, and malicious mischief. This insurance shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard.

(b) The Board shall also obtain a public liability policy covering the Common Area, the Association, and its officers and Members for all damage or injury caused by the negligence of the Association or and of its officers or Members or agents. Premiums for all insurance on the Common Area shall be Common Expenses of the Association. The policy may contain a reasonable deductible, and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

(c) All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association as Trustee for the respective benefitted parties, as further identified below. Such insurance shall be governed by the provisions hereinafter set forth:

(i) All policies shall be written with a company licensed to do business in Indiana and holding a rating of XI or better in the Financial Category as established by A-M. Best Company, Inc., if reasonably available, or, if not available, the most nearly equivalent rating.

(ii) All policies on the Common Area shall be for the benefit of the Lot Owners and their mortgagees as their interests may appear.

(iii) Exclusive authority to adjust losses under policies in force on the

Development obtained by the Association shall be vested in the Association's Board of Directors; provided, however, no mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(iv) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their mortgagees.

(v) All casualty insurance policies shall have an inflation guard endorsement, if reasonably available, and an agreed amount endorsement with an annual review by one or more qualified person at least one of whom must be in the real estate industry and familiar with construction in the Steuben County area.

(vi) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(1) a waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners, and their respective tenants, servants, agents and guests;

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

(3) that no policy may be cancelled, invalidated, or suspended on account of any one or more individual Owners;

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

(5) that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and,

(6) that no policy may be cancelled or substantially modified without at least thirty (30) days' prior written notice to the Association.

(d) In addition to the other insurance required by this Section, the Board shall obtain, as a Common Expense, worker's compensation insurance, if and to the extent necessary, and a fidelity bond or bonds on directors, officers, employees, and other persons handling or responsible for the Association's funds. The amount of fidelity coverage shall be determined in the Board's best business judgment, but may not be less than three (3) months' assessments plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to the Association.

Section 5.2. Individual Insurance. By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that such Owner shall carry blanket all-risk casualty insurance on such Owner's Lot and structures constructed thereon. Each individual Owner further covenants and agrees that in the event of a partial loss or damage and destruction resulting in less than total destruction, the individual Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction. In the event that the structure is totally destroyed and the individual Owner determines not to rebuild or to reconstruct, the individual Owner shall clear the Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction. The Association may impose more stringent requirements regarding the standards for rebuilding or reconstructing structures on the Lot and the standard for returning the Lot to its natural state in the event the Owner decides to rebuild or reconstruct.

Section 5.3. Disbursement of Proceeds. Proceeds of insurance policies written in the name of the Association shall be disbursed as follows:

(a) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstruction to the Common Area or, in the event no repair or reconstruction is made, after making such settlement as is necessary and appropriate with the affected Owner or Owners and their mortgagee(s) as their interests may appear, shall be retained by and for the benefit of the Association and placed in a capital improvements account. This is a covenant for the benefit of any mortgagee of a Lot and may be enforced by such mortgagee.

(b) If it is determined that the damage or destruction to the Common Area for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed in the manner as provided for excess proceeds in Section 5.3(a).

Section 5.4. Damage and Destruction.

(a) Immediately after the damage or destruction by fire or other casualty to all or any part of the Development covered by insurance written in the name of the Association, the Board of Directors, or its duly authorized agent, shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed portions of the Development. Repair or reconstruction, as used in this paragraph means repairing or restoring the Development to substantially the same condition in which it existed prior to the fire or other casualty.

(b) Any damage or destruction to the Common Area shall be repaired or reconstructed unless at least seventy-five percent (75%) of the Eligible Votes shall decide within sixty (60) days after the casualty not to repair or reconstruct. If for any reason the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the

Association within said period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. No mortgagee shall have the right to participate in the determination of whether the Common Area damage or destruction shall be repaired or reconstructed.

(c) In the event that it should be determined by the Association in the manner described above that the damage or destruction of the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the damaged portion of the Development shall be restored to its natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition.

Section 5.5. Repair and Reconstruction. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall use general funds or seek a special assessment as permitted in Section 9.4.

ARTICLE VI
NO PARTITION

Section 6.1. No Partition. Except as is permitted in this Declaration, there shall be no physical partition of the Common Area or any part thereof, nor shall any Person acquiring any interest in the Development or any part thereof seek any such judicial partition until the happening of the conditions set forth in Section 5.3 in the case of damage or destruction, or unless the applicable portions of the Development have been removed from the provisions of this Declaration. This Article shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

Section 6.2. Split Lots. Lot 4, Lot 5, Lot 6, Lot 7, Lot 8, Lot 9, Lot 10, Lot 11, Lot 12, Lot 13, Lot 14, Lot 15, Lot I6, Lot 17, Lot 18, Lot 19, Lot 20, Lot 21, Lot 22, Lot 141, Lot 142, Lot 143, Lot 169, Lot 170, Lot 171, Lot 172, Lot 173, Lot 174, Lot 175, Lot 176, Lot 177, Lot 178, Lot 179, Lot 180, Lot 181, and Lot 182- constitute "split-lots" in that the Lot itself is severed by a roadway (which may be public or private) thereby leaving a smaller portion of the Lot on the opposite side of the road as the primary Lot, which opposite portion is denoted with the number of the primary Lot and the letter "A".
Split lots – "A" lots may not be conveyed separately from the primary lot. Only exception applies to "A" lots conveyed separately before this document was recorded.
"A" lots cannot be combined with any property outside of the Association, nor utilized as access to roads within or outside of the association. All "A" lots must abide by the Covenants and Architectural Standards.

