

ARTICLES OF INCORPORATION

OF

WILLIAMSON RUN HOMEOWNERS ASSOCIATION, INC.

APPROVED
AND
FILED

The undersigned incorporator, desiring to form a corporation (the "Corporation"), pursuant to the provisions of the Indiana For-Profit Corporation Act of 1971, as amended (the "Act"), executes the following Articles of Incorporation:

ARTICLE I

Name

The name of the Corporation shall be "Williamson Run Homeowners Association, Inc."

ARTICLE II

Purposes and Powers

Section 1. Purposes. The Corporation is formed in connection with the development of Williamson Run, a single-family residential community being developed in Hamilton County, Indiana, to be evidenced by a plat or plats thereof now or hereafter recorded in the Office of the Recorder of Hamilton County, Indiana (the "Development"), and, in furtherance of such general purpose, shall have the following specific purposes:

(a) To provide for the management, regulation and maintenance of certain improvements and common areas constructed or to be constructed within the Development, such purposes being more particularly specified in a certain declaration of covenants, conditions and restrictions of Development (the "Declaration"), as recorded or to be recorded in the office of the Recorder of Hamilton County, Indiana, the terms and conditions thereof and legal description contained therein being incorporated herein by reference.

(b) To exercise all powers and duties of the Board of Directors or Owners as a group referred to in the Declaration.

(c) To do all acts and things necessary, convenient or expedient to carry out the express purpose for which the Corporation is formed.

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JOSEPH H. ROSETT

Section 2. Powers. Subject to any specific written limitations imposed by the Act, or otherwise by law or by these Articles of Incorporation, and in furtherance of the purposes set forth in Section 1 of this Article, the Corporation shall have all the statutory powers specified in the Act.

Section 3. Limitation Upon Purposes and Powers. The Corporation shall not, by implication or construction, possess the power of engaging in any activities for the purpose of or resulting in the pecuniary remuneration to its members as such; provided, however, that nothing shall prohibit reasonable compensation to members for services actually rendered, upon approval by the Board of Directors, nor shall the Corporation be prohibited from engaging in any undertaking for profit so long as such undertaking does not inure to the profit of its members. The Corporation shall issue no stock and shall pay no dividends at any time.

ARTICLE III

Term of Existence

The period during which the Corporation shall continue is perpetual.

ARTICLE IV

Registered Office and Resident Agent

The post office address of the principal office of the Corporation is 1980 East 116th Street, Suite 125, Carmel, Indiana 46032; and the name and post office address of its Resident Agent in charge of such office is William B. Blake, 1980 East 116th Street, Suite 125, Carmel, Indiana 46032.

ARTICLE V

Membership and Voting Rights

Section 1. Membership. All lot owners in the Development, as well as the members of the first Board of Directors as designated in Article VI herein, or their successors as appointed by the Developer under the Declaration, shall be members; provided, however, if a Lot is owned by more than one person, entity or combination thereof, there shall be only one person with respect to any such lot entitled to a vote in accordance with the provisions of the Declaration and the By-Laws.

Section 2. Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Developer and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Developer (as defined in the Declaration), and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall automatically convert to Class A membership upon the earlier of (a) the date when the total votes outstanding in the Class A membership are equal to the total votes outstanding in the Class B membership, or (b) January 1, 1998.

Section 3. Meetings. All classes of members shall be entitled to attend meetings of all of the members of the Corporation when and if they are held or called.

Section 4. Dues and Assessments. The amounts, method of payment, and sanctions for non-payment of membership dues and assessments shall be specified by the By-Laws of the Corporation and the Declaration.

ARTICLE VI

Data Respecting Directors

Section 1. Number. The number of the Directors of the Corporation shall be not less than three (3) nor more than nine (9), the exact number to be specified by the By-Laws of the Corporation. If the By-Laws do not otherwise provide, the number of Directors shall be three (3).

Section 2. Term of Office. All of the Directors shall be elected by the members entitled to vote at each annual meeting and shall hold office for a term of one year or until their successors have been duly elected and qualified. All Directors must be members. A Director may be removed at any time, with or without cause, by a two-thirds (2/3's) vote of the Board of Directors.

Section 3. Names and Post Office Addresses. The names and post office addresses of the first Board of Directors of the Corporation are as follows:

<u>Name</u>	<u>Number and Street</u>	<u>City</u>	<u>State</u>
William B. Blake	1980 East 116th Street Suite 125	Carmel, Indiana	46032

Mark W. Boyce	1980 East 116th Street Suite 125	Carmel, Indiana 46032
John Gavurnik	1980 East 116th Street Suite 125	Carmel, Indiana 46032

ARTICLE VII

Incorporator

The name and post office address of the incorporator are as follows:

<u>Name</u>	<u>Number and Street</u>	<u>City</u>	<u>State</u>
Lewis E. Willis, Jr.	50 South Meridian Street, Suite 700	Indianapolis,	Indiana 46204

ARTICLE VIII

Property of Corporation

The Corporation is without any property or assets upon its incorporation.

ARTICLE IX

Provisions for Regulation of Business and Conduct of Affairs of the Corporation

Section 1. Meetings of Members. Meetings of the members of the Corporation shall be held at such place, within or without the State of Indiana, as may be authorized by the By-Laws and specified in the respective notices or waivers of notice of any such meeting.

Section 2. Meetings of Directors. Meetings of the Board of Directors of the Corporation shall be held at such place, within or without the State of Indiana, as may be authorized by the By-Laws and specified in the respective notices or waivers of notice of any such meeting.

Section 3. By-Laws. The Board of Directors of the Corporation shall have power to make, alter, amend or repeal the By-Laws of the Corporation, by an affirmative vote of the majority of the members of the Board of Directors of the Corporation, except as otherwise provided in the Declaration.

Section 4. Amendment of Articles of Incorporation. The Corporation reserves the right to make, alter, amend, change or repeal these Articles in the manner now or hereinafter prescribed or permitted by the provisions of the Act or any amendment thereto or by any other applicable statute of the State of Indiana.

The undersigned, being a natural person, does hereby adopt these Articles of Incorporation, representing beforehand to the Secretary of State of the State of Indiana and to all persons whom it may concern, that a membership list of the Corporation for which a Certificate of Incorporation is hereby applied for has heretofore been opened in accordance with the Act, and that at least three (3) persons have signed such membership list.

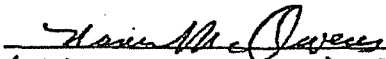
IN WITNESS WHEREOF, the undersigned, being the incorporator designated in Article VII, executes these Articles of Incorporation of the Corporation and hereby verifies subject to the penalties of perjury that the facts herein are true, this 18th day of May, 1990.


Lewis E. Willis, Jr.

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Lewis E. Willis, Jr., being the incorporator referred to in Article VII of the foregoing Articles of Incorporation, who, after being duly sworn, acknowledged the execution thereof and stated that the facts therein contained are true.

WITNESS my hand and Notarial Seal this 18th day of May, 1990.


(NANCY M. OWENS), Notary Public

My Commission Expires:

March 5, 1994

My County of Residence is:

Marion

This instrument was prepared by Lewis E. Willis, Jr., Attorney.

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STATE OF INDIANA
OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF INCORPORATION

OF

WILLIAMSON RUN HOMEOWNERS ASSOCIATION, INC.

I, JOSEPH H. HOGSETT, Secretary of State of Indiana, hereby certify that Articles of Incorporation of the above corporation, have been presented to me at my office accompanied by the fees prescribed by law; that I have found such

Articles conform to law; all as prescribed by the provisions of the

Indiana Not-For-Profit Corporation Act of 1971,

as amended.

NOW, THEREFORE, I hereby issue to such Corporation this Certificate of Incorporation, and further certify that its corporate existence will begin May 18, 1990.

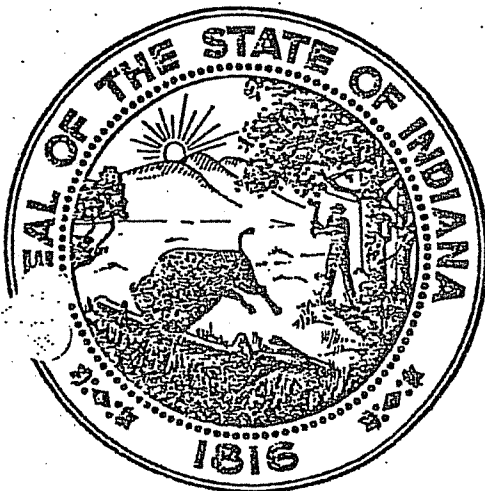
In Witness Whereof, I have hereunto set my hand and affixed the seal of the State of Indiana, at the City of Indianapolis, this Eighteenth day of May, 1990

Joseph H. Hogsett

JOSEPH H. HOGSETT, Secretary of State

By *Anna A. Hara*

Deputy



CODE OF BY-LAWS

OF

WILLIAMSON RUN HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Identification

Section 1. Name. The name of the corporation is "Williamson Run Homeowners Association, Inc." (the "Corporation").

