

FILED

RESTRICTIVE COVENANTS
AUBURN HILLS SUBDIVISION
MERRILLVILLE, INDIANA

DEC 22 1999

NEW KEYS 15-718-1,3)

PETER BENJAMIN
LAKE COUNTY AUDITOR

B & J CONSTRUCTION, AN INDIANA PARTNERSHIP, BEING THE OWNER OF AUBURN HILLS, A SUBDIVISION LOCATED IN THE TOWN OF MERRILLVILLE, LAKE COUNTY, INDIANA, DOES HEREBY ESTABLISH AND PUBLISH THESE COVENANTS WHICH SHALL HEREBY ESTABLISH CONDITIONS, COVENANTS, AND RESTRICTIONS TO GOVERN THE USE AND OCCUPANCY OF THE LOTS IN AUBURN HILLS SUBDIVISION AND SUCH CONDITIONS, COVENANTS, AND RESTRICTIONS SHALL OPERATE PERPETUALLY AND RUN WITH THE LAND AND TITLE TO ALL OF THE LOTS IN SAID SUBDIVISION. IT IS EXPRESSLY UNDERSTOOD THAT THESE CONDITIONS, COVENANTS, AND RESTRICTIONS SHALL ATTACH TO AND RUN WITH THE LAND AND IT SHALL BE LAWFUL, NOT ONLY FOR B & J CONSTRUCTION, ITS SUCCESSORS AND ASSIGNS, BUT ALSO FOR THE OWNER OR OWNERS OF ANY LOT IN SAID SUBDIVISION TO INSTITUTE AND PROSECUTE ANY PROCEEDINGS AT LAW OR IN EQUITY AGAINST ANY PERSON OR PERSONS VIOLATING OR THREATENING TO VIOLATE SUCH COVENANTS.

THE CONDITIONS, COVENANTS AND RESTRICTIONS ARE AS FOLLOWS:

1. NO BUILDING WALL, FENCE, OR OTHER STRUCTURE SHALL BE ERECTED OR PLACED ON ANY LOT OR PARCEL UNTIL THE BUILDING PLANS, SPECIFICATIONS AND PLOT PLANS SHOWING THE LOCATION AND ELEVATION OF SUCH BUILDING AND THE LANDSCAPING HAVE BEEN APPROVED IN WRITING AS TO THE CONFORMITY AND HARMONY OF EXTERNAL DESIGN WITH EXISTING DESIGN WITH EXISTING STRUCTURES IN THE SUBDIVISION AND AS TO THE LOCATION OF THE BUILDING WITH RESPECT TO TOPOGRAPHY AND FINISHED GROUND ELEVATION, AND AS THE SUFFICIENCY OF THE SPECIFICATIONS, BY A MAJORITY OF A ARCHITECTURAL CONTROL COMMITTEE CONSISTING OF THREE MEMBERS APPOINTED BY OWNER. THE INITIAL THREE MEMBERS SHALL BE JOHN SPASOFF, ROBERT KAUFMAN, AND RICHARD SPASOFF. IN THE EVENT OF DEATH, RESIGNATION, OR REMOVAL OF ANY MEMBER OF THE ARCHITECTURAL CONTROL COMMITTEE, THE PARTNERSHIP SHALL NAME A REPLACEMENT WITHIN 60 DAYS OF SUCH EVENT. NO BUILDING PERMIT SHALL BE OBTAINED IN THE TOWN OF MERRILLVILLE UNTIL AND UNLESS THE PLANS AND SPECIFICATIONS FOR THE IMPROVEMENTS HAVE BEEN GIVEN WRITTEN APPROVAL BY THE ARCHITECTURAL CONTROL COMMITTEE. IN CASE OF DISAGREEMENT AMONG THE COMMITTEE OF ANY MATTER BEFORE IT, THE VOTE OF THE MAJORITY SHALL BE CONTROLLING.

