

DECLARATION OF
COVENANTS AND RESTRICTIONS FOR
"LAKESIDE MEADOW"

THIS DECLARATION was made on this 29th day of January 1990, by WESTMONT DEVELOPMENT CORPORATION, hereinafter referred to as the "DEVELOPER."

WITNESSETH:

WHEREAS, the DEVELOPER is the owner of the real estate depicted on Plat 18-F-3, Lakeside Meadow, on file in the Recorder's Office of Porter County, Indiana, as well as the real estate described on "Exhibit A" attached hereto, incorporated by reference and made a part hereof, : which land will be developed and subdivided into an exclusive residential subdivision to be known as "LAKESIDE MEADOW," hereinafter referred to as "LAKESIDE, " which shall be developed in phases and the subdivided portions of the subdivision will be more particularly described on the plats of the various phases as they are recorded in the Office of the Recorder of Porter County, Indiana, and WHEREAS, the DEVELOPER desires for its own benefit and that of all future owners and occupants of homesites within the development to subject and impose upon all the real estate within the platted areas of the subdivision, mutual and beneficial restrictions, covenants, conditions, and charges all for the purpose of preserving the environment and to preserve the quality and aesthetic value within LAKESIDE,

NOW, THEREFORE, the DEVELOPER hereby declares that all of the real estate described on "Exhibit A," the platted homesites developed thereon and the lands located within LAKESIDE as they shall become platted shall be held, conveyed, hypothecated, or encumbered, leased, rented, used, occupied, and improved subject to the following restrictions, all of which are declared and agreed to be in furtherance of a plan for the improvement of the platted lands and sale of homesites in the subdivision and are established and agreed upon for the purpose of preserving, enhancing and protecting the value, desirability, and attractiveness of .LAKESIDE as a whole and of each of the homesites situated therein. All of the requirements shall run with the land and shall be binding upon the DEVELOPER and upon the parties having or acquiring any right, title, or interest, legal or equitable, in and to the real property, or any part or parts thereof, and shall inure to the benefit of the DEVELOPER and every one of the DEVELOPER'S successors in title to any real estate in the subdivision. The DEVELOPER specifically reserves unto itself the right and privilege prior to the recording of the plat by the DEVELOPER of a particular tract within LAKESIDE as shown on "Exhibit A" to exclude any real estate so shown from the development or to include additional real estate.

ARTICLE I

DEFINITIONS

As used herein or elsewhere in these documents, the following terms shall be defined as follows unless otherwise provided or unless the context requires otherwise. '

A. "ASSESSMENT." That portion of the cost of maintaining, repairing, and managing the common areas and common interest which is to be paid by each owner of a homesite as set forth in the Articles of Incorporation and By-Laws of The Lakeside Meadows Homeowners Association, Inc.

B. "ASSOCIATION." The Lakeside Meadows Homeowners Association, Inc., a not-for-profit corporation, organized under the laws of the State of Indiana.

C. "BOARD." The duly appointed and/or elected members of the Board of Directors of the Association.

D. "BUILDING." Any structure, having a roof opened or closed, supported by columns or by walls or other means, or other structure intended or used for the shelter, housing, or enclosure of any person animal or chattel, including, but not limited to, each dwelling, out building, tool or storage shed or any other above-ground temporary or permanent improvement thereto.

E. "OUT BUILDING" A structure/building not connected with the primary residence, for example, walls and roof line on a parcel property. This may include but is not limited to a shed, garage, barn, cabana, pool house or cottage.

F. "BUILDING REVIEW COMMITTEE." The LAKESIDE Building Review Committee which shall be the DEVELOPER until such time as the DEVELOPER no longer holds legal title to any of the property described in any recorded phase of the development and thereafter shall, consist of a committee of at least three (3) members of the Association appointed by the Board as is more specifically set forth in Article VIII of this Declaration.

G. "COMMON AREA." The real property owned, operated, and maintained by the Association for the common use and enjoyment of the members- of the Association. The common area shall include but is not limited to recreational facilities, detention ponds and outlets and all that portion of the on-site storm-water drainage system located outside the dedicated public right-of-way. *

H. "DELARATION." This instrument includes any provision of which from time to time may be lawfully amended and supplemented by and including therein additional property.