Section 2. Principal Office and Resident Agent. The post-office address of the principal office of the Corporation is 1980 East 116th Street, Suite 125, Carmel, Indiana 46032; and the name of its Resident Agent in charge of such office is William B. Blake.

Section 3. Fiscal Year. The fiscal year of the Corporation shall begin at the beginning of the first day of January in each year and end at the close of the last day of December next succeeding.

ARTICLE II

Members

Section 1. Membership. Every Owner, as defined in a certain declaration of covenants, conditions and restrictions of Williamson Run ("Declaration") as recorded or to be recorded in the office of the Recorder of Hamilton County, Indiana; and the members of the first Board of Directors of the Corporation as specified by its Articles of Incorporation or their successors as appointed under the Declaration shall be a member of the Corporation.

Section 2. Place of Meeting. All meetings of members of the Corporation shall be held at such place, within or without the State of Indiana, as may be determined by the Board of Directors and specified in the notices or waivers of notice thereof or proxies to represent members at such meetings.

Section 3. Annual Meetings. The annual meetings of members shall be held on the third Thursday in March of each year, if such day is not a legal holiday, or if a legal holiday, then on the next succeeding business day which is not a legal holiday.

Section 4. Special Meetings. Special meetings of members may be called at any time for the purpose of considering matters which require the approval of all or some of the voting members, or for any other reasonable purpose. Any such special meeting shall be called by written notice, authorized by a majority of the Board, or by one-third (1/3) of the members, delivered not less than seven (7) days

prior to the date fixed for such meeting. The notices shall specify the date, time and place of meeting and the matters to be considered.

Section 5. Notice of Meetings. Written or printed notice stating the place, day and hour of a meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered or mailed by the Secretary of the Corporation to each member of record of the Corporation entitled to vote at the meeting, at such address as appears upon the records of the Corporation, at least ten (10) days before the date of the meeting. Notice of any meeting of the members may be waived in writing by any member if the waiver sets forth in reasonable detail the purpose or purposes for which the meeting is called and the time and place thereof. Attendance at any meeting in person or by proxy shall constitute a waiver of notice of such meeting.

Section 6. Voting at Meetings.

(a) Voting Rights. Until such time as Developer no longer retains an ownership interest in the Development, there shall be two (2) classes of voting membership, as more particularly described in the Corporation's Articles of Incorporation. There shall be one person with respect to each Lot, as such term is defined in the Declaration, who shall be entitled to vote at any meeting of the members. Such person shall be known as the "Voting Member." Such Voting Member may be the Owner or one of the group comprised of all the Owners of a Lot, or may be some person designated by such Owner or Owners to act as proxy on his or their behalf and who need not be an Owner. Any or all of such Voting Members may be present at any meeting of the Voting Members and may vote or take any action as a Voting Member, either in person or by proxy. Developer, as such term is defined in the Declaration (or its nominee), may exercise the voting rights with respect to any Lot owned by it.

(b) Proxies. A Voting Member is entitled to vote either in person or by proxy, executed in writing by such Voting Member or by his or her duly authorized attorney-in-fact and delivered to the Secretary of the meeting. Proxies shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the scheduled time of the meeting. In any meeting of the Voting Members called for the purposes of electing the Board of Directors of the Corporation each Voting Member shall be permitted to cast the number of votes to which he is entitled, as hereinabove set forth, for each Director of the Corporation to be elected at such meeting.

(c) Quorum and Adjournments. The presence in person or by proxy of the Voting Members constituting the representation of a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the Voting Members at which a quorum is present upon the affirmative vote of the Voting Members having a majority of the total votes present at such meeting. Any meeting of the Voting Members,

including both annual and special meetings and any adjournments thereof, may be adjourned to a later date without notice other than announcement at the meeting even though less than a quorum is present.

Section 7. List of Voting Members. At least five (5) days before each meeting of Voting Members, the Secretary of the Corporation shall prepare or cause to be prepared a complete list of the Voting Members of the Corporation entitled to vote at such meeting arranged in alphabetical order with the address of such Voting Members and shall be subject to inspection by a record Voting Member. The original or duplicate membership register shall be the only evidence as to the persons who are entitled as Voting Members to examine such lists or to vote at such meeting..

Section 8. Action by Written Consent. Any action required or permitted to be taken at any meeting of the Voting Members may be taken without a meeting, if prior to such action, a written consent thereto, setting forth the action so taken, is signed by all the Voting Members entitled to vote with respect to the subject matter thereof, and such written consent is filed with the minutes of the proceedings of the Voting Members. Such consent shall have the same effect as a unanimous vote of the Voting Members.

ARTICLE III

Directors

Section 1. Number and Term of Office. The Board of Directors shall consist of three (3) members, each of whom must be an Owner who maintains his principal residence on a Lot, or be an officer, director or employee of Developer. The Directors shall serve without compensation unless such compensation is approved by the Voting Members holding a majority of the total votes. The Board shall be elected by the Voting Members at their annual meeting and shall hold office until the next ensuing annual meeting of the Voting Members or until their successors have been duly elected and qualified. If a member of the Board of Directors shall cease to meet any qualification herein required for a member of the Board, such member shall thereupon cease to be a member of the Board and his place on the Board shall be deemed vacant. The Voting Members may remove any member of the Board with or without cause, and elect a successor at a meeting of the Voting Members called expressly for such purpose.

Section 2. Vacancies. Vacancies occurring in the membership of the Board of Directors caused by resignation, death or other incapacity, or increase in the number of Directors shall be filled by a majority vote of the remaining members of the Board, and each Director so elected shall serve until the next meeting of the Voting Members, or until his successor shall have been duly elected and qualified. Notice specifying any increase in the number of Directors and the name, address and principal occupation of and other pertinent

information about any Director elected to fill any vacancy shall be given in the next mailing sent to the Voting Members after such increase or election.

Section 3. Annual Meetings. The Board of Directors shall meet annually, without notice, immediately following, and at the same place as, the annual meeting of the Voting Members.

Section 4. Regular Meetings. Regular meetings shall be held at such times and places, either within or without the State of Indiana, as may be determined by the President or Board of Directors.

Section 5. Special Meetings. Special meetings of the Board of Directors may be called by the President or by the member of the Board of Directors, at any place within or without the State of Indiana, upon twenty-four (24) hours notice, specifying the time, place and general purposes of the meeting, given to each Director personally, by telephone or telegraph; or notice may be given by mail if mailed at least three (3) days before such meeting.

Section 6. Waiver of Notice. Any Director may waive notice of any meeting in writing. Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting.

Section 7. Quorum. A majority of the entire Board of Directors then qualified and acting shall constitute a quorum and be sufficient for transaction of any business, except for filling vacancies in the Board of Directors which shall require action by a majority of the remaining Directors. Any act of the majority of the Directors present at a meeting at which a quorum shall be present shall be the act of the Board unless otherwise provided for by law or by these By-Laws. A majority of the Directors present may adjourn any meeting from time to time. Notice of an adjourned meeting need not be given other than by announcement at the time of adjournment.

Section 8. Action by Written Consent. Action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if prior to such action, a written consent thereto is signed by all the members of the Board, and such written consent is filed with the minutes of the proceedings of the Board.

ARTICLE IV

Officers

Section 1. Number of Officers. The officers of the Corporation shall consist of a President, a Secretary, a Treasurer, and such officers or assistant officers as the Board shall from time to time create and so elect. Any two (2) or more offices may be held by the same person, except that the duties of the President and Secretary shall not be performed by the same person. The President shall be chosen from among the Directors. Officers shall serve without

compensation unless such compensation is approved by the Voting Members holding a majority of the total votes.

Section 2. Election and Terms. Each officer shall be elected by the Board of Directors at the annual meeting thereof and shall hold office until the next annual meeting of the Board or until his successor shall have been elected and qualified or until his death, resignation or removal. Any officer may be removed at any time, with or without cause, by vote of a majority of the whole Board, but such removal shall be without prejudice to the contract rights, if any, of the person so removed; provided, however, that election of an officer shall not of itself create contract rights.

Section 3. Vacancies. Whenever any vacancy shall occur in any office by death, resignation, increase in the number of officers of the Corporation, or otherwise, the same shall be filled by the Board of Directors, and the officer so elected shall hold office until the next annual meeting of the Board or until his or her successor is duly elected or appointed.