IN THE EVENT THE ARCHITECTURAL CONTROL COMMITTEE OR ITS DESIGNATED REPRESENTATIVE FAILS TO APPROVE OR DISAPPROVE ANY DESIGN, LOCATION, SPECIFICATIONS AND ELEVATION WITHIN THIRTY (30) DAYS AFTER PLANS AND SPECIFICATIONS HAVE BEEN SUBMITTED TO IT, OR IN ANY EVENT IF NO SUIT TO ENJOIN THE ERECTION OF ANY BUILDING OR THE MAKING OF ALTERATIONS THEREOF HAS NOT BEEN COMMENCED PRIOR TO THE COMPLETION OF THE ROOF OF SUCH BUILDING, SUCH APPROVAL WILL NOT BE REQUIRED AND THIS COVENANT WILL BE DEEMED TO HAVE BEEN COMPLIED WITH FULL. NEITHER THE MEMBERS OF THE ARCHITECTURAL CONTROL COMMITTEE NOR ITS DESIGNATED REPRESENTATIVE SHALL BE ENTITLED TO ANY COMPENSATION FOR THE SERVICES PERFORMED PURSUANT TO THIS COVENANT. THE POWERS AND DUTIES OF SUCH COMMITTEE AND ITS DESIGNATED REPRESENTATIVE SHALL CEASE ON JANUARY 1, 2007.

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B & J CONSTRUCTION OR THE ARCHITECTURAL CONTROL COMMITTEE OR THEIR EMPLOYEES, AGENTS, AND REPRESENTATIVES SHALL NOT BE LIABLE FOR ANY DAMAGE, LOSS OR PREJUDICE SUFFERED OR CLAIMED BY ANY OWNER OR CONTRACTOR WHO SUBMITS SUCH PLANS ON ACCOUNT OF (A) ANY DEFECTS IN ANY PLANS AND SPECIFICATIONS SUBMITTED, REVISED, OR APPROVED IN ACCORDANCE WITH THE FOREGOING PROVISIONS; (B) ANY STRUCTURAL OR OTHER DEFECTS IN ANY WORK DONE ACCORDING TO SUCH PLANS AND SPECIFICATIONS; (C) THE APPROVAL OR DISAPPROVAL OF ANY PLANS, DRAWINGS AND SPECIFICATIONS, WHETHER OR NOT DEFECTIVE; (D) THE CONSTRUCTION OR PERFORMANCE OF ANY WORK, WHETHER OR NOT PURSUANT TO APPROVED PLANS, DRAWINGS AND SPECIFICATIONS, AND (E) THE DEVELOPMENT OF ANY PROPERTY WITHIN THE REAL ESTATE TO THE TOWN OF MERRILLVILLE, INDIANA. ANY PERSON SUBMITTED PLANS TO THE ARCHITECTURAL CONTROL COMMITTEE SHALL HOLD B & J CONSTRUCTION AND THE ARCHITECTURAL CONTROL COMMITTEE HARMLESS FROM ALL DAMAGE, LOSS OR PREJUDICE SUFFERED OR CLAIMED BY ANY THIRD PARTY, INCLUDING ATTORNEYS' FEES INCURRED.

2. LAND USE AND BUILDING TYPE: EACH LOT SHALL BE USED, EXCLUSIVELY, AS A SITE FOR A DWELLING FOR PRIVATE RESIDENCE PURPOSES BY ONLY ONE FAMILY. NO STRUCTURE OF A TEMPORARY CHARACTER WILL BE PERMITTED.

3. ARCHITECTURAL CONTROLS:

STRUCTURES: NO STRUCTURE SHALL BE ERECTED, PLACED, OR ALTERED ON ANY LOT UNTIL THE FOLLOWING HAVE BEEN APPROVED BY THE ARCHITECTURAL CONTROL COMMITTEE AS TO QUALITY OF WORKMANSHIP AND MATERIALS, HARMONY OF DESIGN WITH EXISTING STRUCTURES, AND AS TO LOCATION WITH RESPECT TO TOPOGRAPHY AND FINISH GRADE ELEVATIONS:

- A. ALL CONSTRUCTION PLANS AND SPECIFICATIONS.
- B. A PLAT SHOWING THE LOCATION OF THE STRUCTURE OR STRUCTURES ON THE LOT OR LOTS.
- C. A PLAT SHOWING A LANDSCAPING PLAN.