Section 6.3. Split Lots (Voting and Assessments). "A" Lots 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 141, 142, 143, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, and 182 are identified on the plat and plans. Notwithstanding any provision in these Declarations to the contrary "A" lots shall have no dues and shall not be assessed, nor shall the Owner of an "A" lot be entitled to a separate vote attributable to that "A" lot, if the "A" Lot and the primary lot with the same number are titled in the name of the same owner. "A" lots

separated from their respective primary lot prior to recording of these revised covenants have no dues, no assessments, no voting rights, and must abide by the Covenants and Architectural Standards.

ARTICLE VII
CONDEMNATION

Section 7.1. Condemnation.

(a) Whenever all or any part of the Common Area shall be taken (or conveyed in lieu of and under threat of condemnation by the Board of Directors acting on the written direction of a majority of the Owners) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof. The award made for such taking shall be payable to the Association as Trustee for all Owners, to be disbursed as set forth in Section 7.1(b) hereof

(b) If the taking involves a portion of the Common Area on which improvements have been constructed, then, unless within sixty (60) days after such taking-seventy-five (75%) per cent of the Eligible Votes shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefor, in accordance with plans approved by the Board of Directors of the Association. If such improvements are to be repaired or restored, the above provisions in Article V hereof regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the Common Area, or if there is a decision made. not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors of the Association shall determine.

ARTICLE VIII
RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 8.1. Common Area. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including, without limitation, furnishings and equipment related thereto, if any), and shall keep it in good, clean, attractive, and sanitary condition, order, and repair, pursuant to the terms and conditions of this Declaration and the Bylaws.

Section 8.2. Services. The Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Development, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Development or the enforcement of this Declaration. The Association may, but shall not be required to, arrange as an Association expense with third parties to furnish water, trash collection, sewer service, snow removal, security, lawn and landscaping service and other

common services to each Lot.

Section 8.3. Personal Property and Real Property for Common Use. The Association, through action of its Board of Directors, may acquire, hold and dispose of tangible and intangible personal property and real property.

Section 8.4. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration, the Articles of Incorporation or the Bylaws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

Section 8.5. Self-Help. In addition to any other remedies provided for herein, the Association or its duly authorized agent shall have the power to enter upon a Lot or any portion of the Common Area to abate or remove, using such force as may be reasonably necessary, any erection, thing or condition which violates this Declaration, the Bylaws, the rules and regulations, or the use restrictions. Unless an emergency situation exists, the Board shall give the violating Owner five (5) days' written notice of its intent to exercise self-help. All costs of self-help, including, without limitation, reasonable attorney's fees and paraprofessional fees actually incurred shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of assessments.

Section 8.6. Right of Entry. The Association shall have the right, in addition to and not in limitation of all the rights it may have, to enter into structures and upon Lots for emergency, security, or safety purposes, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all police officers, firefighters, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after reasonable notice to the Owner or occupant of the Lot.

ARTICLE IX
ASSESSMENTS

Section 9.1. Purpose of Assessment. The assessments for Common Expenses provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of Lots, including, without limitation, the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors. The word "assessments" as used herein shall mean all assessments referred to herein for Common Expenses, including, without limitation, Special Assessments.

Section 9.2. Creation of Assessments.

(a) There are hereby created assessments for Common Expenses as may be from time to time authorized by the Board of Directors. Assessments for Common Expenses shall be allocated among all Owners within the Association as described in Section 9.3 hereof and shall be for expenses determined by the Board to be for the benefit of the Association as a whole.

Each Owner, by acceptance of his or her deed, is deemed to covenant and agree to pay all assessments created or referenced herein. All such assessments, together with interest, not to exceed the maximum legal rate, and all late charges from the date first due and payable, all costs of collection, reasonable attorney's fees and paraprofessional fees actually incurred, and any other amounts provided or permitted by law, shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made.

(b) Each such assessment, together with interest, costs, and reasonable attorney's fees and paraprofessional fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time the assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except no first mortgagee who obtains title to a Lot pursuant to the remedies provided in the Mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, monthly, quarterly, semi-annually or annually and acceleration of the annual assessment for delinquents. Unless the Board otherwise provides, all assessments shall be paid annually.

Section 9.3. Computation of Assessment.

(a) All assessments shall be equally divided among all lots. Cap at $500/yr per lot, not including Assessments for Lake Association Expenses under Sec 9.9

(b) Notwithstanding the foregoing, however, in the event that (i) the proposed budget or the assessments for Common Expenses are disapproved in accordance with Section 9.3(a), or (ii) the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget (or such portion thereof or assessments as shall have been disapproved in accordance with the foregoing) shall have been determined as provided herein, the budget (or applicable portion thereof or assessments) in effect for the then current year shall continue for the succeeding year.

(c) 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 fiscal year, subject to Association's rights to impose Special Assessments as described in Section 4.1(c) hereof. Thereafter, such deficit may be recouped either by inclusion in the budget for annual assessments or by the making of one or more Special Assessments for such purpose, at the option of the Association.