Section 4. President. The President shall be the chief executive officer of the Corporation; shall preside at all meetings of Voting Members and of the Board of Directors; shall have general and active supervision, control and management of the affairs and business of the Corporation, subject to the orders and resolutions of the Board; shall have general supervision and direction of all officers, agents and employees of the Corporation; shall see that all orders and resolutions of the Board are carried into effect; and in general shall exercise all powers and perform all duties incident to such office and such other powers and duties as may from time to time be assigned to him by the Board.

The President shall have full authority to execute proxies in behalf of the Corporation, and to execute, with the Secretary, powers of attorney appointing other corporations, partnerships, or individuals the agent of the Corporation, all subject to the provisions of the laws of the State of Indiana, the Declaration, the Articles of Incorporation and this Code of By-Laws.

Section 5. Secretary. The Secretary shall attend all meetings of the Board and of the Voting Members and shall act as Secretary of such meetings; shall give or cause to be given all notices provided for in these By-Laws or required by law; shall record all votes and minutes of all proceedings of the meetings of Voting Members and the Board in a book or books to be kept for that purpose; shall be custodian of the records of the Corporation; shall have charge of the list of Voting Members; and in general shall exercise all powers and perform all duties as may be from time to time assigned to him or her by the Board or by the President.

Section 6. Treasurer. The Treasurer shall keep correct and complete records of account showing accurately at all times the financial condition of the Corporation; shall be the custodian of the

corporate funds and securities; shall immediately deposit, in the name and to the credit of the Corporation, all moneys and other valuable effects of the Corporation in such depositories as may be designated by the Board of Directors; shall disburse the funds of the Corporation as may be ordered by the Board or by the President; and in general, shall exercise all powers and perform all duties customarily incident to such office and such other powers and duties as may from time to time be assigned to him or her by the Board or the President.

ARTICLE V

Books and Records

Section 1. Books and Records, in General. The Board of Directors shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the "Development" as defined in the Declaration, specifying and itemizing the maintenance and repair expenses of the Development and other expenses incurred. Such records and the vouchers authorizing the payments shall be available for inspection by any Owner or any representative of an Owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by Owner. Upon ten (10) days notice to the Board and payment of a reasonable fee, any Owner shall be furnished a statement in recordable form of his account setting forth the amount of any unpaid assessment or other charges due and owing from such Owner, and such amount shall be binding upon the Board and the Corporation, and any mortgagee or grantee of such Owner furnished with such statement shall not be liable for, and the Lot of such Owner shall not be conveyed subject to a lien for, any unpaid assessment in excess of the amount set forth in such statement.

ARTICLE VI

Execution of Instruments

Section 1. Checks, Drafts, etc. All checks, drafts, bills of exchange or other orders for the payment of money, obligations, notes or other evidences of indebtedness of the Corporation shall be signed or endorsed by such officer or officers, employee or employees of the Corporation as shall from time to time be designated by the Board of Directors.

Section 2. Contracts. All contracts, agreements, deeds, conveyances, mortgages and similar instruments authorized by the Board of Directors shall be signed, unless otherwise directed by the Board of Directors or required by law, by the President and attested by the Secretary.

ARTICLE VII

Amendments and Definitions

Section 1. Amendments. These By-Laws may be altered, amended or repealed from time to time by a majority vote of the whole Board at any regular or special meeting if the notice or waiver of notice of said meeting shall have stated that the By-Laws are to be amended, altered or repealed or if all members of the Board of Directors at the time are present at said meeting.

Section 2. Definitions. The terms used in these By-Laws shall have the same meaning as the same terms as defined and used in the Declaration.

ARTICLE VIII

The Indiana Not-For-Profit Corporation Act of 1971

The provisions of the Indiana Not-For-Profit Corporation Act of 1971, as amended, applicable to any of the matters not herein specifically covered by these By-Laws, are hereby incorporated by reference in and made a part of these By-Laws.

Adopted: May 18, 1990.

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**AMENDMENT
TO
CODE of BY-LAWS of WILLIAMSON RUN HOMEOWNERS ASSOCIATION, INC.**

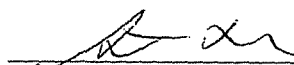
These Amendments to the Code of By-Laws of Williamson Run were made as of the date of the last signature hereto. By authority of the Code of By-Laws of Williamson Run Homeowners Association, Inc., Article VII, Amendments and Definitions, Section I. Amendments:

These By-Laws may be altered, amended or repealed from time to time by a majority vote of the whole Board at any regular or special meeting if the notice or waiver of notice of said meeting shall be stated that the By-Laws are to be amended, altered or repealed or if all members of the Board of Directors at the time are present at said meeting.

NOW, THEREFORE, the undersigned Board of Directors of Williamson Run collectively hereby amend the By-Laws pursuant to the amendments described below:

1. Article II, Members, Section 3, Annual Meetings. The annual meetings of members shall be changed from the third Thursday in March of each year to read as follows:
 - A. The Annual meetings of members shall be held as determined by the Board of Directors within the first six (6) months of each calendar year.
 - B. All other terms and conditions of this Section shall remain unchanged.
2. Article II, Members, Section 6, Voting at Meetings, Paragraph (c), Quorum and Adjournments shall be changed from 51% to read as follows:
 - A. The presence in person or by proxy of the Voting Members constituting the representation of 10% of the total votes shall constitute a quorum.
 - B. All other terms and conditions of this Section shall remain unchanged.
3. Article III, Directors, Section 1 of the By-Laws shall be change from three (3) members to read as follows:
 - A. The Board of Directors shall consist of seven (7) members
 - B. All other terms and conditions of this Section shall remain unchanged.
4. All other terms and conditions of the Code of By-Laws of Williamson Run shall remain unchanged.

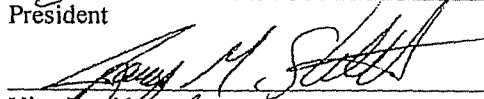
IN WITNESS WHEREOF, the Board of Directors of the Williamson Run Homeowners Association, Inc. has executed this Amendment to the Code of By-Laws of Williamson Run, H.O.A., Inc. on the 27 day of April, 2005.



President

4/27/05

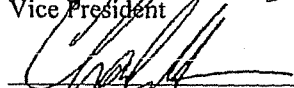
Date



Vice President

4/27/05

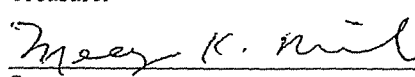
Date



Treasurer

4-27-05

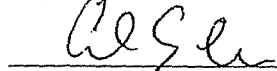
Date



Secretary

4/27/05

Date



Member at Large

4-27-05

Date



Member at Large

4/27/05

Date

Member at Large

Date

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF

THIS DECLARATION is made this 25 day of AUGUST, 1988, by
The C. P. Morgan Co., Inc., an Indiana corporation (the "Declarant").

Recitals

1. WHEREAS, Declarant is the owner of certain real estate more particularly described in Exhibit A attached hereto and made a part hereof (the "Real Estate").

2. Declarant intends to subdivide and develop the Real Estate into residential lots as generally shown on the plats for Williamson Run, as hereafter recorded in the office of the Recorder of Hamilton County, Indiana.

3. Before so subdividing the Real Estate, Declarant desires to subject the Real Estate to certain rights, privileges, covenants, conditions, restrictions, easements, assessments, charges and liens for the purpose of preserving and protecting the value and desirability of the Real Estate for benefit of each owner of all or any part thereof.

4. Declarant further desires to create an organization to which shall be delegated and assigned the powers of maintaining and administering the common areas and certain other areas of the Real Estate, administering and enforcing the covenants and restrictions contained in this Declaration and the subdivision plat of the Real Estate as hereafter recorded in the office of the Recorder of Hamilton County, Indiana, and collecting and disbursing the assessments and charges as herein provided.

5. Declarant may from time to time subject additional real estate to the provisions of this Declaration (the Real Estate, together with any such addition, as and when the same becomes subject to the provisions of this Declaration as herein provided, is hereinafter collectively referred to as the "Real Estate").

NOW, THEREFORE, Declarant hereby declares that the Real Estate is and shall be held, transferred, sold, conveyed, hypothecated, encumbered, leased, rented, used, improved and occupied subject to the following provisions, agreements, covenants, conditions, restrictions, easements, assessments, charges and liens, which shall run with the land and shall be binding upon, and inure to the benefit of, Declarant and any other person or entity hereafter acquiring or having any right, title or interest in the Real Estate, or any part thereof.