4. ONLY SITE BUILT HOMES SHALL BE PERMITTED. NO BUILDING, NOR ANY STRUCTURE, SHALL BE MOVED TO ANY LOT IN THIS DEVELOPMENT WITHOUT PRIOR ARCHITECTURAL CONTROL COMMITTEE APPROVAL.

5. EACH YARD MUST BE GRADED, SEEDED OR SODDED, AND LANDSCAPED BEFORE OCCUPANCY OF A RESIDENTIAL DWELLING, CALENDAR SEASON PERMITTED. NO YARDS OF NATURAL PRAIRIE OR WILDFLOWERS ARE PERMITTED. VACANT LOTS, PRIOR TO CONSTRUCTION, MUST BE MAINTAINED BY THE OWNER. LOTS ARE TO BE KEPT MOWED AND FREE FROM DEBRIS. VACANT LOTS MAY NOT BE USED TO STORE MATERIALS OR PERSONAL ITEMS. WITHIN 5 DAYS NOTICE TO A LOT OWNER OF A VACANT LOT NOT BEING MAINTAINED, THE DEVELOPERS OR ASSOCIATION SHALL EMPLOY A FIRM TO MOW AN/OR CLEAR THE LOT AND THE LOT OWNER SHALL BE RESPONSIBLE FOR THE COST OF SAME. THIS COST MAY BE FILED AS A LIEN UPON THE PROPERTY IN ACCORDANCE WITH THE LAWS OF INDIANA, ANY EXPENSES INCURRED, COLLECT FEES BILLED TO THE LOT OWNER, SHALL BE THOSE OF THE LOT OWNER.

6. **BUILDING/TIME FRAME:** THE CONSTRUCTION OF ANY RESIDENTIAL STRUCTURE MUST BE COMPLETED WITH NINE (9) MONTHS FROM THE DATE OF COMMENCEMENT OF CONSTRUCTION. LANDSCAPING (INCLUDING GRASS/SEED OR SOD) SHALL BE WITHIN NINETY (90) DAYS OF OCCUPANCY. THE ARCHITECTURAL CONTROL COMMITTEE MAY EXTEND THIS TIME IF IN THEIR OPINION, WEATHER OR OTHER CONDITIONS PROHIBIT SUCH TIMELY COMPLETION. UNNECESSARY BUILDING MATERIALS, PILES OF FILL OR PILES OF TRASH ARE PROHIBITED. THE DEVELOPER OR ASSOCIATION RESERVES THE RIGHT TO ACCESS FINES AND PENALTIES FOR VIOLATIONS AND NON-COMPLIANCE OF THIS RULINGS.
7. **TREE REMOVAL:** NO TREES IN EXCESS OF SIX INCHES IN DIAMETER AND EXCEEDING TWENTY FEET IN HEIGHT MAY BE CUT OR REMOVED FROM ANY LOT IN THE SUBDIVISION WITHOUT PRIOR WRITTEN CONSENT OF THE ARCHITECTURAL CONTROL COMMITTEE.
8. **FENCES:** ALL FENCES MUST BE APPROVED AND CONSTRUCTED AS DESIGNATED BY THE ARCHITECTURAL CONTROL COMMITTEE. ABSOLUTELY NO FENCES SHALL EXTEND BEYOND THE REAR CORNERS OF THE DWELLING TOWARD THE FRONT OF THE PROPERTY. BARBED WIRE OR CHAIN LINK FENCES ARE SPECIFICALLY PROHIBITED.
9. **POOLS:** INGROUND SWIMMING POOLS ARE APPROVED ON AN INDIVIDUAL BASIS PER TOWN AND COUNTY GOVERNING ORDINANCES. ABOVE GROUND POOLS ARE PROHIBITED.
10. **YARD LIGHTS:** EACH OWNER OF A LOT IN THE DEVELOPMENT SHALL INSTALL A POST-TYPE FRONT YARD LIGHT AT THE TIME A HOME IS CONSTRUCTED UPON THE LOT. THE LIGHT MUST BE CONTROLLED BY AN ELECTRIC EYE SO THAT IS WILL BE LIGHTED FROM DUSK TO DAWN. ALL YARD LIGHTS AND THEIR LOCATIONS MUST BE APPROVED BY THE ARCHITECTURAL CONTROL COMMITTEE.
11. **ANIMALS/PETS:** NO ANIMALS, LIVESTOCK, SWINE OR POULTRY OF ANY KIND SHALL BE RAISED, BRED OR KEPT ON ANY LOT, EXCEPT DOGS, CATS OR OTHER HOUSEHOLD PETS, PROVIDED THAT, THEY ARE NOT KEPT, BRED OR MAINTAINED FOR ANY COMMERCIAL OR HOBBY PURPOSE. PETS MAY NOT CREATE A NUISANCE.
12. **BUILDING LOCATION:** NO HOUSE, GARAGE OR OTHER BUILDING SHALL BE LOCATED CLOSER IN THE FRONT TO THE BUILDING SETBACK LINE, THIRTY FEET WITHIN THE PROPERTY LINE ABUTTING TO DEDICATED STREETS AND IN ACCORDANCE WITH TOWN OF MERRILLVILLE ORDINANCES BOTH FOR FRONTYARDS, SIDEYARDS AND REARYARDS.
13. **ALL DRIVEWAYS OR OTHER ENTRANCES TO ANY LOT IN THE SUBDIVISION FROM THE DEDICATED STREETS IN THE SUBDIVISION SHALL BE PAVED NO LATER THAN 90 DAYS AFTER OCCUPANCY. AN EXTENSION MAY BE GRANTED BY THE ARCHITECTURAL CONTROL COMMITTEE FOR THE REASON OF ADVERSE WEATHER CONDITIONS. SIDEWALKS (BY LOT OWNER) ARE REQUIRED IN ACCORDANCE WITH TOWN OF MERRILLVILLE SPECIFICATIONS AND ORDINANCES.**