Section 9.4. Special Assessments. In addition to the other assessments authorized herein, the Association may levy Special Assessments in any year. So long as the total amount of Special Assessments allocable to each Lot does not exceed $500 in any one fiscal year, the Board may impose the Special Assessment. Any Special Assessment which would cause the amount of Special Assessments allocable to any Lot to exceed this limitation shall be effective only if approved by two-thirds (2/3) of a Quorum of the Members. Special Assessments shall be paid as determined by the Board, and the Board may permit Special Assessments to be paid in installments extending beyond the fiscal year in which the Special Assessment is imposed. The

dollar and percentage limitations contained in this Section 9.4 shall not apply to assessments levied pursuant to Section 4.1(c) hereof, and the total of Special Assessments hereunder shall be calculated without inclusion of any assessments levied pursuant to Section 4.1(c) hereof.

Section 9.5. Lien for Assessments.

(a) All sums assessed against any Lot pursuant to this Declaration, together with late charges, interest, costs, and reasonable attorney's fees and paraprofessional fees actually incurred, as provided herein, shall be secured by a lien on such Lot in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Lot, except for (i) liens of *ad valorem* taxes; or, (ii) liens for all sums unpaid on a first Mortgage.

(b) All other Persons acquiring liens or encumbrances on any Lot after this Declaration shall have been recorded in such records shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

Section 9.6. Effect of Nonpayment of Assessments. Remedies of the Association.

(a) Any assessments which are not paid when due shall be delinquent. Any assessment delinquent for a period of more than ten (10) days shall incur a late charge in an amount as the Board of Directors may from time to time determine. The Association shall cause a notice of delinquency to be given to any Member who has not paid within ten (10) days following the due date. If the assessment is not paid within thirty (30) days, a lien, as herein provided, shall attach and, in addition, the lien shall include, without limitation, the late charge, interest, not to exceed the maximum legal rate, on the principal amount due, and all late charges from the date first due and payable, all costs of collection, reasonable attorneys' fees and paraprofessional fees actually incurred, and any other amounts provided or permitted by law. In the event that the assessment remains unpaid after sixty (60) days, the Association may, as the Board of Directors shall determine, institute suit to collect such amounts and to foreclose its lien. Each Owner, by acceptance of a deed or as a party to any other type of a conveyance, vests in the Association or its agents the right and power to bring all actions against hire or her, personally, for the collection of such charges as a debt or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting on behalf of the Owners, shall have the power to bid on the Lot at any foreclosure sale or to acquire, hold, lease, mortgage, or convey the Lot. No Owner may waive or otherwise except liability for the assessments provided for herein, including, by way of illustration, but not limitation, abandonment of the Lot.

(b) All payments shall be applied first to costs and attorney and paraprofessional fees, then to late charges, then to interest, then to delinquent assessments, then to any unpaid installments of the annual assessment or special assessments which are not the subject matter of suit in the order of their coming due, and then to any unpaid installments of the annual assessment or special assessments which are the subject matter of suit in the order of their coming due.

Section 9.7. Capital Budget and Contribution. The Board of Directors shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost for the Common Area. The capital budget prepared by the Board of Directors shall also take into account the projected repair and replacement cost for all private drives and the Island Crossing Drive bridge for which repair and replacement a sinking fund shall be established and maintained by the Association. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association as shown on the capital budget, with respect to both amount and timing by annual assessments over the period of the budget. The capital contribution required shall be fixed by the Board of Directors and included within the budget and assessment for Common Expenses as provided in Section 9.3. A copy of the capital budget shall be distributed to each Member in the same manner as the operating budget.

Section 9.8. Subordination of the Lien to First Mortgages. The lien of the assessments, including, without limitation, interest, late charges, costs (including, without limitation, attorneys' fees and paraprofessional fees) provided for herein, shall be subordinate to the lien of any first Mortgage upon any Lot. The sale or transfer of any Lot shall not affect the assessment lien. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due. Where the mortgagee of a first Mortgage of record or other purchaser of a Lot obtains title, his or her successors and assigns shall not be liable for the share of the Common Expenses by the Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such acquirer. Such unpaid share of Common Expenses shall be deemed to be Common Expenses collectible from all the Lots, including, without limitation, such acquirer, his or her successors and assigns.

Section 9.9. Assessments for Lake Association Expenses.

(a) In addition to the other assessments authorized herein (including, without limitation, the assessments contemplated by Section 9.3 and Section 9.4 of this Article IX), the Association may levy a Lake Association assessment; provided, however, that any such Lake Association assessment shall be reasonable and directly related to improvements or maintenance of Hamilton Lake by the Lake Association; and, provided, further, the Lake Association makes available to the Owners a detailed explanation and accounting of the sources and uses of such funds; and, provided, finally, that any such Lake Association assessment imposed upon any Owner by the Association shall not exceed One Hundred Fifty Dollars ($150.00 in the aggregate during any calendar year.

(c) Neither the Association nor any Owner shall be responsible in any way for any liabilities of the Lake Association, nor for any defects in any work performed or undertaken by the Lake Association, nor for any damages associated with membership or participation in the Lake Association as a result of the provisions of this Declaration.