I. "DEVELOPER." Westmont Development Corporation.

J. "DWELLING." Any single-family dwelling, whether attached to or detached from any other single-family dwelling intended to be used and occupied as a single household.

K. "EXPENSES." The actual and estimated cost of:

- a. Maintenance, management, operation, repair, and replacement of the common areas and of which it is the responsibility of the Association to maintain, repair, and replace, including taxes and municipal assessments.
- b. Management and administration of the Association, including but not limiting the same, to compensation paid by the Association to a managing agent, accountants, attorneys, and other employees, if any.
- c. All sums lawfully assessed against homesite owners by the Association.
- d. Expenses agreed upon as common expenses by the Association.
- e. Any other items held by or in accordance with other provisions of this Declaration or as required by statute.
- f. All insurance and fidelity bond coverage.

L. "FAMILY." The husband and wife or single occupant of a home, their parents, grandparents, children, grandchildren, stepchildren, and in-laws and may include one (1) domestic employee and/or live-in help.

M. "HOMESITE." A parcel of real estate designated on a final plat upon which a dwelling can be built. If two or more contiguous homesites are owned by the same person or persons, they shall be treated as a single homesite and if a dwelling is constructed in such a manner as to overlap both homesites, then the homesite shall be treated as one homesite for all purposes of this Declaration and the owners shall be entitled to only one vote within the Association.

N. "MEMBER." Each person or entity who holds membership in the Association.

O. "NUMBERED PARCEL." Any parcel of real estate drawn on a final plat upon which a dwelling may be built and referred to in this Declaration as a homesite.

P. " OWNER." The record owner, whether one or more persons or entities, who owns fee simple title in any homesite which is part of the development, including contract buyers but excluding those having such interest merely as security for performance of an obligation.

ARTICLE II

CHARACTER OF THE DEVELOPMENT

In general, every numbered parcel within the development unless it is otherwise designated by the DEVELOPER in the plat, is a homesite and shall be used exclusively for residential purposes. To preserve the character of the development, the following covenants and restrictions shall apply".

A. MODELS. During the initial construction and development of LAKESIDE it is anticipated that several model homes shall be constructed by participating builders which may be used as sales offices by the DEVELOPER and/or those authorized by the DEVELOPER.

B. RESIDENTIAL USE. All homesites shall be used for single family residential purposes only.

C. RESIDENTIAL USE OF ACCESSORY OUT BUILDING PROHIBITED. No accessory out building shall be erected on any of the homesites prior to the erection thereon of a residential dwelling and in no event shall any assessor out building or any temporary structure which may be constructed upon a homesite under these restrictions ever be used as a residence, dwelling or place for human occupancy.

D. PROHIBITION AGAINST RE-SUBDIVISION. No homesite shall be resub divided.

E. OCCUPANCY LIMITED. The occupancy of each home shall be limited to one family unless prior written approval is obtained from the Board.

ARTICLE III

BUILDING RESTRICTIONS

The following requirements and restrictions shall apply to each homesite:

A. No building shall be located on any homesite nearer to the front property line than the minimum building set back lines shown on the recorded plate.

B. No building shall be located on any homesite nearer to a side or rear property line than ten (10%) percent of the homesite width as measured at the building line.

C. No building shall be erected, placed, or altered on any homesite without the express approval of the building plans, specifications, and plot plan, by the Building Review Committee. The plans shall show:

1. Harmony and conformity of proposed design with existing buildings in LAKESIDE.

2. Location of the building with respect to the topography.

3. Plans for the handling of the onsite drainage, including, but not limited to, sump pump discharge, gutter drains, driveway drains, etc.

4. Details regarding exterior building materials and color.

D. No dwelling whose construction costs are less than \$100,000.00 based upon cost levels prevailing on the date these restrictive Covenants are recorded shall be permitted. No dwelling shall be erected having less than: (1) a minimum of 1800 square feet ground floor area in a one-story building; or (2) a minimum total of 2100 square feet of living area in a multiple level* dwelling. For purposes of determining these footage requirements, garages shall not be included. No bi-level style dwellings shall be constructed.