14. ALL LANDSCAPING SHOWN ON THE INITIAL PLANS AND SPECIFICATIONS OF THE HOME AS APPROVED BY THE ARCHITECTURAL CONTROL COMMITTEE SHALL BE COMPLETED BY THE OWNERS WITHIN 90 DAYS OF OCCUPANCY. AN EXTENSION MAY BE GRANTED BY THE ARCHITECTURAL CONTROL COMMITTEE FOR THE REASON OF ADVERSE WEATHER CONDITIONS.
15. MINIMUM SQUARE FOOTAGE REQUIREMENT: THE MINIMUM SQUARE FOOTAGE OF THE LIVING AREA SHALL BE 1700 SQUARE FEET ON THE MAIN LEVEL FOR A RANCH STYLE HOME AND 2100 SQUARE FEET FOR ALL OTHER PERMITTED STYLES. BI-LEVEL AND TRI-LEVEL HOMES ARE PERMITTED.
16. USE: NO TRAILER, GARAGE, BARN, STORAGE SHED, OUTBUILDING, OR ANY OTHER ADDITIONAL STRUCTURE SHALL BE USED EITHER TEMPORARILY OR PERMANENTLY AS A DWELLING OR RESIDENCE. NO TRAILERS, BOATS, MOTOR VEHICLES OR RECREATIONAL VEHICLES ARE PERMITTED TO BE STORED ON ANY LOT FOR A PERIOD OF TIME IN EXCESS OF TWO WEEKS, UNLESS SAID PERSONAL PROPERTY IS STORED IN A FULLY ENCLOSED BUILDING.
17. MAINTENANCE OF LOTS AND IMPROVEMENTS: THE OWNER OF ANY LOT IN THE DEVELOPMENT SHALL AT ALL TIMES MAINTAIN THE LOT AND ANY OF IMPROVEMENTS SITUATED THEREON IN SUCH A MANNER AS TO PREVENT THE LOT OR IMPROVEMENTS FROM BECOMING UNSIGHTLY, AND SPECIFICALLY, SUCH OWNER SHALL:
 - A. REMOVE ALL DEBRIS OR RUBBISH (BOTH DURING AND AFTER CONSTRUCTION.
 - B. PREVENT THE EXISTENCE OF ANY OTHER CONDITION THAT REASONABLY TENDS TO DETRACT FROM OR DIMINISH THE AESTHETIC APPEARANCE OF THE DEVELOPMENT.
 - C. KEEP THE EXTERIOR OF ALL IMPROVEMENTS IN SUCH STATE OF REPAIR OR MAINTENANCE AS TO AVOID THEIR BECOMING UNSIGHTLY.
18. DITCHES AND SWALES: IT SHALL BE THE DUTY OF EVERY OWNER OF EVERY LOT LOT ON WHICH ANY PART OF AN OPEN STORM DRAINAGE DITCH OR SWALE IS SITUATED TO KEEP SUCH PORTION CONTINUOUSLY UNOBSTRUCTED AND IN GOOD REPAIR, AND TO PROVIDE FOR THE INSTALLATION OF SUCH CULVERTS UPON SAID LOT MAY BE REASONABLY NECESSARY TO ACCOMPLISH THE PURPOSES OF THIS SUBSECTION. IF NECESSARY, OWNERS SHALL INSTALL CULVERTS BETWEEN THE ROAD RIGHTS OF WAY AND THEIR LOTS IN CONFORMITY WITH SPECIFICATIONS AND RECOMMENDATIONS OF THE ARCHITECTURAL CONTROL COMMITTEE.
19. CERTAIN ACTIVITIES PROHIBITED:
 - A. IN GENERAL: NO NOXIOUS OR OFFENSIVE ACTIVITIES SHALL BE CARRIED OUT ON ANY LOT IN THE SUBDIVISION, NOR SHALL ANYTHING BE DONE ON ANY OF SAID LOTS THAT SHALL BE OR BECOME AN UNREASONABLE ANNOYANCE OR NUISANCE TO ANY OWNER OF ANOTHER LOT IN THE SUBDIVISION.