Section 9.10. Architectural Control Assessment. If any owner or person acting for or on behalf of, or pursuant to, the authorization or acquiescence of, an Owner fails to comply with the architectural control standards promulgated by the DCC as contemplated by Article X of these Declarations, then the Association may levee against the Lot owned by such Owner an

assessment in an amount determined by the DCC, as such amounts are applied on a consistent basis, which does not exceed the greater of (A) five hundred dollars ($500) for each day that such failure continues after written notice is given by the DCC or the Association to such Owner, or (B) fifty thousand dollars ($50,000). Such assessment shall constitute a lien upon the Lot of such Owner and may be enforced in any manner provided by these Declarations. The levee of an architectural control assessment shall be in addition to, and not in lieu of, any other remedies available to the Association provided for in this Declaration, at law or in equity in the case of the failure to comply with the provisions of this Declaration.

Section 9.11. Certificates. The DCC and/or the Association shall, upon demand by an Owner, at any time, furnish a certificate in writing signed by an officer of the Association or a member of the DCC that (A) the Assessments on a Lot have been paid, or that certain assessments remain unpaid, as the case may be, (B) amounts of any unpaid assessments, the dates when such assessments were due and/or any late fees or penalties related thereto, and (C) that an Owner and/or a Lot is in compliance with the Declarations, the DCC architectural standards, and any other rules or regulations promulgated and applicable to the Owner or the Lot. No individual Owner may request more than one (1) such certificate during any calendar year, except where good cause exists for such Owner to request multiple certificates (in which case the request for additional certificates must be reasonable under the circumstances).

ARTICLE X
ARCHITECTURAL STANDARDS

Section 10.1. Architectural Standards Jurisdiction. The Board of Directors shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the Development Control Committee established herein. Such guidelines and standards will include, without limitation, requirements and restrictions regarding drainage, landscaping, tree removal, etc., as well as the construction of improvements. Such guidelines and standards and amendments thereto may be recorded in the Office of the Recorder of Steuben County, Indiana, by Association. Compliance with these guidelines and standards shall not relieve Owners of their obligation to comply with any and all applicable zoning ordinances, restrictions, development statements, or any other similar requirement.
No construction, including, without limitation, staking, clearing, excavation, grading, and other site work, and no planting or removal of plants, trees, or shrubs, fences, walls or other structures shall take place except in strict compliance with this Article, until the requirements thereof have been fully met, and until the written approval of the DCC has been obtained.

Section 10.2. New Construction. The DCC shall have exclusive jurisdiction overall original construction on any portion of the Development. The DCC shall prepare and, on behalf of the Board of Directors, shall promulgate design guidelines and application procedures. The standards and procedures shall be those of the Association, and the DCC shall have sole and full authority to prepare and to amend the standards and procedures. It shall make both available to Owners, builders, and developers who seek to engage in development of or construction upon all or any portion of the Development and who shall conduct their operations strictly in accordance therewith. The Board of Directors shall appoint the members of the DCC.

Section 10.3. Modifications. The DCC shall have exclusive jurisdiction over modifications,

additions, or alterations made on or to existing Lots or structures thereon and the open space, if any, appurtenant thereto; provided, however, the DCC may delegate this authority to the appropriate board or committee of any residential association subsequently created or subsequently subjected to this Declaration so long as the DCC has determined that such board or committee has in force review and enforcement practices, procedures and appropriate standard at least equal to those of the DCC. Such delegation may be revoked and jurisdiction reassumed at any time b} written notice. No permission or approval shall be required to repaint in accordance with an originally approved color scheme, or to rebuild in accordance with originally approved plans and specifications. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his or her residence, or to paint the interior of his or her residence any color desired.

Section 10.4. Procedures for Approval. For any construction, approvals required by this Article shall be obtained only after written application has been made to the DCC by the Owner of the Lot requesting authorization (or such Owner's duly authorized representative). Such written application shall be in the manner and form prescribed from time to time by the DCC and shall be accompanied by two (2) complete sets of plans and specifications for any such proposed construction, improvement or modification. Such plans shall include plot plans showing the location of all improvements existing upon the Lot and the location of the improvements proposed to be constructed or placed upon the Lot, each properly and clearly designated, if applicable. 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 DCC may require. All plans and drawings required to be submitted to the DCC shall be drawn to such scale as the DCC may require. There shall also be submitted, where applicable, the permits or plat plans which shall be prepared by either a registered land surveyor, engineer or architect. Plat plans submitted for improvement location permit shall bear the stamp or signature of the DCC acknowledging the approval thereof.

Section 10.5. Power of Disapproval. The DCC may refuse to grant approvals required under this Article when:

(a) the plans, specifications, drawings or other materials submitted are themselves inadequate or incomplete, or show the proposed improvements to be in violation of these restrictions;

(b) the design or color scheme of a proposed repainting, modification or improvement is not in harmony with the general surroundings of the Lot or with adjacent buildings or structures, all as determined in the sole discretion of the DCC; or,

(c) the proposed improvement, construction or modification, or any part thereof, would be contrary to the interests, welfare or rights of all or any part of the other Owners, all as determined in the sole discretion and opinion of the DCC.

Section 10.6. Liability of Committee. Neither the DCC nor any agent thereof, nor Association, shall be responsible in any way for any defects in any plans, specifications or other material submitted to it, nor for any defects in any work done according thereto, nor for any damages associated with their approval or disapproval of any matters subject to this Article.

Section 10.7. Monitoring. The DCC or its duly authorized agents may monitor work being performed with their permission to assure compliance herewith, and any applicable regulations of the Association, and an easement for such monitoring is hereby reserved over and upon each and every Lot in the Development.