SHARON K. GILBERT
RECORDER
HAMILTON COUNTY, INDIANA

AUG 30 10 52 AM '88

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FOR RECORD

Declaration

ARTICLE I

DEFINITIONS

The following terms, when used in this Declaration with initial capital letters, shall have the following respective meanings:

1.1 "Association" means Williamson Run Homeowners Association, Inc., an Indiana not-for-profit corporation, which Declarant has caused or will cause to be incorporated, its successors and assigns.

1.2 "Committee" means the Williamson Run Architectural Control Committee established pursuant to Article VII, paragraph 7.1, of this Declaration for the purposes herein stated.

1.3 "Common Areas" means (i) all portions of the Real Estate (including improvements thereto) shown on any subdivision plat of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana, which are not Lots and which are not dedicated to the public, (ii) any landscape islands located in any public right-of-way within and upon the Real Estate and (iii) all facilities and personal property owned or leased by the Association from time to time.

1.4 "Common Expenses" means (i) expenses of administration of the Association, (ii) expenses of and in connection with the improvement, maintenance, repair and replacement of the Common Areas and the performance of the responsibilities and duties of the Association including, without limitation, expenses for the improvement, maintenance and repair of any easements and Common Areas shown and identified as such on any subdivision plat of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana, (iii) all sums lawfully assessed against the Owners by the Association and (iv) all sums declared by this Declaration to be Common Expenses.

1.5 "Declarant" means The C. P. Morgan Co., Inc., an Indiana corporation, and any successors and assigns of it whom it designates in one or more written recorded instruments to have the rights of Declarant hereunder, including, without limitation, any mortgagee acquiring title to any portion of the Real Estate pursuant to the exercise of rights under, or foreclosure of, a mortgage executed by Declarant.

1.6 "Development Period" means that period of time commencing with the date of recordation of this Declaration and ending on the date Declarant no longer owns any Lot within or upon the Real Estate.

1.7 "Lot" means a numbered parcel of land shown and identified as a lot on any subdivision plat of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana.

1.8 "Mortgagee" means the holder of a recorded first mortgage lien on any lot.

1.9 "Nonaffiliated Owner" means any "Owner" (hereinafter defined) other than Declarant or any entity related to Declarant.

1.10 "Owner" means the record owner, whether one or more persons or entities, of fee-simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation unless specifically indicated to the contrary. The term Owner as used herein shall include Declarant so long as Declarant shall own any Lot.

ARTICLE II

NAME

The name by which the Real Estate shall be known is "Williamson Run".

ARTICLE III

APPLICATION

All Owners, their tenants, guests, invitees and mortgagees, or any other person using or occupying a Lot or any part of the Real Estate shall be subject to and shall observe and comply with the covenants, conditions, restrictions, terms and provisions set forth in the Declaration and any rules and regulations adopted by the Association as herein provided, as the same may be amended from time to time.

The Owner of any Lot and all other persons, (i) by acceptance of a deed conveying title thereto or the execution of a contract for the purchase thereof, whether from the Declarant or a subsequent Owner of such Lot, or (ii) by the act of occupancy of such Lot, shall conclusively be deemed to have accepted such deed, executed such contract or undertaken such terms and provisions of this Declaration. By acceptance of such deed, execution of such contract or undertaking of such occupancy, each Owner and all other persons acknowledge the rights and powers of Declarant and the Association provided for by this Declaration, and for himself, his heirs, personal representatives, successors and assigns, covenant, agree and consent to and with Declarant and the Owners from time to time of the Lots, to keep, observe, comply with and perform the covenants, conditions, restrictions, terms and provisions of this Declaration.

ARTICLE IV

COMMON AREAS

4.1 Easement of Owners. Declarant hereby creates and grants a non-exclusive easement in favor of each Owner for the use and enjoyment of the Common Areas which shall run with and be appurtenant to each Lot, subject to the following provisions:

(i) the right of the Association to charge reasonable usage and other fees and, to establish rules and regulations for the use of any recreational facilities situated upon the Common Areas, including but not limited to rules and regulations for the use of recreational facilities by lot owners in neighboring subdivisions;

(ii) the right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(iii) the right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be set forth in the instrument of dedication or transfer, upon the approval of two-thirds (2/3) of the membership of each class of members of the Association;

(iv) the rights of the Declarant as provided in this Declaration and in any subdivision plat of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana;

(v) the terms and provisions of this Declaration;

(vi) the easements reserved elsewhere in this Declaration and in any subdivision plat of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana;

4.2 Delegation of Use. Any Owner may delegate, in accordance with the By-Laws of the Association and any reasonable and nondiscriminatory rules and regulations promulgated from time to time by the Association, his right of enjoyment of the Common Areas to his family members, his tenants or contract purchasers who reside on the Lot.

4.3 Conveyance of Common Areas. Upon final construction of the Common Areas, Declarant shall convey all of its right, title and interest in and to the Common Areas to the Association by quitclaim deed, and such Common Areas shall then be the property of the Association.

ARTICLE V

ASSOCIATION

5.1 Membership. Each Owner shall, automatically upon becoming an Owner, be and become a member of the Association and shall remain a member of the Association until such time as his ownership of a Lot ceases, at which time his membership will terminate and the new Owner of his Lot shall be and become a member of the Association.

5.2 Classes of Membership. The Association shall have two (2) classes of membership as follows:

(i) Class A Members. Class A members shall be all Owners other than Declarant (unless the Class B membership has been converted to Class A

membership as provided in the following subparagraph (ii), in which event Declarant shall then be a Class A member). Class A members shall be entitled to one vote for each Lot owned.

(ii) Class B Members. The Class B member shall be the Declarant. The Class B member shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and terminate and be converted to Class A membership upon the "Applicable Date" (as such term in hereinafter defined in paragraph 5.3).

5.3 Applicable Date. As used herein, the term "Applicable Date" shall mean the date which is the earlier of: (a) the date when the total votes outstanding in the Class A membership is equal to the total votes outstanding in the Class B membership; or (b) January 1, 1998.

5.4 Multiple or Entity Owners. Where more than one person or entity constitutes the Owner of a particular Lot, all such persons or entities shall be members of the Association, but the vote in respect of such Lot shall be exercised as the persons or entities holding an interest in such Lot shall determine among themselves, but in no event shall more than one (1) vote (in the case of Class A membership) be cast with respect to such Lot.

5.5 Board of Directors. The Association shall elect a Board of Directors of the Association as prescribed by the Association's Articles of Incorporation and By-Laws. The Board of Directors of the Association shall manage the affairs of the Association.

5.6 Professional Management. No contract or agreement for professional management of the Association, nor any other contract between the Declarant and the Association shall be for a term in excess of three (3) years. Any such agreement or contract shall provide for termination by either party with or without cause upon written notice of ninety (90) days or less and without any termination fee.

5.7 Responsibilities of the Association. The responsibilities of the Association include, but shall not be limited to:

(i) Installation and replacement of such fences, walls, foliage, landscaping, signs and other improvements in and upon the Common Areas as the Association deems necessary or appropriate, and maintenance of the Common Areas and any installation thereon in a clean and attractive condition and in good repair.

(ii) Maintenance, repair and replacement of such foliage, landscaping, screening materials and other improvements in and upon the Common Areas as the Association deems necessary or appropriate.

(iii) Management and control of detention and retention ponds, if any, in and upon the Common Areas (shown and identified as such on any subdivision plat of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana) for maintenance of the same in a clean, attractive and sanitary condition; and installation and replacement of such improvements in and upon said ponds as the Association deems necessary.

Declarant or the Association in good condition and repair. Without limiting the generality of the foregoing, such maintenance obligations shall include overflow maintenance to protect the ponds or lakes from erosion, algae control and maintenance of minimum water levels. It is intended that such actions shall be taken in accordance with recommendations regarding the same from applicable governmental agencies having jurisdiction, but nothing herein shall constitute an undertaking or duty to exceed the requirements of applicable law and prudent pond and lake operation.

(iv) Replacement of a drainage system in and upon the Drainage Easements (shown and identified as such on any subdivision plat of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana) as the Association deems necessary or appropriate and the maintenance of any drainage system installed in or upon said Drainage Easements by Declarant or the Association in good condition and repair, subject, however, to the obligation of the Owner of a Lot subject to a Drainage Easement to keep the portion of the Drainage Easement on his Lot free from obstructions so that the surface water drainage will be unimpeded.

(v) Procuring and maintaining for the benefit of the Association, its Board of Directors and the Owners the insurance coverages required under this Declaration and such other insurance as the Association deems necessary or advisable.

(vi) Payment of taxes, if any, assessed against and payable with respect to the Common Areas.

(vii) Assessment and collection from the Owners of the Common Expenses.