- B. WEAPONS: THE USE OF FIREARMS WITHIN THE SUBDIVISION IS STRICTLY FORBIDDEN. NO HUNTING, TARGET PRACTICE, NOR ANY OTHER USE OF FIREARM OR OTHER WEAPONS IS ALLOWED.
- C. SIGNS: NO SIGNS SHALL BE DISPLAYED ON ANY LOT IN THE SUBDIVISION WITHOUT PRIOR WRITTEN PERMISSION OF THE ARCHITECTURAL CONTROL COMMITTEE.
20. B & J CONSTRUCTION SHALL ESTABLISH AN INDIANA NOT-FOR-PROFIT CORPORATION WHICH SHALL ACT ON BEHALF OF THE OWNERS OF THE LOTS IN THE SUBDIVISION. THE ASSOCIATION SHALL BE FORMED UPON THE SALE OF THE LAST LOT IN THE SUBDIVISION BY B & J CONSTRUCTION.
21. EACH OWNER OF A LOT IN AUBURN HILLS SUBDIVISION SHALL BE A MEMBER OF THE ASSOCIATION AND SHALL BE ENTITLED TO CAST ONE (1) VOTE AT ALL MEETING FOR EACH LOT THAT IS OWNED. THE PURPOSE OF THE ASSOCIATION SHALL BE TO MANAGE AND SUPPORT FINANCIALLY ALL COMMON AREAS, PROVIDE SUCH SECURITY SERVICE AS MAY BE DEEMED ADVISABLE, MAINTAIN AND RUN STREET LIGHTS, MAINTAIN NO-ACCESS FENCING AT THE NORTHERN BOUNDARY OF SHELBY LANE (SUCH FENCING SHALL BE REPAIRED, IF DAMAGED, WITHIN 5 WORKING DAYS OF OF THE OCCURANCE), AND FOR ALL OTHER PURPOSES AS THE MEMBERSHIP FROM TIME TO TIME DEEM NECESSARY AFTER ITS CREATION BY THE DEVELOPER, THE ASSOCIATION SHALL HAVE MEETINGS AT LEAST YEARLY TO ORGANIZE ITSELF AND TO ELECT ITS OFFICERS. THE ASSOCIATION SHALL IMPOSE AND COLLECT ANNUAL ASSESSMENTS FOR THE MAINTENANCE AND IMPROVEMENTS OF "COMMON AREA" AND FOR THE PROVISION OF THE AFORESAID SECURITY SERVICES; PROVIDED, THAT THE TOTAL OF SUCH DUES LEVIED AGAINST SUCH LOT SHALL NOT EXCEED TWO HUNDRED DOLLARS (\$200.00) PER LOT PER YEAR. THE FOREGOING NOTWITHSTANDING, THE ASSOCIATION DIRECTORS MAY AUTOMATICALLY INCREASE THE MAXIMUM ASSESSMENT IN DIRECT PROPORTION TO THE INCREASE IN THE UNITED STATES GOVERNMENT'S CONSUMER PRICE INDEX, URBAN HOUSEHOLDS. SUCH ASSESSMENT SHALL NOT ACCRUE UNTIL ALL LOTS ARE SOLD. THE BASE YEAR FOR THE INDEX SHALL BE THE YEAR THE LAST LOT IS SOLD. THOSE ASSESSMENTS SHALL BE LEVIED EQUALLY ON EACH LOT IN ALL PHASES TO THE RECORDED PLAT OF AUBURN HILLS SUBDIVISION. FAILURE TO PAY SAID ASSESSMENTS OR ANNUAL DUES SHALL BE A VIOLATION OF THESE COVENANTS AND RESTRICTIONS. ANY SUCH ASSESSMENTS OR ANNUAL DUES SHALL BE BILLED BY THE ASSOCIATION TO THE OWNER OF EACH LOT ON MAY 1 AND SHALL BE DUE AND PAYABLE ON OR BEFORE JULY 1 OF EACH YEAR. ALL LOTS SHALL, FROM AND AFTER THE RECORDING OF THESE RESTRICTIONS, BE SUBJECT TO SAID ANNUAL DUES AND ASSESSMENTS. SAID DUES AND ASSESSMENTS SHALL BE A LIEN IN FAVOR OF THE ASSOCIATION UPON THE LOT AGAINST WHICH SUCH DUES AND ASSESSMENTS ARE CHARGED UNTIL PAID, WHICH LIEN SHALL BE ENFORCED IN THE SAME MANNER AS IS PROVIDED IN THE MECHANIC'S LIEN STATUTES OF THE STATE OF INDIANA. PROVIDED FURTHER, THAT ANY PERSON PURCHASING OR DEALING WITH SAID LOT MAY RELY UPON A CERTIFICATE SIGNED BY THE PRESIDENT OR SECRETARY OF THE ASSOCIATION SHOWING THE AMOUNT OF SAID DUES AND ASSESSMENTS WHICH ARE DUE AND UNPAID AS OF THE DATE OF SUCH CERTIFICATE, AND THE ASSOCIATION SHALL NOT BE ENTITLED TO ENFORCE ANY LIEN FOR SUCH CHARGE ACCRUING PRIOR TO THE DATE SHOWN IN SAID CERTIFICATE. THE WITHIN ABOVE DESCRIBED IN LIEN IS SUBORDINATE TO ANY FIRST MORTGAGE LIEN. ANY PAST DUE ANNUAL DUES, ASSESS