Section 10.8. Remedies for Failure to Obtain Approval. In the event any construction or modifications are made without first obtaining approval of the DCC as required herein or any construction is being performed other than in accordance with DCC approved plans and architectural guidelines and standards, the Association and the DCC shall each and all have the powers of enforcement granted to the Association generally for purposes of this Declaration and may require any modifications, construction, changes or improvements undertaken or installed without or contrary to the approval of the DCC and such architectural guidelines and standards to be removed or renovated by whatever means the Association and/or DCC deem appropriate, with the costs thereof, including, without limitation, costs of collection and attorney's fees and paraprofessional fees, to become a lien against the defaulting Owner's Lot in the manner described in Section 9.5 hereof.

Section 10.9. Covenant Variance Request Procedure. Neither the DCC or the Board may grant any variance related to Assessments under Article IX or any variance that would violate or void the Association's insurance coverage under Article V.

Any Owner seeking a variance must submit a written request to the DCC. The variance request shall include a detailed description of the variance sought, the reasons for the request, and any supporting documentation deemed relevant by the DCC, including but not limited to site plans, renderings, photographs, and statements from neighboring property owners, if applicable.

The DCC shall review the request taking into account unique and specific circumstances. A unanimous vote of all then-serving members of the DCC is required to approve the variance. If the DCC does not unanimously approve the variance, the request shall be denied and closed. If the variance is approved by unanimous vote, it shall be submitted to the Board of Directors for final review.

The Board shall consider the request from the DCC taking into account unique and specific circumstances. A unanimous vote of all then-serving members of the Board is required to approve the variance. If the Board does not unanimously approve the variance, the request shall be denied and closed.

If the Board unanimously approves the variance, it shall be deemed granted, and written approval shall be prepared and signed in approval by all current members of both the DCC and the Board. Copies of the signed approval shall be provided to the requesting Owner and retained in the permanent records of the Association.

The variance shall not affect in any way the Owner's obligation to otherwise comply with the other provisions of the Declaration, including the payment of Assessments. Moreover, because of the unique facts and circumstances surrounding each variance request, the granting of a variance in one instance, or under certain terms, conditions and circumstances, does not mandate the granting of a variance under similar or related circumstances, terms or conditions for other Owners.

All variance decisions are final and not subject to appeal. A variance request that has been denied may not be resubmitted for a period of twelve (12) months from the date of denial unless the Owner demonstrates that materially changed circumstances exist. Approval of any variance

shall not constitute a waiver or precedent for other requests, and each request shall be evaluated independently based on its individual merits.

ARTICLE XI
MORTGAGEE RIGHTS

Section 11.1. Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage, who provides written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the Lot number) (therefore becoming an Eligible Mortgage Holder), will, upon payment of Two Hundred Fifty Dollars ($250.00) plus the reasonable expense of the Association associated therewith, be entitled to timely written notice of:

(a) any proposed termination of the Association;

(b) condemnation, damage or destruction to the Development or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such Eligible Mortgage Holder;

(c) any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to the Mortgage of such Eligible Mortgage Holder where such delinquency has continued for a period of sixty (60) days;

(d) any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; or,

(e) any proposed action which would require the consent of Eligible Mortgage Holders.

ARTICLE XII
GENERAL PROVISIONS

Section 12.1. Duration. The provisions of this Declaration shall run with and bind the land and shall be and remain in effect perpetually to the extent permitted by law; provided, however, so long as Indiana law limits the period during which covenants restricting lands to certain uses may run, any provisions of this Declaration affected thereby shall run with and bind the land so long as permitted by such law, and such provisions may be renewed or extended, in whole or in part, beyond the initial period permitted by such law, for successive periods not to exceed the period permitted by such law, provided such renewal or extension is approved by at least two-thirds (2/3) of all Eligible Votes. Further, no such renewal or extension shall be effective unless there is filed for record in the Office of the Recorder of Steuben County, Indiana, on or before the effective date thereof an instrument executed by the President and Secretary of the Association which shall state the terms of such renewal or extension and which shall contain a certification by such Secretary that such extension and renewal was duly approved by the Owners. Every purchaser or grantee of any interest in any real property subject to this Declaration, by acceptance of a deed or other conveyance therefor, thereby agrees that such

provisions of this Declaration may be extended and renewed as provided in this Section.

Section 12.2. Amendment.

(a) This Declaration may be amended upon the affirmative vote or written consent, or any combination thereof, of at least two-thirds (2/3) of the Eligible Votes. Amendments to this Declaration shall become effective upon recordation in the office of the Recorder of Steuben County, Indiana, unless a later effective date is specified therein.

(b) Association hereby reserves the right to make such amendments to this Declaration as maybe deemed necessary or appropriate by Association 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 of any agency guaranteeing, insuring, or approving Mortgages to enable reasonable development of and construction on the Lots; provided, however, that Association shall not be entitled to make any amendment which has a materially adverse effect on the rights of any mortgagee, nor which substantially impairs in the reasonable opinion of the Association, the benefits of this Declaration to any Owner or substantially increases the obligations imposed by this Declaration on any Owner. Association further reserves the right to make such amendments to this Declaration as may be deemed necessary or appropriate by Association without the approval of any other person or entity, which amendment shall be fully effective in accordance with its terms:

(i) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Declaration;

(ii) to insert such provisions clarifying matters or questions arising under this Declaration as are necessary or desirable and are not contrary to or inconsistent with this Declaration as theretofore in effect; or,

(iii) to amend or modify this Declaration in any manner which in the reasonable opinion of the Association does not adversely affect in any material respect the rights of any mortgagee or Owner, nor which substantially impairs the benefits of this Declaration to any Owner or substantially increases the obligations imposed by this Declaration on any Owner.