(viii) Contracting for such services as management, snow removal, security control, trash removal or other services as the Association deems necessary or advisable.

(ix) From time to time, adopting, amending or rescinding such reasonable rules and regulations (not inconsistent with the provisions of this Declaration) governing the use and enjoyment of the Common Areas, the use and enjoyment of the lakes and ponds located in and upon the Common Areas by the Owners of Lots, and the management and administration of the Association, as the Association deems necessary or advisable, and enforcement of the same. As part of such rules and regulations, the Association may provide for reasonable interest and late charges on past due installments of any Regular or Special Assessments or other charges against any Lot. Copies of such rules and regulations shall be furnished by the Association to the Owners prior to the time when the same shall become effective.

(x) Replacement and maintenance of any street identification signs within and upon the Real Estate designated as private street signs.

(xi) Procuring and maintaining for the benefit of the Association, its Board of Directors, the Declarants and the Owners a general liability insurance policy, including coverage for the Association's officers and directors, in an

amount not less than Three Million Dollars (\$3,000,000.00) providing coverage for injury to person or property arising out of the use of the Common Areas.

5.8 Compensation. No director of the Association shall receive compensation for his services as such director, except to the extent expressly authorized by a majority vote of the Owners.

5.9 Non-Liability of Directors and Officers. The directors and officers of the Association shall not be liable to the Owners or any other persons for any error or mistake of judgment in carrying out their duties and responsibilities as directors or officers of the Association, except for their own individual willful misconduct or gross negligence. The Association shall indemnify and hold harmless and defend each person, his heirs, assigns or legal representatives, who is or was a director or officer of the Association against any and all liability to any person, firm or corporation arising out of contracts made by or at the direction of the Board of Directors (or the managing agent, if any) of the Association, unless any such contract shall have been made in bad faith. It is intended that the directors and officers of the Association shall have no personal liability with respect to any contract made by them on behalf of the Association except in their capacity as Owners.

5.10 Additional Indemnity of Directors and Officers. The Association shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives (collectively, the "Indemnatee"), made or threatened to be made a party to any action, suit or proceeding by reason of the fact that he is or was a director or officer of the Association, against all costs and expenses, including attorney's fees, actually and reasonably incurred by the Indemnatee in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except (unless otherwise specifically provided herein) in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Indemnatee is liable for gross negligence or willful misconduct in the performance of his duties. No director or officer shall be considered or deemed to be guilty of or liable for gross negligence or willful misconduct in the performance of his duties where, acting in good faith, such director or officer relied on the books and records of the Association or statements or advice made by or prepared by the managing agent of the Association (if any) or any officer or employee of the Association, or any accountant, attorney or other person, firm or corporation employed by the Association to render advice or service, unless such director or officer had actual knowledge of the falsity or incorrectness thereof; nor shall a director be deemed guilty of or liable for gross negligence or willful misconduct by virtue of the fact that he failed or neglected to attend a meeting or meetings of the Board of Directors of the Association. The costs and expenses incurred by an Indemnatee in defending any action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the Indemnatee to repay the amount paid by the Association if it shall ultimately be determined that the Indemnatee is not entitled to indemnification as provided in this paragraph 5.9.

5.11 Bond. The Board of Directors of the Association may provide surety bonds and may require the managing agent of the Association (if any), the treasurer of the Association, and such other officers as the Board of

Directors deems necessary, to provide surety bonds, indemnifying the Association against larceny, theft, embezzlement, forgery, misappropriation, wrongful abstraction, willful misapplication, and other acts of fraud or dishonesty, in such sums and with such sureties as may be approved by the Board of Directors, and any such bond shall specifically include protection for any insurance proceeds received by any reason by the Board of Directors. The expense of any such bonds shall be a Common Expense.

ARTICLE VI

ARCHITECTURAL CONTROL COVENANTS

6.1 Approval of Construction and Landscape Plans.

(i) No structure may be erected, placed or altered on any lot until the construction plans and building specifications and a plan showing (a) the location of improvements on the lot; (b) the grade elevation (including rear, front and side elevations); (c) the type of exterior material and color (including delivery of a sample thereof); and (d) the location and size of the driveway (which shall be either asphalt or concrete), shall have been approved in writing by the Declarant.

(ii) In addition to the plans referred to in the previous paragraph, a landscape plan shall be submitted to the Declarant for its approval in writing, which plan shall show the trees, shrubs and other plantings then existing or to be planted on the lot as described in Section 6.6.

(iii) References to "Declarant" shall include any entity, person or association to whom Declarant may assign the foregoing right of approval. References to "structure" in this paragraph shall include any building (including a garage), fence, wall, antennae (except for standard small television antennae) and microwave and other receivers and transmitters (including those currently called "satellite dishes").

6.2 Building Materials: Roof: Builder.

(i) The exterior building material of all structures shall be either brick, stone, brick veneer or stone veneer or a combination of the same. Declarant recognizes that the appearance of other exterior building materials (such as wood siding) may be attractive and innovative and reserves the right to approve in writing the use of other exterior building materials.

(ii) The roof pitch of any residential structure shall not be less than a plane of 6 inches vertical for every plane of 12 inches horizontal for structures with more than one story, and a plane of 7 inches vertical for every plane of 12 inches horizontal for one story structures.

6.3 Minimum Floor Areas. The following shall be the minimum floor areas for homes to be constructed after this instrument is recorded:

(i) The ground floor of a one story house shall be a minimum of 1,800 square feet, exclusive of the garage.

(ii) The floor area of a house exceeding one story shall be a minimum of 2,200 square feet, exclusive of the garage.

(iii) Finished basement areas, garages and open porches are not included in computing floor areas.

6.4 Setbacks. No structure shall be located on any lot nearer to the front lot line than the minimum building setback lines shown on the recorded plat. No structure shall be located on any lot nearer any side lot line or side street line than the minimum building setback lines required pursuant to applicable zoning regulations. Declarant may vary the established building lines, in its sole discretion, where not in conflict with applicable zoning regulations.

6.5 Garages; Carports.

(i) The opening of doors for the vehicular entrances to any garage located on a lot shall not face the front lot line. All lots shall have at least a two car garage and no detached garages are allowed. Garages, as structures, are subject to prior plan approval under the applicable section of these Covenants.

(ii) No carport shall be constructed on any Lot.

6.6 Sod; Sidewalks; Driveways; Mailboxes

(i) Within six (6) months after the construction of a residence, the lot owner shall grade and sod that portion of the lot between the front and street side walls of the residence and the pavement of any abutting streets.

(ii) Each lot owner shall concrete or asphalt the driveway on the lot within three months after completion of a single family dwelling, provided, however, that portion of the driveway from the pavement of any abutting street to the sidewalk shall be concrete.

(iii) Each landscape plan for a lot submitted to the Declarant shall show that the lot has or will have a minimum of two trees (at least 2-1/2 inches in diameter) in the front yard of the lot and an additional two trees (at least 1-1/2 inches in diameter) on the lot and shall further obligate the lot owner to install (to the extent the same are not already located on the lot) trees, shrubs and other plantings having a current fair market value of not less than \$750.00. The above described landscaping shall be installed within six (6) months after the construction of a residence.

(iv) Each lot owner shall provide a mailbox and newspaper holder which is architecturally consistent with the community and is approved by Declarant.

(v) Upon an owner's failure to comply with the provisions of this Section, Declarant may take such action as necessary to cause compliance therewith, and the owner shall immediately, upon demand, reimburse

Declarant or other performing party for all expenses incurred in so doing, together with allowable statutory interest, and Declarant shall have a lien on that lot and the improvement thereon to secure the repayment of such amounts. Such lien may be enforced by foreclosure against that lot and the improvements thereon, but such lien shall be subordinate to any first mortgage thereon.

ARTICLE VII

ARCHITECTURAL CONTROL COMMITTEE

7.1 Creation. There shall be, and hereby is, created and established the Williamson Run Architectural Control Committee to perform the functions provided for herein. Until the Applicable Date, the Committee shall consist of three (3) members appointed, from time to time, by Declarant and who shall be subject to removal by Declarant at any time with or without cause. After the Applicable Date, the Committee shall be a standing committee of the Association, consisting of three (3) persons appointed, from time to time, by the Board of Directors of the Association.

7.2 Purposes and Powers of Committee. The Committee shall regulate the external design, appearance and location of residences, buildings, structures or other improvements placed on any Lot, and the installation and removal of landscaping on any Lot, in such a manner as to preserve and enhance the value and desirability of the Real Estate for the benefit of each Owner and to maintain a harmonious relationship among structures and the natural vegetation and topography.