MENTS, OR OTHER CHARGES ASSESSABLE HEREUNDER SHALL BEAR INTEREST AT THE RATE OF 12% PER ANNUM COMMENCING 30 DAYS AFTER THE SAME BECOME DUE AND WITH THE ATTORNEY FEES, AND SHALL BE DUE AND PAYABLE WITHOUT RELIEF FROM VALUATION AND APPRAISEMENT LAWS. THE ASSOCIATION MAY BE FORMED FOR AND ENGAGE IN, SUCH OTHER ACTIVITIES AS MAY BE BENEFICIAL TO THE LOT OWNERS TO THE PUBLIC AT LARGE, OR WHICH MAY QUALIFY THE ASSOCIATION AS A "NOT-FOR PROFIT CORPORATION OR ASSOCIATION," AS DEFINED IN THE INTERNAL REVENUE CODE. UNTIL SUCH TIME AS THE ASSOCIATION IS CREATED BY THE DEVELOPER, THE DEVELOPER, ACTING ON BEHALF OF THE ASSOCIATION TO BE FORMED, SHALL BE FORMED, SHALL BE ENTITLED TO CARRY OUT THE RESPONSIBILITIES ASSIGNED TO, AND ENJOY AND EXERCISE THE RIGHTS AND POWERS GRANTED TO, THE ASSOCIATION PURSUANT TO THESE RESTRICTIONS; PROVIDED, HOWEVER, THE TOTAL OF SUCH DUES AND ASSESSMENTS LEVIED BY THE DEVELOPER IN SUCH CAPACITY AGAINST EACH LOT SHALL NOT EXCEED ONE HUNDRED AND NO/100 DOLLARS (\$100.00) PER LOT PER YEAR SO LONG AS THE ASSOCIATION HAS NOT BE CREATED AND THE DEVELOPER IS ACTING IN SUCH CAPACITY ON BEHALF OF THE ASSOCIATION TO BE FORMED. THE DEVELOPER SHALL NOT BE RESPONSIBLE FOR SUCH ASSESSMENT ON LOTS LEFT IN INVENTORY PRIOR TO SALE.