Section 12.3. Indemnification. The Association shall indemnify every officer, director and member of the DCC against any and all expenses, including, without limitation, attorney's fees and paraprofessional fees, reasonably incurred by or imposed upon any officer or director or DCC member in connection with any action, suit, or other proceeding (including, without limitation, settlement of any suit or proceeding, if approved or authorized by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer or director or DCC member. The officers, directors and members of the DCC shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance or misconduct. The officers, directors and members of the DCC shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors or DCC members may also be Members of the Association), and the Association shall indemnify and forever hold each such officer, director, or DCC member free and harmless against any and

all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director or DCC member, may be entitled. The Association may, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

Section 12.4. Easement of Utilities. There is hereby reserved to the Association blanket easements upon, across, above, and under all property within the Development for access, ingress, egress, installation, repairing, replacing, and maintaining all utilities serving the Development or any portion thereof, including, without limitation, gas, water, sanitary sewer, telephone, cable television, and electricity, as well as storm drainage and any other services such as, but not limited to, a master television antenna system, cable television system, or security system which the Association might decide to have installed to serve the Development. It shall be expressly permissible for the Association or its designee, as the case may be, to install, repair, replace, and maintain or to authorize the installation, repairing, replacing, and maintaining of such wires, conduits, cables, and other equipment related to the providing of any such utility or service. Should any party furnishing any such utility or service request a specific license or easement by separate recordable document, the Association and/or the Board of Directors shall have the right to grant such easement.

Section 12.5. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

Section 12.6. Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and, to this end, the provisions of this Declaration are declared to be severable. If any of the provisions hereof shall be held to be invalid or to be unenforceable or to lack the quality of running with the land, that holding shall be without effect upon the validity, enforceability or "running" quality of any other one of the provisions hereof. Furthermore, in lieu of the invalid or unenforceable provision, there shall be added automatically as part of this Declaration a provision as similar in terms to such invalid or unenforceable provision as may be possible and be legal, valid, reasonable and enforceable.

Section 12.7. Captions. The captions of each Article and Section hereof, as to the contents of each Article and Section, are inserted only for convenience and are in no way to be construed as defining, limiting, extending, or otherwise modifying or adding to the particular Article or Section to which they refer.

ARTICLE XIII
ENFORCEMENT

Section 13.1. Right of Action and Enforcement. The Association shall have a right of action against any Owner for failure to comply with any provision of this Declaration, the Bylaws, the

Articles, or any rules, regulations or decisions of the Association or its Board of Directors or any committee acting under the authority of the Association or its Board of Directors including, without limitation, the DCC (the "Enforced Provisions"). The Enforced Provisions, as each may be amended from time to time, may be enforced by the Association through court proceedings for injunctive relief, for damages or for both, including, without limitation, such relief as is set forth under Section 13.2 of this ARTICLE XIII.

Section 13.2. Equitable Remedies. The rights and obligations set forth in this Declaration constitute unique and distinctive property rights and obligations which are not generally available or replaceable, and for which the payment of monetary damages may not be adequate compensation in the event of a violation of any Enforced Provision. Any violation of this Declaration, including, without limitation, any Enforced Provision by an Owner or any Person acting through or on behalf of an Owner may cause irreparable damage or harm to the Association which will be extremely difficult to measure; therefore, the Association shall have the right to temporary or permanent injunctive relief issued by any court of competent jurisdiction to (a) enjoin or restrain any Owner from a violation of this Declaration, and/or (b) instructing any Owner to act in accordance with the terms and provisions of this Declaration.

Section 13.3. Action by Association. Notwithstanding any provision in this Declaration to the contrary. any action to enforce this Declaration by the Association, including, without limitation, action taken in accordance with Section 1 or Section 2 of this ARTICLE XIII shall only be taken by the Association if a majority of the members of the full Board of Directors of the Association vote in favor of such action; and, provided, further, that any such vote by the Board of Directors of the Association shall be null and void in the event the Board of Directors of the Association is comprised of fewer than five (5) members. It is the intention of this provision that any action by the Association be taken or commenced only after receiving the affirmative vote of the greater of (a) three members of a full board of five directors, or (b) a majority of the members of a Board of Directors in excess of five members.

Section 13.4. No Duty to Enforce. The Association shall not be liable for damages of any kind to any person for failing either to abide by, enforce or carry out any provision of this Declaration.

Section 13.5. 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 the provisions of this Declaration shall be held to be a waiver by that party (or an estoppel of that party to assert) any right available to him upon the occurrence, recurrence, or continuation of such violation or violations of this Declaration.

ARTICLE XIV
PRIVATE AMENITIES AND SERVICES

Section 14.1. Private Amenities and Services. The Drainage System, Streets, and other elements comprising the Common Area shall be owned and maintained by the Association so long as this Declaration remains in force (and subject to any prior dedication or conveyance thereof). In the event of any termination of this Declaration and/or liquidation, dissolution or winding up of the affairs of the Association, the Association shall, after paying or making provision for the payment of all the liabilities of the Association, distribute all the assets of the

Association exclusively for the purposes of the Association in such manner, or to such organization or organizations as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed by the Judge of the Circuit Court of Steuben County, Indiana, exclusively for such purposes or to such organization or organizations, as such Court shall determine, which are organized and operated exclusively for such purpose.