(i) In General. No residence, building, structure or improvement of any type or kind shall be constructed or placed on any Lot without the prior written approval of the Committee. The restrictions and requirements set forth herein shall not apply to routine maintenance, repair or replacement of any existing materials by repair or replacement with materials originally used. Such approval shall be obtained only after written application has been made to the Committee by the Owner of the Lot requesting authorization from the Committee. Such written application shall be in the manner and form prescribed from time to time by the Committee and, in the case of construction or replacement of any improvement other than a replacement using original materials and colors, shall be accompanied by two (2) complete sets of plans and specifications for any such proposed construction or improvement. Such plans shall include plot plans showing the location of all improvements existing upon the Lot and the location of the improvement proposed to be constructed or placed upon the Lot, each properly and clearly designated. Such plans and specifications shall set forth the color and composition of all exterior materials proposed to be used and any proposed landscaping, together with any other material or information which the Committee may require. All plans and drawings submitted to the Committee shall be drawn to a scale of 1" equals 10', or to such other scale as the Committee may require. When required by the Committee, plot plans shall be prepared by either a registered land surveyor, engineer or architect. Plot plans submitted for the Improvement Location Permit shall bear the stamp or signature of the Committee acknowledging the approval thereof.

(ii) Power of Disapproval. The Committee may refuse to grant permission to repaint, construct, place or make the requested improvement, when:

(a) The plans, specifications, drawings or other material submitted are inadequate or incomplete, or show the proposed improvement to be in violation of any restrictions in this Declaration or any subdivision plat of the Real Estate recorded in the office of the Recorder of Hamilton County, Indiana;

(b) The design or color scheme of a proposed repainting or improvement is not in harmony with the general surroundings of the Lot or with adjacent buildings or structures; or

(c) The proposed repainting or improvement, or any part thereof, would, in the opinion of the Committee, be contrary to the interests, welfare or rights of any other Owner.

(iii) Rules and Regulations. The Committee may, from time to time, make, amend and modify such additional rules and regulations as it may deem necessary or desirable to guide Owners as to the requirements of the Committee for the submission and approval of items to it. Such rules and regulations may set forth additional requirements to those set forth in this Declaration or amendment hereto or any subdivision plat of the Real Estate recorded in the office of the Recorder of Hamilton County, Indiana, as long as the same are not inconsistent with this Declaration or such subdivision plat(s). 

7.3 Duties of Committee. The Committee shall approve or disapprove in writing proposed repainting, construction or improvements within thirty (30) days after all required information shall have been submitted to it. One copy of submitted material shall be retained by the Committee for its permanent files. All notifications to applicants shall be in writing, and, in the event that such notification is one of disapproval, it shall specify the reason or reasons for such disapproval. In the event that written approval is not received within thirty (30) days after complete plans and specifications have been submitted, written approval shall not be necessary and this section will be deemed to have been complied with.

7.4 Liability of Committee. Neither the Committee, Declarant, the Association nor any agent of any of the foregoing shall be responsible in any way for any defects in any plans, specifications or other materials submitted to it, nor for any defects in any work done according thereto.

7.5 Inspection. The Committee may inspect work being performed to assure compliance with this Declaration and the materials submitted.

7.6 Nonapplication to Declarant. Notwithstanding the provisions of this Article VII or any other provisions of this Declaration requiring the approval of the Committee, Declarant, or any other person or entity acting on behalf of Declarant, shall not be required to apply for or secure the approval of the Committee in connection with any construction, installation, painting or repainting by Declarant of any residence, building, structure, or other

improvement on the Real Estate or the installation or removal of any trees; shrubs or other landscaping on the Real Estate.

ARTICLE VIII

ASSESSMENTS

8.1 Creation of Lien and Personal Obligation. Declarant, for each Lot now or hereafter owned by it, hereby covenants, and each Owner of a Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association (i) regular assessments for Common Expenses ("Regular Assessments") and (ii) special assessments for capital improvements and operating deficits and for special maintenance and repairs ("Special Assessments"). Such assessments shall be established, shall commence upon such dates and shall be collected as hereinafter provided. All such assessments, together with interest, costs of collection and reasonable attorneys' fees, shall be a continuing lien upon the Lot against which such assessment is made prior to all other liens except only (i) tax liens on any Lot in favor of any unit of government or special taxing district and (ii) the lien of any first mortgage of record. Each such assessment, together with interest, costs of collection and reasonable attorneys' fees, shall also be the personal obligation of the Owner of the Lot at the time such assessment became due and payable. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several. The personal obligation for delinquent assessments (as distinguished from the lien upon the Lot) shall not pass to such Owner's successors in title unless expressly assumed by them. The Association shall, upon request of a proposed Mortgagee or proposed purchaser having a contractual right to purchase Lot, furnish to such Mortgagee or purchaser a statement setting forth the amount of any unpaid Regular or Special Assessments or other charges against the Lot. Such statement shall be binding upon the Association as of the date of such statement.

8.2 Purpose of Assessments.

(i) The Regular or Special Assessments levied by the Association shall be used exclusively (i) to promote the health, safety and welfare of the residents occupying the Real Estate, (ii) for the improvement, maintenance and repair of the Common Areas and any easements shown and identified as such on any subdivision plat of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana, (iii) for the performance of the responsibilities and duties of the Association and (iv) for such other purposes as are specifically provided herein. A portion of the Regular Assessments may be set aside or otherwise allocated in a reserve fund for the purpose of providing repair and replacement of any capital improvements which the Association is required to maintain.

(ii) Declarant may construct certain recreational facilities on a portion of the Common Areas owned or to be owned by the Association. In order to finance this construction Declarant reserves the right to subject that particular portion of the Common Areas and the improvements thereon to a mortgage which for the initial construction, furnishings and similar improvements shall not exceed \$75,000.00. If the mortgage is made after

transfer of ownership of that particular portion of the Common Areas to the Association, the Association shall be the mortgagor. If the mortgage is made before transfer of ownership of such portion of the Common Areas, the Association shall assume the mortgage upon the transfer of ownership. In either event the loan secured by the mortgage shall be used solely for the purpose of constructing, furnishing and improving the recreational facilities. The assessments described in this Article VIII shall be used in part to make principal and interest payments on the mortgage.

8.3 Regular Assessments. The Board of Directors of the Association shall have the right, power and authority, without any vote of the members of the Association, to fix, from time to time, the Regular Assessment against each Lot at any amount not in excess of the maximum Regular Assessment hereinafter provided.

(i) Until completion of the swimming pool and clubhouse, the maximum Regular Assessment for a month on any Lot shall not exceed Fifty Dollars (\$50.00). Upon completion of the swimming pool and clubhouse, the Regular Assessment for a month on any Lot shall be determined by the Board of Directors of the Association.

(ii) From and after the January 1 of the year following the completion of the swimming pool and clubhouse, the maximum Regular Assessment on a Lot for any calendar year may be increased by not more than fifteen percent (15%) above the Regular Assessment for the previous calendar year without a vote of the members of the Association.

From and after January 1, 1989, the Board of Directors of the Association may fix the Regular Assessment at an amount in excess of the maximum amount specified above, only with the approval of two-thirds (2/3) of those members of each class of members of the Association who cast votes in person or in proxy at a meeting of the members of the Association duly called for such purpose.

8.4 Special Assessments. In addition to Regular Assessments, the Association may make Special Assessments against each Lot for the purpose of defraying, in whole or in part, the cost of constructing, reconstructing, repairing or replacing any capital improvement or Common Areas which the Association is required to maintain or to recover any operating deficits which the Association may from time to time incur only with the assent of two-thirds (2/3) of the members of each class of members of the Association who cast votes in person or by proxy at a meeting of the members of the Association duly called for such purpose.

8.5 Uniform Rate of Assessment. The Regular Assessments and Special Assessments levied by the Association shall be uniform for all lots.

8.6 Date of Commencement of Regular Assessments; Due Dates. The Regular Assessment shall commence as to each Lot on the earlier of the following dates:

(i) the first day of the first calendar month following the first conveyance of such Lot to a Nonaffiliated Owner; or

(ii) the first day of the fourth month following the completion of construction of the residence on the Lot.

The Board of Directors of the Association shall fix the amount of the Regular Assessment at least thirty (30) days in advance of each annual assessment period. Written notice of the Regular Assessment, any Special Assessments and such other assessment notices as the Board of Directors shall deem appropriate shall be sent to each Owner subject thereto. The due dates for all assessments shall be established by the Board of Directors of the Association. Notwithstanding the foregoing nothing contained herein shall prevent the Board of Directors of the Association from requiring that the Regular Assessment be paid on a quarterly or annual rather than monthly basis. The Board of Directors may provide for reasonable interest and late charges on past due installments of assessments.