UPON FORMATION OF THE AFORESAID NOT-FOR-PROFIT CORPORATION, THE PARTNERSHIP SHALL TRANSFER ALL MANAGEMENT RESPONSIBILITIES TO THE ASSOCIATION

22. THE UNDERSIGNED SHALL HAVE AND DOES HEREBY RESERVE THE RIGHT AND POWER AND WITHOUT CONSENT OR APPROVAL OF ANY OF THE OWNERS OF LOTS IN THE SUBDIVISION OR MORTGAGES OF SAID LOTS TO AMEND OR SUPPLEMENT THESE RESTRICTIVE COVENANTS AT ANY TIME AND FROM TIME TO TIME IF SUCH AMENDMENT OR SUPPLEMENT IS MADE (A) TO COMPLY WITH REQUIREMENT OF THE FEDERAL NATIONAL MORTGAGE ASSOCIATION, THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION, THE FEDERAL HOME LOAN MORTGAGE CORPORATION, THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, OR ANY OTHER GOVERNMENT AGENCY OR ANY OTHER PUBLIC, QUASI PUBLIC OR PRIVATE ENTITY WHICH PERFORMS (OR MAY IN THE FUTURE PERFORM) FUNCTIONS SIMILAR TO THOSE CURRENTLY PERFORMED BY SUCH ENTITIES, (B) TO INDUCE ANY OF SUCH AGENCIES OR ENTITIES TO MAKE, PURCHASE, SELL, INSURE OR GUARANTEE FIRST MORTGAGES COVERING THE LOTS OF THE SUBDIVISION AND THE STRUCTURES CONSTRUCTED OR LOCATED THEREON, (C) TO BRING THESE RESTRICTIVE COVENANTS INTO COMPLIANCE WITH ANY LAW OR STATUTORY REQUIREMENT (D) TO CORRECT CLERICAL OR TYPOGRAPHICAL ERRORS IN THESE RESTRICTIVE COVENANTS OR ANY EXHIBIT HERETO OR ANY SUPPLEMENT OR AMENDMENT HERETO.

ANY OTHER AMENDMENTS OR CHANGES OF THESE RESTRICTIONS AND DECLARATIONS SHALL BE MADE AS FOLLOWS:

- A. NOTICE: NOTICE OF THE SUBJECT MATTER OF THE PROPOSED AMENDMENT IN REASONABLE DETAILED FORM SHALL BE INCLUDED IN A NOTICE OF A MEETING TO BE HELD AND SHALL BE GIVEN TO ALL OWNERS OF LOTS WITHIN THE SUBDIVISION.

B. RESOLUTION: A RESOLUTION ADOPTING A PROPOSED AMENDMENT FOLLOWING SUCH MEETING MUST BE ADOPTED BY NOT LESS THAN SEVENTY-FIVE PERCENT (75%) OF THE TOTAL NUMBER OF LOT OWNERS WITHIN THE SUBDIVISION. LOT OWNERS NOT PRESENT AT A MEETING CONSIDERING SUCH AMENDMENT MAY VOTE BY PROXY.