E. No detached outbuilding shall be constructed on any homesite.

F. No sump pump drain shall be installed in such a manner that it discharges into the street.

G. All buildings shall be required to meet the following standards:

1. No untreated wood siding shall be used on the exterior of any building.

2. The use of all metal windows shall be prohibited.

3. No fossil fuel central heating systems shall be permitted.

4. All fireplace chimneys shall be appropriately screened.

H. All construction shall be undertaken in a good and workmanlike manner and shall be designed to conform with and/or enhance the overall character and quality of the development. In addition, all buildings shall conform to the zoning restrictions and requirements of Porter County, Indiana, unless appropriate variances have been granted pursuant to law.

I. All buildings shall be constructed and maintained in accordance with all federal, state and local laws and building codes and regulations.

ARTICLE IV

CONSTRUCTION PROVISIONS

The following requirements and restrictions shall apply to each homesite regarding the initial construction of a building and/or the alteration of a building:

A. No structure of a temporary character, including but not limited to house trailers, tents, shacks, mobile homes, or other outbuildings shall be placed or maintained on any homesite.

B. All dwellings shall be completed, including lawn seeding,

within twelve (12) months from the start of construction.

- c. Any additions to existing improvements (i.e., patios, swimming pools, fences, etc.) shall be completed within six (6) months from the start of construction.
- D. During the period of construction, a construction dumpster shall be maintained on each homesite for the disposal of trash. *
- E. A minimum of one and one-half (1 1/2%) percent of the construction budget must be utilized for landscaping, exclusive of decks, patios, sidewalks, retaining walls, etc.
- F. All driveways shall be paved asphalt or concrete and shall be completed within six (6) months of occupancy.

ARTICLE V

GENERAL REQUIREMENTS

The following requirements and restrictions shall apply to all homesites:

A. No fence line or wall, other than to enclose a swimming pool, shall be built except as the same may be required by state and/or local laws. All fence or wall materials shall be in conformity and harmony with the residence on that homesite and must be approved by the Building Review Committee.

B. No homesite shall be used or maintained as a dumping ground for rubbish, trash, garbage, or other waste. All rubbish, trash, garbage, and other wastes generated in connection with the normal course of occupation of a homesite shall be kept in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition and shall not be exposed to view so as to create or constitute a nuisance. The burning of trash or use of incinerators shall be strictly prohibited.

c. No above ground or below ground storage tanks shall be permitted for the storage of gasoline, propane, kerosene, or other liquid fuels.

D. No truck larger than 7000# class shall be kept or housed on any homesite. In addition, no construction equipment or related vehicles, no farm equipment, or related vehicles, nor any other similar such vehicles or equipment shall be kept or housed on any homesite except for use during the construction of any building. No motor vehicle or travel trailer shall be permitted to be parked, stored, or remain upon any homesite or upon any roadway abutting any homesite. Vehicles must be licensed and maintained in operating condition, or is kept at all times in a garage and out of sight.

E. No above ground swimming pools shall be installed on any homesite. Any in-ground pools shall be continuously fenced with a

non-climbable fence as required by state and/or local law.

F. No satellite dish will exceed 20 inches, no radio, CB and television antennae or towers or clothes lines shall be permitted. No solar panels not designed as an integral part of the building shall be permitted.

G. No minibikes, motorcycles, go-carts, snowmobiles, golfcarts, off road vehicles or similar motor-driven vehicles shall be operated within Lakeside Meadow, except duly licensed motor vehicles on dedicated public roads operated by duly licensed persons.

H. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any homesite, except that dogs, cats, or other household pets may be kept so long as they do not prove themselves to be a nuisance or detriment to the neighborhood and provided, they are not kept, bred, or maintained for any commercial purpose.

I. No noxious or offensive activity shall be carried out on any homesite, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

J. Dusk to dawn lanterns and mailboxes shall be required for all homesites and must meet certain standards devised by the Building Review Committee.

K. No homesite shall be used for the operation of a private business.

L. Owners shall provide for the installation of such culverts upon their homesites as may be reasonably necessary to facilitate drainage. In addition, Owners shall install dry culverts between the road right-of-way and their homesite when requested to do so by the Association in conformity with specifications and recommendations of the Building Review Committee.

M. No utility services shall be installed under finished streets except by jacking, drilling or boring.

ARTICLE VI

COVENANTS FOR MAINTENANCE ASSESSMENTS

A. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. DEVELOPER, for each homesite owned within LAKESIDE, hereby covenants and each owner of any homesite by acceptance of a deed therefor, whether or not it shall be so expressed in such deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; and (2) special assessments for any purposes, such assessments to be fixed, established, and collected from time to time as hereinafter provided. Each assessment, together with such interest, costs, and reasonable attorney's fees, shall also be the personal obligation

of the person who was the owner of such homesite at the time when the assessment was levied. The personal obligation shall not pass to successors in title unless expressly assumed.

B. PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the members and, in particular, for the improvement and maintenance of the properties, services, utilities, and facilities devoted to this purpose and related to the use and enjoyment of the common area. Such uses shall include, but are not limited to, the cost to the Association of all taxes, insurance, repair, replacement, and maintenance of the common area, including any pavements, curbs, sidewalks, rights-of-way, and lighting facilities and including the retention pond, as well as the repair and maintenance and replacement of all underground and surface drainage, and other facilities and activities including, but not limited to, mowing grass, caring for the grounds, landscaping, garbage pick-ups, snow removal, and other charges required by this Declaration or that the Board of Directors shall determine to be necessary or desirable to meet the primary purpose of the Association.

C. ANNUAL ASSESSMENTS. The Board of Directors of the Association shall prepare and adopt an annual budget of the estimated common expenses of LAKESIDE in accordance with the By-Laws of the Association. The total annual assessment shall be equal to the total estimated common expenses contained in the budget, and it shall be paid by the owners as assessed by the Board of Directors at such times, and in the manner determined by the Board of Directors. The Board of Directors shall have the right to reduce the annual assessment for undeveloped homesites owned by the DEVELOPER if services are contemplated which would not benefit the DEVELOPER and if the financial stability of the Association will not be jeopardized by the reduction in the assessment. Any reduction so made should be reasonably related to the cost of services contemplated, which would not benefit the DEVELOPER. The Board of Directors shall also have the right to increase the amount of the annual assessment as the requirements of the annual budget may dictate.

D. SPECIAL ASSESSMENTS. In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any special project undertaken for any purpose provided that any such assessment shall have the assent of two-thirds (2/3rds) of the votes of all members entitled to vote at a meeting called for this purpose. The Board of Directors shall have the right to reduce the special assessment for undeveloped homesites owned by the DEVELOPER if projects are contemplated which would not benefit the DEVELOPER and if the financial stability of the Association will not be jeopardized by the reduction in the special assessment. Any reduction so made should be reasonably related to the cost of the

projects contemplated, which would not benefit the DEVELOPER.

E. NOTICE AND QUORUM. Written notice of any meeting called for the purpose of taking any action authorized under Paragraph D shall be sent to all members not less than thirty (30) nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of the members or of proxies entitled to cast sixty (60%) percent of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

F. ALLOCATION OF ASSESSMENTS. Both annual and special assessments shall be allocated by the Association against the homesites by dividing the aggregate amount of such annual or special assessments by the number of homesites subject to the right of the Board of Directors to reduce the assessment on undeveloped homesites as provided in Paragraphs C and D of this Article. Assessments shall be collected on a monthly or other basis as established by the Board of Directors.

G. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS. Annual assessments shall commence for all homesites on the first day of the month following the conveyance of the common area. The Boards of Directors shall fix the amount of the annual assessment against each homesite at least thirty (30) days in advance of each annual assessment period. In the event the Board of Directors fails to establish the assessment as provided, the amount of the last annual assessment shall remain in effect for the ensuing year. Written notice of any changed amount of the annual assessment shall be sent to every owner subject to the assessment. Monthly assessments shall be due on the first day of each month. A new owner shall be liable for payment of the monthly assessment on the first day of the month following conveyance of title. The Association shall, upon demand at any time, furnish a certificate in writing, signed by an officer of the Association, setting forth whether the assessments on a specified homesite have been paid and a reasonable charge may be made for the issuance of this certificate. Such a certificate shall be conclusive evidence of payment of any assessment.