8.7 Failure of Owner to Pay Assessments.

(i) No Owner may exempt himself from paying Regular Assessments and Special Assessments, or from contributing toward the Common Expense and toward any other expense lawfully agreed upon, by non-use of the Common Areas or abandonment of the Lot belonging to him. If any Owner shall fail, refuse or neglect to make any payment of any assessment (or periodic installment of an assessment, if applicable) when due, the lien for such assessment on the Owner's Lot may be filed and foreclosed by the Board of Directors of the Association for and on behalf of the Association as a mortgage on real property or as otherwise provided by law. Upon the failure of an Owner to make timely payments of any assessment (or a periodic installment of an assessment, if applicable) when due, the Board may in its discretion accelerate the entire balance of any unpaid assessments and declare the same immediately due and payable, notwithstanding any other provisions hereof to the contrary. In any action to foreclose the lien for any assessment, the Owner and any occupant of the Lot shall be jointly and severally liable for the payment to the Association of reasonable rental for such Lot, and the Board of Directors shall be entitled to the appointment of a receiver for the purpose of preserving the Lot and to collect the rentals and other profits therefrom for the benefit of the Association to be applied to the unpaid assessments. The Board of Directors of the Association may, at its option, bring a suit to recover a money judgment for any unpaid assessment without foreclosing or waiving the lien securing the same. In any action to recover an assessment, whether by foreclosure or otherwise, the Board of Directors of the Association, for and on behalf of the Association, shall be entitled to recover from the Owner of the respective Lot costs and expenses of such action incurred (including but not limited to reasonable attorneys' fees) and interest from the date such assessments were due, until paid.

(ii) Notwithstanding anything contained in this paragraph 8.7 or elsewhere in this Declaration, any sale or transfer of a Lot to a Mortgagee pursuant to a foreclosure of its mortgage or conveyance in lieu thereof, or a conveyance to any person at a public sale in a manner provided by law with respect to mortgage foreclosures, shall extinguish the lien of any unpaid assessments (or periodic installments, if applicable) which became due prior to such sale, transfer or conveyance; provided, however, that the

extinguishment of such lien shall not relieve the prior Owner from personal liability therefor. No such sale, transfer or conveyance shall relieve the Lot or the purchaser at such foreclosure sale, or grantee in the event of conveyance in lieu thereof, from liability for any assessments (or periodic installments of such assessments, if applicable) thereafter becoming due or from the lien therefor.

ARTICLE IX

INSURANCE

9.1 Casualty Insurance. The Association shall purchase and maintain fire and extended coverage insurance in an amount equal to the full replacement cost of all improvements, if any, which the Association is required to maintain hereunder. If the Association can obtain such coverage for a reasonable amount, it shall also obtain "all risk coverage". The Association may also insure any other property, whether real or personal, owned by the Association against loss or damage by fire and such other hazards as the Association may deem desirable. Such insurance coverage shall name the Association as the insured. Such insurance policy or policies shall contain provisions that (i) the insurer waives its rights to subrogation as to any claim against the Association, its Board of Directors, officers, agents and employees, any committee of the Association or of the Board of Directors, and all Owners and their respective agents and guests and (ii) waives any defense based on invalidity arising from the acts of the insured. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried.

9.2 Liability Insurance. The Association shall also purchase and maintain a master comprehensive public liability insurance policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time, but in any event with a minimum combined limit of Three Million Dollars (\$3,000,000.00) per occurrence. Such comprehensive public liability insurance shall cover all of the Common Areas and shall insure the Association, its Board of Directors, officers, agents or employees, any committee of the Association or of the Board of Directors, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Real Estate, all Owners and all other persons entitled to occupy any Lot. Such public liability insurance policy shall include a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or other Owners.

9.3 Other Insurance. The Association shall also purchase and maintain any other insurance required by law to be maintained, including but not limited to workmen's compensation insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate, including but not limited to officers' and directors' liability insurance.

9.4 Miscellaneous. The premiums for the insurance described above shall be paid by the Association as part of the Common Expenses.

ARTICLE X

MAINTENANCE AND DECORATION

10.1 Maintenance of Lots and Improvements. Except to the extent such maintenance shall be the responsibility of the Association under any of the foregoing provisions of this Declaration, it shall be the duty of the Owner of each Lot to keep the grass on the Lot properly cut and keep the Lot free of weeds and trash and otherwise neat and attractive in appearance, including, without limitation, the proper maintenance of the exterior of any structures on such Lot. In the event the Owner of any Lot fails to do so in a manner satisfactory to the Association, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right (but not the obligation), through its agents, employees and contractors, to enter upon said Lot and to repair, maintain and restore the Lot and the exterior of the improvements erected thereon. The cost of such exterior maintenance shall be and constitute a special assessment against such Lot and the Owner thereof, to be collected and enforced in the manner provided in this Declaration for the collection and enforcement of assessments in general. Neither the Association nor any of its agents, employees or contractors shall be liable for any damage which may result from any maintenance work performed hereunder.

10.2 Damage to Common Areas. In the event of damage to or destruction of any part of the Common Areas, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a Special Assessment against all Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds. Notwithstanding any obligation or duty of the Association hereunder to repair or maintain the Common Areas, if, due to the willful, intentional or negligent acts or omissions of an Owner or of a member of his family or of a guest, tenant, invitee or other occupant or visitor of such Owner, damage shall be caused to the Common Areas or if maintenance, repairs or replacements shall be required thereby which would otherwise be a Common Expense, then such Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Association, unless such loss is covered by the Association's insurance with such policy having a waiver of subrogation clause. If not paid by such Owner upon demand by the Association, the cost of repairing such damage shall be added to and constitute a special assessment against such Owner and his Lot to be collected and enforced in the manner provided in this Declaration for the collection and enforcement of assessments in general.

ARTICLE XI

MORTGAGES

11.1 Notice to Association. Any Mortgagee who places a first mortgage lien upon a Lot may notify the Secretary of the Association of the existence of such mortgage and provide the name and address of such Mortgagee. A record of such Mortgagee and name and address shall be maintained by the Secretary of the Association and any notice required to be given to the Mortgagee pursuant to the terms of this Declaration, the By-Laws of the Association or

otherwise shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record in the time provided. Unless notification of any such Mortgage and the name and address of Mortgagee are furnished to the Secretary, as herein provided, no notice to any Mortgagee as may be otherwise required by this Declaration, the By-Laws of the Association or otherwise shall be required, and no Mortgagee shall be entitled to vote on any matter to which it otherwise may be entitled by virtue of this Declaration, the By-Laws of the Association, a proxy granted to such Mortgagee in connection with the mortgage, or otherwise.

11.2 Notice to Mortgagees. The Association, upon request, shall provide to any Mortgagee a written certification or notice specifying unpaid assessments and other defaults of the Owner of such Lot, if any, in the performance of such Owner's obligations under this Declaration or any other applicable documents, which defaults have not been cured within sixty (60) days.

ARTICLE XII

AMENDMENT

12.1 By the Association. Except as otherwise provided in this Declaration, amendments to this Declaration shall be proposed and adopted in the following manner:

(i) Notice. Notice of the subject matter of any proposed amendment shall be included in the notice of the meeting of the members of the Association at which the proposed amendment is to be considered.

(ii) Resolution. A resolution to adopt a proposed amendment may be proposed by the Board of Directors or Owners having in the aggregate at least a majority of the votes of all Owners.

(iii) Meeting. The resolution concerning a proposed amendment must be adopted by the designated vote at a meeting of the members of the Association duly called and held in accordance with the provisions of the By-Laws.

(iv) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less than two-thirds (2/3) in the aggregate of the votes of all Owners; provided, however, that any such amendment shall require the prior written approval of Declarant so long as Declarant or any entity owned by Declarant owns any Lots within and upon the Real Estate. In the event any Lot is subject to a first mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the manner as an Owner if the Mortgagee has given prior notice of its mortgage interest to the Board of Directors of the Association in accordance with the provisions of the foregoing paragraph 11.1.

(v) Special Amendments. No amendment to this Declaration shall be adopted which changes any provision of this Declaration which would be deemed to be of a material nature by the Federal National Mortgage Association under Section 402.02 of Part V, Chapter 4, of the Fannie Mac Selling Guide or

any similar provision of any subsequent guidelines published in lieu of or in substitution for the Selling Guide, without the approval of all Mortgagees who have given prior notice of their mortgage interest to the Board of Directors of the Association in accordance with the provisions of the foregoing paragraph 11.1.