ARTICLE XV
PRIVATE DRIVES

Section 15.1. Creation of Private Drives. (i) Unless otherwise provided in a supplement or amendment to this Declaration recorded in the Office of the Recorder for Steuben County, Indiana, and (ii) subject to law, including, without limitation, the law of condemnation; each private drive designated on the Plat and Plans shall be owned by the Association and maintained by the Association in good condition satisfactory for the purpose for which it was constructed. The maintenance costs incurred by the Association in maintaining a private drive shall be part of the assessment against all Lots; provided, however, that any alteration to a private drive which is primarily cosmetic in its nature (such as landscaping, the addition of gates, special lighting, etc.) shall be assessed against only those lots whose principal means of vehicular access to a dedicated street (as contemplated by Section 17.5 of this Declaration) is over and/or across such private drive (the "Benefitted Lots"). It is the intent of this Section 15.1 that snow plowing, general road repair, and periodic sealing and resurfacing shall be part of the responsibility of the Association as a whole. In the event of a complete rebuilding of a private drive (or an expansion or other substantial alteration of a private drive), the costs associated therewith shall be assessed forty percent (40%) against the Association (which shall include, without limitation, the Owners of Benefitted Lots) and sixty percent (60%) against the Benefitted Lots; provided, however, that no such assessment shall be made for the reconstruction or substantial modification of a private drive unless three quarters (3/4) or more of the Benefitted Lots affirmatively vote in favor of the expenditure or, in the alternative, such action is taken by virtue of the affirmative vote of eighty percent (80%) or more of all of the members of the Board of Directors of the Association; provided, further, that any such assessment made for the reconstruction or substantial modification of a private drive resulting from the affirmative vote of eighty percent (80%) or more of all of the member of the Board of Directors of the Association shall be assessed sixty percent (60%) against the Association (which shall include, without limitation, the Owners of Benefitted Lots) and forty percent (40%) against the Benefitted Lots.

Section 15.2. Dedication of Private Drives. (i) Unless otherwise provided in a supplement or amendment to this Declaration recorded in the Office of the Recorder for Steuben County, Indiana, and (ii) subject to law, including, without limitation, the law of condemnation; any private drive designated on the Plat and Plans may be dedicated and thereafter constitute dedicated rights-of-way upon the affirmative vote of not less than seventy-five percent (75%) of the Benefitted Lots and the approval of a majority of all of the members of the Board of Directors of the Association.

Section 15.3. Incorporations of Article X Provisions. The assessments and other applicable provisions of this Article XV of this Declaration shall be, and are, subject to the provisions of Article IX of this Declaration, as such provisions may be reasonably construed to apply to the provisions of this Article XV, including, without limitation, the provisions of Article IX relating

to computation of assessments, liens for assessments, effective nonpayment of assessments (and remedies of the Association), capital budget and contribution, subordination to the lien of first mortgages, and certificates.

ARTICLE XVI
LIMITATION ON ASSOCIATION'S LIABILITY

Section 16.1. Limitation on Association's Liability. Notwithstanding anything to the contrary herein, it is expressly agreed, and each Owner, by accepting title to a Lot and becoming an Owner acknowledges and agrees that the Association (including, without limitation, any assignee of the interest of Association hereunder) nor any director, officer or shareholder of Association (or any partner, officer, director or shareholder in any such assignee) shall have any personal liability to any Owner, Member or other Person, arising under, in connection with, or resulting from (including, without limitation, resulting from action or failure to act with respect to) this Declaration or the Association. If any judgment is ever levied against Association (or its assignee), the same is hereby agreed to be limited to the extent of Association (or such assignee's) interest in the Development; and, in the event of a judgment no execution or other action shall be sought or brought thereon against any other assets, nor be a lien upon any other assets of Association (or its assignee).

ARTICLE XVII
ADDITIONAL EASEMENTS AND RESTRICTIONS

Section 17.1. Easements. Lots are subject to perpetual non-exclusive drainage easements, utility easements, resident access easements, island easements, and landscape easements either separately or in combination, as shown on the Plats and Plans, which are reserved for the use of the Association, Lot Owners, public utility companies and governmental agencies as follows and which are all subject to such rules and regulations as the Board of Directors may promulgate:

(a) Drainage Easements (D.E. and part of D.&U.E.) - Are created to provide paths and courses for area and local storm drainage, either overland or in adequate underground conduit, including, without limitation, storm water retention or detention areas, to serve the needs of the Development and adjoining ground and/or public drainage systems; and, it shall be the individual responsibility, of the Owner to maintain the drainage across his own Lot. Under no circumstances shall said easement be blocked in any manner. Said areas are subject to construction or reconstruction to any extent necessary to obtain adequate drainage at any time by any governmental authority having jurisdiction over drainage or by Association. No permanent structures shall be constructed within any such easement areas except as may be approved by Association or the appropriate governmental authority.