H. REMEDIES FOR NONPAYMENT OF ASSESSMENTS. Any assessments which are not paid when due shall be delinquent and shall be a lien against the real estate of the owner who has not paid said assessments. If the assessment is not, paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve (12%) percent per annum and the Association may bring an action at law against the owner personally obligated to pay the assessment or foreclose the lien under the laws of the State of Indiana governing mechanics

and materialman's' Liens. Either action shall include interest, costs, and reasonable attorney's fees which shall be added to the amount of the assessment and included in a judgment rendered. In a foreclosure, the delinquent owner may be required to pay a reasonable rental for the homesite and the Association, in such foreclosure, shall be entitled to the appointment of a receiver to collect the reasonable rental during the pendency of the foreclosure action. The Association may, in addition to such foreclosure action, file a suit to recover a money judgment for unpaid common expenses and such action shall not constitute a waiver of the lien securing such unpaid assessment. If the Board of Directors determines to file a foreclosure to collect such unpaid assessments, the Board of Directors acting on behalf of the Association shall have the power to bid on the homesite at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. No owner may waive or otherwise escape liability for the assessments by non-use of the common area or abandonment of his homesite.

I. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien for any assessments provided for herein shall be subordinated to a first mortgage on the homesite if the mortgage was recorded before the delinquent assessment became due. The lien for any assessment shall not be affected by the sale or transfer of the homesite unless a foreclosure of a first mortgage is involved. In that instance, the foreclosure will extinguish the lien for any assessments that were payable before the foreclosure sale but will not relieve any subsequent owner from paying future assessments.

ARTICLE VII

PHASING

A. INTENTION TO EXPAND. The DEVELOPER expresses the intention, but not a commitment, to expand the development to include all, or any portion, of any of the real estate, as shown on the plat attached hereto as "Exhibit A". The DEVELOPER makes no commitment and is not obligated to expand the development, to develop additional phases in any particular order, or to include any or all of the real estate described in "Exhibit A" in any additional phase. The development of an additional phase, or phases, shall not imply any obligation on the part of the DEVELOPER to develop further phases, and the DEVELOPER may terminate the development of additional phases by recording a declaration indicating his intent to do so.

B. EXPANSION. As and when each phase is completed, the DEVELOPER will convey fee simple title to the common area included in such phase to the Association free and clear of all encumbrances and liens except for the covenants and restrictions obtained herein, public zoning ordinances, current real, estate taxes, if any (which shall be prorated among the parties), and utility easements to be granted for sewer, water, gas, electricity,

telephone, and any other necessary utilities within sixty (60) days of the completion of such phase. All improvements in any future phase shall be substantially completed by the DEVELOPER prior to conveyance of the common area to the Association. All improvements contained in any future phases shall be consistent with the improvements in the initial phase in terms of quality of construction. All of the property rights and use restrictions applicable to the initial phase shall apply with equal force to future phases.

ARTICLE VIII

ASSOCIATION

A. MEMBERSHIP. Every person or entity who is the owner of a fee or equitable title of a homesite in LAKESIDE shall be a member of the Association. For the purpose of determining membership, such ownership will be deemed to have vested upon recording of a duly executed deed or other instrument establishing a change of record title to a homesite. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. The membership shall be appurtenant to and may not be separated from ownership of any homesite which is subject to assessment by the Association. Nothing herein contained shall be interpreted to exclude DEVELOPER from membership while it or its successors in interest, if any, own one or more homesites.

B. VOTING RIGHTS. There shall be one vote and one voting member for each homesite regardless of the number of persons who may have the ownership interest in a homesite or the manner in which title is held by them. The vote of the owners of a homesite owned by more than one person shall be cast by the person named in a certificate signed by all of the owners of the homesite and filed with the secretary of the Association. Such a certificate shall be valid until revoked by a subsequent certificate. If the certificate is not on file, the vote of such owner shall not be considered in determining the requirement for a quorum nor for any other purposes.

C. NUMBER AND TERM OF BOARD OF DIRECTORS. The initial Board of Directors shall consist of three (3) directors who shall serve for one (1) year. The DEVELOPER shall have the right to elect a majority of the directors until eighty-five (85%) percent of the homesites in the recorded phases shall be sold. After the DEVELOPER no longer has the right to elect a majority of the directors, there shall be five (5) directors elected, who shall serve as provided in the By-Laws.

D. ELECTION OF BOARD OF DIRECTORS. Election of directors shall be conducted as provided in the By-Laws.

E. PURPOSE OF THE ASSOCIATION. The general purpose of the Association is to provide an entity to which the common area can

be dedicated and to provide a mechanism for the operation, maintenance, repair and replacement of the common area and the improvements located thereon. In addition, the Association provides a mechanism for the promulgation and enforcement of rules and regulations necessary to govern the use and enjoyment of the common areas, recreation facilities and other amenities within and which may hereinafter be acquired by the* Association.