C. RECORDING: OWNERS MAY EXECUTE POWER OF ATTORNEY DESIGNATION AN ATTORNEY-IN-FACT TO EXECUTE DOCUMENTS INDICATING THE ADOPTION OF AMENDMENTS. SUCH AMENDMENTS SHALL BE REDUCED TO WRITING AND EXECUTED IN SUCH MANNER EITHER BY SAID ATTORNEYS-IN-FACT OR BY THE RESPECTIVE LOT OWNERS IN SUCH FORM AS TO BE RECORDABLE IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

23. THE FOREGOING COVENANTS, RESTRICTIONS, AND CONDITIONS SHALL RUN WITH THE LAND AND SHALL BE BINDING UPON ALL THE PARTIES CLAIMING OR OWNING ANY INTEREST IN THE REAL ESTATE OR ANY LOT OR PARCEL THEREIN, UNTIL JANUARY 1, 2004, AT WHICH TIME SAID COVENANTS, RESTRICTIONS, AND CONDITIONS SHALL AUTOMATICALLY BE EXTENDED FOR SUCCESSIVE PERIODS OF TEN (10) YEARS, UNLESS THERE IS A VOTE OF THE MAJORITY OF THE OWNERS OF THE PENDING SITES COVERED BY THESE COVENANTS, RESTRICTIONS, AND CONDITIONS, AND IF ANY OWNER OR PERSON IN POSSESSION SHALL VIOLATE OR ATTEMPT TO VIOLATE ANY OF THESE COVENANTS, RESTRICTIONS, AND CONDITIONS, IT SHALL BE LAWFUL FOR THE UNDERSIGNED, "THE ASSOCIATION", OR ANY PERSON OR PERSONS OWNING ANY LOT IN SAID SUBDIVISION, TO FILE AND PROSECUTE ANY PROCEEDING AT LAW OR IN EQUITY AGAINST THE PERSON OR PERSONS VIOLATING OR ATTEMPTING TO VIOLATE ANY OF THESE COVENANTS, RESTRICTIONS, AND CONDITIONS, TO COMPEL COMPLIANCE WITH THESE COVENANTS, RESTRICTIONS AND CONDITIONS OR TO RECOVER DAMAGES CAUSED BY SUCH VIOLATIONS, AND THE OWNER OR OWNERS SHALL PAY COSTS AND REASONABLE ATTORNEY FEES IN THE EVENT JUDGMENT IS RENDERED AGAINST HIM OR HER OR THEM.
24. EXCEPT AS PROVIDED IN PARAGRAPH 1 HEREOF, THE FAILURE FOR ANY PERIOD OF TIME TO COMPEL COMPLIANCE WITH ANY RESTRICTIONS, CONDITIONS, OR COVENANTS SHALL IN NO EVENT BE DEEMED AS WAIVER OF THE RIGHT TO DO SO THEREAFTER, AND SHALL IN NO WAY BE CONSTRUED AS A PERMISSION TO DEVIATE FROM SAID RESTRICTIONS, CONDITIONS, AND COVENANTS.
25. INVALIDATION OF ANY OF THESE COVENANTS BY JUDGMENT OR DECREE OF THE COURT SHALL IN NO WAY EFFECT ANY OF THE OTHER PROVISIONS HEREOF WHICH SHALL REMAIN IN FULL FORCE AND EFFECT. IF ANY PROVISION CONTAINED IN

THESE COVENANTS ARE CONTRARY TO LOCAL ORDINANCES, RULES AND REGULATIONS OF AN ADMINISTRATIVE AGENCY WHICH HAS JURISDICTION AND OF THE LAWS OF THE STATE OF INDIANA AND THE UNITED STATES OF AMERICA, SAID PROVISIONS SHALL BE INTERPRETED SO AS TO CONFORM THERETO.

B & J CONSTRUCTION, AN INDIANA PARTNERSHIP

BY:

Robert Kaufman

BY:

John Spasoff

STATE OF INDIANA)

COUNTY OF LAKE)

BEFORE ME, A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE, PERSONALLY APPEARED B & J CONSTRUCTION, AN INDIANA PARTNERSHIP BY JOHN SPASOFF AND ROBERT KAUFMAN AND ACKNOWLEDGED THE EXECUTION OF THE ABOVE AND FOREGOING RESTRICTIVE COVENANTS.

WITNESS MY HAND AND NOTARIAL SEAL THIS

20th DAY OF January, 1999.

Lucille K. Ponce
NOTARY PUBLIC

PRINTED: Lucille K. Ponce
RESIDENT OF Lake COUNTY

MY COMMISSION EXPIRES: 10-20-06