(b) Utility Easements (U.E, and part of D.&U.E.) - Are created (i) for the use of the local governmental agency having jurisdiction over the sanitary waste disposal system of said city and/or county designated to serve the Development for the purposes of installation and maintenance of sewers that are part of said system, and (ii) for the use of public utility companies, not including transportation companies, for the installation of pipes, mains, ducts, communication lines (which shall include, without limitation, water, sewer, electric, natural gas, fiber optic, telephone and cable T.V.), as well as such other further public services the

Association may deem necessary. Each Owner of a Lot must connect with any public sanitary sewer available. No permanent structures shall be constructed within any such easement areas except as may be approved by Association or the appropriate governmental authority.

(c) Island Easements (I.E.) -- Are created to provide island areas in public and/or private streets for the use of the Association and the Association in landscaping and maintaining said landscaping to enhance the overall appearance, value and desirability of the Development. It shall be the responsibility of the Association to maintain such easement areas. Under no circumstances shall the easement be blocked in any manner. No permanent structures shall be constructed within any such easement areas except as may be approved by Association Board of Directors. These easement areas shall be subject to all rules and regulations of the applicable governmental office or agency.

(d) Landscape Easements (L.S.E.) — Are created to provide areas for the use of the Association in landscaping and maintaining said landscaping to enhance the overall appearance, value and desirability of the Development. It shall be the responsibility of the Association to maintain such easements. Under no circumstances shall the easement be blocked in any manner. No permanent structures shall be constructed within any such easement areas except as may be approved by Association Board of Directors.

(e) Other Easements -- Are created to the extent and for the purposes specified in any Supplemental Declaration in which any such easements are set forth.

Section 17.2. Floodway Restrictions. No structures may be built on that portion of any Lots which lie within a floodway. Any landscaping or other improvements made to any such part of the Lots, and any alterations thereon, shall be subject not only to approval of the Association, but also to the prior approval of the Indiana Department of Natural Resources, its successors and assigns, and all other governmental agencies having jurisdiction thereof.

Section 17.3. Common Areas. Those areas designated as "Common Area" on any Plats and Plans are hereby declared to be Common Area. The Common Area is hereby reserved for the use of the Association during the development period, for the use of the Association after the development period, and for the use and enjoyment of all the Owners subject to the limitations contained herein, and further subject to the right of the Association to promulgate reasonable rules and regulations governing such use and enjoyment. Notwithstanding any provision in this Declaration to the contrary, including, without limitation, this Section 17.3.

Section 17.4. Construction Procedure. During construction, reasonable care shall be taken by the builders of the Lots therein to protect all public and private streets from decomposition due to construction. During construction, sites shall be kept as clean as possible to avoid blowing trash and to prevent mud from coming onto other portions of the Development or adjoining properties. On a daily basis builders shall clean and keep streets reasonably free of dirt/mud and debris during construction periods and the Association shall have no responsibility or liability for the streets during construction.

Section 17.5. Streets. The Streets as depicted on the Plats and Plans shall constitute dedicated rights-of-way; provided, however, that any streets identified with the notation "private drive"

upon the Plats and Plans or in these Declarations shall not be so dedicated, but shall constitute private easements benefitting the lots served thereby, which private streets include, without limitation, Lane 271, Lane 270A, Lane 270, and Lane 280C.

IN WITNESS WHEREOF, the undersigned Board of Directors of the Crystal Bay & Crystal Cove Homeowners Association, Inc., has executed this Amended Declaration on the date shown below.

CRYSTAL BAY & CRYSTAL COVE
HOMEOWNERS ASSOCIATION, INC.

Eric Norman King – President 9-18-2025 Date

Indiana Notary Public Acknowledgement State of Indiana County of Steuben

On this 18 day of Sept, 2025, this record was signed before me by Eric Norman King.

Notary Public Signature

Commissioned in Steuben county.

NOTARY PUBLIC - STATE OF INDIANA
SEAL
GENITA L HOULTON
COMMISSION NUMBER NP0688433
MY COMMISSION EXPIRES JULY 24, 2032

Michael Thomas O'Malley – Vice President 9/19/2025 Date

Indiana Notary Public Acknowledgement State of Indiana County of Steuben

On this 19 day of Sept, 2025, this record was signed before me by Michael Thomas Omalley.

Notary Public Signature

Commissioned in Steuben county.

NOTARY PUBLIC - STATE OF INDIANA
SEAL
GENITA L HOULTON
COMMISSION NUMBER NP0688433
MY COMMISSION EXPIRES JULY 24, 2032

Jan Louise Longsworth - Secretary

9/19/2025
Date

Indiana Notary Public Acknowledgement State of Indiana County of Steuben

On this 19 day of Sept, 2025, this record was signed before me by Jan Louise Longsworth

Notary Public Signature

NOTARY PUBLIC - STATE OF INDIANA
SEAL
GENITA L HOULTON
COMMISSION NUMBER NP0688433
MY COMMISSION EXPIRES JULY 24, 2032

Commissioned in Steuben county.

Kevin Lynn Greubel - Treasurer

9/19/25
Date

Indiana Notary Public Acknowledgement State of Indiana County of Steuben

On this 19 day of Sept, 2025, this record was signed before me by Kevin Lynn Greubel.

Notary Public Signature

NOTARY PUBLIC - STATE OF INDIANA
SEAL
GENITA L HOULTON
COMMISSION NUMBER NP0688433
MY COMMISSION EXPIRES JULY 24, 2032

Commissioned in Steuben county.

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

Prepared by:
Eric N King ENK

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09/22/2025 03:06:50P 40 PGS
Dani Lou Parrish
Steuben County Recorder IN
Recorded as Presented