F. POWER OF THE ASSOCIATION. The Association shall have all the powers set forth in its Articles of Incorporation and this Declaration, together with the powers granted to it by law, including but not limited to the power to levy and collect assessments and to take appropriate action to enforce liens and foreclosure rights.

ARTICLE IX

HOMESITE MAINTENANCE

The owner of any homesite in LAKESIDE shall always maintain the homesite and any improvements situated thereon in such a manner as to prevent the homesite or improvements from becoming unsightly; and, specifically, such owner shall:

A. Maintain the lawn as may be reasonably required in order to prevent the unsightly growth of vegetation and noxious weeds. Grass will not exceed 4 inches in height.

B. Remove all debris or rubbish.

C. Prevent the existence of any other condition that reasonably tends to detract from or diminish the aesthetic appearance of LAKESIDE.

D. Cut down and remove dead trees and stumps; however, no live tree with a height more than four (4') feet shall be removed without the Association's prior approval.

E. Keep the exterior of all improvements in such state or repair or maintenance as to avoid their becoming unsightly.

F. Maintain and keep any open storm drainage ditch or swale, or any portion thereof, located on his homesite unobstructed and in good repair.

In the event that the owner of any homesite in LAKESIDE shall fail to maintain his homesite and any improvements situated thereon in accordance with the provisions of these restrictions, the Association shall have the right, by and through its agents or employees or contractors, to enter upon said homesite and repair, mow, clean or perform such other acts as may be reasonably necessary to make such homesite and improvements situated thereon, if any, conform to the requirements of these restrictions. The cost therefore to the Association shall be added to and become a part of the annual assessment to which said homesite is subject

and may be collected in any manner in which such annual assessment may be collected. Neither the Association nor any of its agents, employees, or contractors shall be liable for any damage which may result from any work performed hereunder.

The Association shall have the option to act for and on behalf of each owner and/or occupant of any homesite to contract with any outside agency for the purposes of snow removal from public and private sidewalks within LAKESIDE, maintenance of common areas, and for the purpose of general property management. The cost of such services shall, at the option of the Association, be assessed to the unit owners as part of the annual assessment as provided in this Declaration or be billed directly to the owner of a homesite.

ARTICLE X

BUILDING REVIEW COMMITTEE

The Building Review Committee appointed by the Board shall have at least three (3) members. The Building Review Committee shall have the following powers and duties:

A. POWER OF DISAPPROVAL. The Building Review Committee may refuse to grant permission to construct or place the requested building, when: •

1. The plans, specifications, drawings, or other material submitted are themselves inadequate or incomplete or show the proposed building to be in violation of these restrictions.

2. The design, color scheme or construction materials of a proposed building is not in harmony with the general surroundings of the homesite or with adjacent buildings or structures.

3. The proposed building, or any part thereof, would in the opinion of the Committee be contrary to the interests, welfare or rights of all or any part of the other Owners.

B. POWER TO GRANT VARIANCES• The Building Review Committee may allow reasonable variances or adjustments of these restrictions where literal application would result in unnecessary hardship, but any such variance or adjustment shall be granted in conformity with the general intent and purposes of these restrictions, and no variance or adjustment shall be granted which is materially detrimental or injurious to other homesites in LAKESIDE.

C. DUTIES OF COMMITTEE. The Building Review Committee shall approve or disapprove proposed buildings within thirty (30) days after all required information shall have been submitted to it. Should the Building Review Committee fail to act within the specified time, the Owner's plans shall be deemed to have complied with all requirements hereof. One copy of all submitted materials shall be retained by the Building Review 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.

D. LIABILITY OF COMMITTEE. Neither the Building Review Committee nor any agent thereof, nor the DEVELOPER, nor the Association, 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.

E. INSPECTION. The Building Review Committee may inspect work being performed with its permission to assure compliance with these Restrictions and applicable regulations.

F. At such time as the DEVELOPER does not own any real estate in LAKESIDE, the Board shall appoint at least three (3) members to serve as the Building Review Committee.