Any Mortgagee which has been duly notified of the nature of any proposed amendment shall be deemed to have approved the same if said Mortgage or a representative thereof fails to appear at the meeting in which such amendment is to be considered (if proper notice of such meeting was timely given to such Mortgagee). In the event that a proposed amendment is deemed by the Board of Directors of the Association to be one which is not of a material nature, the Board of Directors shall notify all Mortgagee whose interests have been made known to the Board of Directors of the nature of such proposed amendment, and such amendment shall be conclusively deemed not material if no Mortgagee so notified objects to such proposed amendment within thirty (30) days of the date such notices are mailed and if such notice advises the Mortgagees of the time limitation contained in this sentence.

12.2 By Declarant. Declarant hereby reserves the right so long as Declarant, or any entity related to Declarant, owns any Lot within and upon the Real Estate to make such amendments to this Declaration as may be deemed necessary or appropriate by Declarant, without the approval of any other person or entity, in order to bring Declarant into compliance with the requirements of any statute, ordinance, regulation or order of any public agency having jurisdiction thereof, or to comply with the requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Administration, the Veterans Administration or any other governmental agency to induce any of such agencies to make, purchase, sell, insure or guarantee first mortgages, or to correct clerical or typographical errors in this Declaration or any amendment or supplement hereto; provided that Declarant shall not be entitled to make any amendment which has a materially adverse effect on the rights of any Mortgagee, nor which substantially impairs the benefits of this Declaration to any Owner or substantially increases the obligations imposed by this Declaration on any Owner.

12.3 Recording. Each amendment to the Declaration shall be executed by Declarant only in any case where Declarant has the right to amend this Declaration without any further consent or approval, and otherwise by the President or Vice President and Secretary of the Association; provided, that any amendment requiring the consent of Declarant shall contain Declarant's signed consent. All amendments shall be recorded in the Office of the Recorder of Hamilton County, Indiana, and no amendment shall become effective until so recorded.

ARTICLE XIII

GENERAL PROVISIONS

13.1 Right of Enforcement. Violation or threatened violation of any of the covenants, conditions or restrictions enumerated in this Declaration or in

any subdivision plat of all or any part of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana, shall be grounds for an action by Declarant, the Association, any Owner, and all persons or entities claiming under them, against the person or entity violating or threatening to violate any such covenants, conditions or restrictions. Available relief in any such action shall include recovery of damages or other sums due for such violation, injunctive relief against any such violation or threatened violation, declaratory relief and the recovery of costs and attorney's fees incurred by any party successfully enforcing such covenants and restrictions; provided, however, that neither Declarant nor the Association shall be liable for damages of any kind to any person for failing to enforce or carry out any such covenants, conditions or restrictions.

13.2 Delay or Failure to Enforce. No delay or failure on the part of any aggrieved party to invoke any available remedy with respect to any violation or threatened violation of any covenants, conditions or restrictions enumerated in this Declaration or in any subdivision plat of all or any part of the Real Estate 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 continuance of such violation or violations of such covenants, conditions or restrictions.

13.3 Duration. These covenants, conditions and restrictions and all other provisions of this Declaration (as the same may be amended from time to time as herein provided) shall run with the land and shall be binding on all persons and entities from time to time having any right, title or interest in the Real Estate, or any part thereof, and on all persons claiming under them, until January 1, 1998, and thereafter shall be automatically extended to successive periods of ten (10) years each, unless prior to the commencement of any such extension period, by a vote of a majority of the then Owners of Lots within and upon the Real Estate, it is agreed that this Declaration shall terminate in its entirety.

13.4 Severability. Invalidation of any of the covenants, restrictions or provisions contained in this Declaration by judgment or court order shall not in any way affect any of the other provisions hereof, which shall remain in full force and effect.

13.5 Titles. The underlined titles preceding the various paragraphs and subparagraphs of this Declaration are for the convenience of reference only, and none of them shall be used as an aid to the construction of any provisions of this Declaration. Wherever and whenever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or to the neuter.

13.6 Applicable Law. This Declaration shall be governed, interpreted, construed and regulated by the laws of the State of Indiana.

13.7 Annexation. At any time prior to December 31, 1997, additional land within the tracts described in the attached Exhibit B may be annexed by Declarant or its successors and assigns to the Real Estate (and from and after such annexation shall be deemed a part thereof for all purposes of this

Declaration) by execution and recordation in the office of the Recorder of Hamilton County, Indiana, of a supplemental declaration by Declarant; and such action shall require no approvals or action of the Owners.

13.8 Sales Offices and Models. Notwithstanding anything to the contrary contained in this Declaration or any subdivision plat of the Real Estate now or hereafter recorded in the office of the Recorder of Hamilton County, Indiana, Declarant, and any agent of Declarant, during the Development Period, shall be entitled to construct, install, erect and maintain such facilities upon any portion of the Real Estate owned by Declarant as, in the sole opinion of Declarant, may be reasonably required or convenient or incidental to the development of the Real Estate and the sale of Lots and the construction of residences thereon. Such facilities may include, without limitation, storage areas, parking areas, signs, model residences, construction offices and sales offices.

IN WITNESS THEREOF, the Declaration has been executed by Declarant as of the date first above written.

THE C. P. MORGAN CO., INC.

By:

William B. Blake
William B. Blake, Vice President

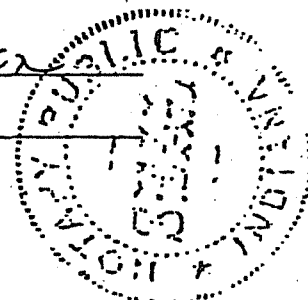
STATE OF INDIANA)

COUNTY OF MARION)

Before me, a Notary Public in and for the State of Indiana, personally appeared William B. Blake, the Vice President of The C. P. Morgan Co., Inc, and Indiana corporation, who acknowledged the execution of the foregoing Declaration of Covenants, Conditions and Restrictions of Williamson Run for an on behalf of said Corporation.

WITNESS my hand and Notarial Seal this 25th day of August, 1988.

Darii M. Stoughton
Notary Public
Darii M. Stoughton
Printed Name



My Commission Expires:
4-28-90

I am a resident of Marion County, Indiana.

This Instrument was prepared by Brian J. Tuohy, STARK DONINGER MERNITZ & SMITH, 50 S. Meridian St. Ste. 700, Indianapolis, IN 46204.

exhibit A

WILLIAMSON RUN I
(all sections - 1 thru 5)

Land Description

Part of the East Half of the Northwest Quarter of Section 8, Township 17 North, Range 4 East of the Second Principal Meridian in Hamilton County, Indiana being described as follows:

Beginning at the northeast corner of said east half-quarter section; thence on an assumed bearing of North 89 degrees 27 minutes 00 seconds West along the north line thereof a distance of 219.34 feet to the northeast corner of the second tract of land described in Deed Record 325, Page 47 (Office of the Hamilton County Recorder); thence South 00 degrees 33 minutes 00 seconds West along the east line of said second tract a distance of 180.00 feet to the southeast corner thereof; thence North 89 degrees 27 minutes 00 seconds West parallel with the north line of said half-quarter and along the south line of said second tract and along the south line of the first tract of land described in said Deed Record 325, Page 47 a distance of 242.00 feet to the southwest corner of said first tract; thence North 00 degrees 33 minutes 00 seconds East along the west line of said first tract a distance of 180.00 feet to the north line of said half-quarter section; thence North 89 degrees 27 minutes 00 seconds West along said north line a distance of 283.07 feet to the northwest corner of said half-quarter section; thence South 00 degrees 22 minutes 09 seconds West along the west line of said half-quarter section a distance of 1262.09 feet; thence South 69 degrees 11 minutes 21 seconds East a distance of 564.50 feet; thence South 53 degrees 17 minutes 12 seconds East a distance of 271.53 feet; thence North 33 degrees 39 minutes 28 seconds East a distance of 152.81 feet to a point on a curve to the left having a radius of 365.00 feet, the radius point of which bears North 46 degrees 46 minutes 01 seconds East; thence southeasterly along said curve a distance of 145.99 feet to a point which bears South 23 degrees 51 minutes 00 seconds West from said radius point; thence North 23 degrees 51 minutes 00 seconds East a distance of 191.08 feet; thence South 61 degrees 05 minutes 31 seconds East a distance of 131.72 feet; thence South 75 degrees 55 minutes 18 seconds East a distance of 59.21 feet; thence South 89 degrees 29 minutes 32 seconds East a distance of 141.04 feet to the west line of Blue Creek Woods Subdivision (Plat Book 3, Page 74); thence North 00 degrees 30 minutes 28 seconds East along the west line of said Blue Creek Woods Subdivision and along said west line extended a distance of 1473.28 feet to the Point of Beginning. Containing 43.576 acres, more or less.

E: 112gal 61743576