ARTICLE XI

OWNERSHIP, USE AND ENJOYMENT OF COMMON AREA AND RECREATIONAL FACILITIES

A. MEMBERS' EASEMENT AND ENJOYMENT. Every member shall have a right and easement of enjoyment in and to the common area. Such easement shall be appurtenant to and shall pass with title to every homesite, subject to the following:

1. The right of the Association to pass reasonable rules.
2. The right of the Association to suspend for up to sixty (60) days the voting right of a member for whom:
 - a. Any assessment against that homesite remains unpaid; and,
 - b. Any infraction of the terms and provisions of this Declaration and/or the rules and regulations of the Association exists.
3. The right of the Association to levy assessments as provided in this Declaration.
4. The easements of record, and any easements which may hereinafter be granted, for utilities such as drainage, water, gas, electricity, telephone, cable television, and any other necessary utilities.
5. As a part of the overall program of development of the honesties into a residential community and to encourage the marketing thereof, DEVELOPER, for sales purposes only, has the right of use of the common areas and facilities, without charge, during the sales and construction period on the properties.
6. The right of the Association, in accordance with the Articles and By-Laws, to borrow money for the purpose of

improving the common areas and constructing facilities and to secure such loans by mortgages on the common area. The rights of such mortgage in said common area shall be subject to the rights of the owners hereunder.

B. ACCESS EASEMENT. Every member shall have an easement for ingress and egress to his homesite over and across the common area and as easements are designated on the plat. Such easement shall be appurtenant to and shall pass with the title to every homesite.

c. DELEGATION OF USE. Any member may delegate, in accordance with the By-Laws, his right of enjoyment to the common area to the members of his family, his tenants, or contract purchasers who reside on the property.

D. TITLE TO THE COMMON AREA. The DEVELOPER hereby covenants for itself, its heirs, and assigns that it will convey fees simple title to the common area included in each phase of this development to the Association, free and clear of all encumbrances and liens, except for the covenants and restrictions contained herein, public zoning ordinances, current real estate taxes, if any (which shall be prorated among the parties), and utility easements to be granted for sewer, water, gas, electricity, telephone, and any other necessary utilities within sixty (60) days of the completion of any such phase.

ARTICLE XII

GENERAL PROVISIONS

A. EFFECT OF BECOMING AN OWNER. The Owners of any homesite subject to these Restrictions, by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from the DEVELOPER or a subsequent Owner of such homesite, shall accept such deed and execute such contract subject to each and every Restriction and agreement herein contained. By acceptance of such deed or execution of such contract, the Owner acknowledges the rights and powers of the DEVELOPER and of the Association with respect to these Restrictions, and also, for themselves, their heirs, personal representatives, successors and assigns. Such Owners covenant, agree and consent to and with the DEVELOPER, the Association and to and with the Owners and subsequent Owners of each of the Numbered Lots and fractional interest in the Lettered Lots affected by these Restrictions to keep, observe, comply with and perform such Restrictions and agreements.

B. TITLES. The underlined titles preceding the various paragraphs and subparagraphs of the Restrictions are for convenience or reference only, and none of them should be used as an aid to the construction of any provision of the Restrictions. 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.

c. DURATION. The foregoing covenants and restrictions are to run with the land and shall be binding on all parties and all persons claiming under them, unless and until changed in whole or in part by vote of those persons who are then the Owners of a majority of the homesites.

d. TERMINATION. The Declaration shall be terminated, if at all, in the following manner:

1. Agreement. The termination of the Declaration may be affected by the agreement of all homesite owners, which agreement shall be evidenced by an instrument or instruments executed in the manner required for conveyances of land. The termination shall become effective when such agreement has been recorded in the Office of the Recorder of Porter County, Indiana.

2. Agents of Owners. The members of the Board of Directors acting collectively as agents for all homesite owners shall continue to have such powers as in this Article are granted, notwithstanding the fact that the Association* itself may be dissolved upon termination.

e. ENFORCEMENT. The Association or any party to whose benefit these Restrictions inure, including the DEVELOPER, may proceed at law or in equity to prevent the occurrence or continuation of any violation of these restrictions, but neither the DEVELOPER nor the Association shall be liable for damages of any kind to any person for failing to enforce any of these Restrictions.

Any owner found to be in violation by a court of competent jurisdiction of any provision of this Declaration shall also be liable for reasonable attorney's fees incurred by the Association or incurred by any owner in prosecuting such action. The amount of such attorney's fees, together with court costs, if unpaid, shall constitute an additional lien against the defaulting owner < s homesite, enforceable as other liens herein established. Failure by the Association or by any owner to enforce any provision of this Declaration shall in no event be deemed a waiver of the right to do so thereafter.

Homesite owners shall have a right of action against the Association for its failure to comply with the provisions of the Declaration, the By-Laws, Articles of Incorporation or the rules and regulations promulgated by the Association.

No delay or failure on the part of any aggrieved party to invoke any available remedy with respect to a violation of any one or more of these Restrictions shall be held to be a waiver by that party (or an estoppel of that party to assert) of any right available to him upon the occurrence, recurrence or continuation

of such violation or violations of these Restrictions.

F. NO DEDICATION TO PUBLIC USE. Nothing contained in this Declaration shall be construed or deemed to constitute a dedication, express or implied, of any part of the common area to or for any public use or purpose whatsoever.

G. DEVELOPERS RIGHTS AND RESPONSIBILITIES. The provisions of this Paragraph shall supplement the¹ rights and responsibilities of the DEVELOPER as otherwise set forth in this Declaration.

1. The DEVELOPER may retain a voting right for any homesites which are unsold at the time control of the development is transferred to the Association.

2. The DEVELOPER shall have the right to enter into professional management contracts prior to the time control of the development is transferred to the Association. Said contracts may not directly or indirectly bind the Association unless they include a right of termination without cause which the Association may exercise at any time after the transfer of control.

3. In order to ensure that the Association will have the funds necessary to meet unforeseen expenditures or to purchase any additional equipment or services, the DEVELOPER shall establish a working capital fund equal to at least two (2) month's estimated common charges for each homesite. Each homesite's share of the working capital fund should be collected at the time the sale of the homesite is closed and should then be transferred to the Association for a deposit.

H. ALIENATION. The Association may not restrict a homesite owner's right to sell, transfer, or convey his homesite. Notwithstanding the above, however, any lease or rental agreement must be in writing and subject to the Declaration, Articles of Incorporation, By-Laws, and rules and regulations of the Association. In addition, no homesite may be leased or rented for a period less than thirty (30) days.

I. SEVERABILITY. Every one of the Restrictions is hereby declared to be independent of, and severable from the rest of the Restrictions and of and from every other one of the Restrictions, and of and from every combination of the Restrictions. Therefore, if any of the Restrictions shall be held to be invalid or to be unenforceable, or to lack the quality of running with the land, which holding shall be without effect upon the validity, enforceability or "running" quality of any other one of the Restrictions.

J. CONTROLLING LAW. For purposes of interpretation and enforcement the law of the State of Indiana shall control.

K. AMENDMENT. Amendments to the Declaration shall be proposed and adopted as follows:

1. Notice. Notice of the subject matter of the proposed amendment in a reasonably detailed form shall be included in the notice of any meeting at which a proposed amendment is considered.

2. Resolution. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the homesite owners meeting as members of the Association and after being proposed and approved by either of such bodies, must be approved by the other. Directors and homesite owners not present at the meeting considering such amendment may express their approval in writing or by proxy. Such approvals must be by not less than seventy-five (75%) percent of the directors and not less than seventy-five (75%) percent of the homesite owners.

Notwithstanding the foregoing, the DEVELOPER shall have the sole right to amend the Declaration at its discretion until such time as eighty-five (85%) percent of the homesites in all recorded phases have been sold.

L. Recording. A copy of each amendment shall be certified by at least two (2) officers of the Association as having been duly adopted and shall be effective when recorded in the Office of the Recorder of Porter County, Indiana. Copies of the same shall be sent to each homesite owner in the manner elsewhere provided for the giving of notices but the same shall not constitute a condition precedent to the effectiveness of such amendment.

WESTMONT DEVELOPMENT CORPORATION

By: _____

, President

STATE OF INDIANA)

) SS:

COUNTY OF LAKE)

Before me, the undersigned, a Notary Public in and for said County and State, this _____ day of _____, 1990, personally appeared Westmont Development Corporation, by _____, its president and acknowledge the execution of the foregoing Declaration of Covenants and

Restrictions for "Lakeside Meadow" Subdivision.

IN WITNESS WHEREOF, I have hereunto subscribed my name
and affixed my official seal.

Notary Public

A Resident of _____

County

My Commission Expires:

R/Est: 225

This Instrument Prepared By:

R. Lawrence Steel3

HODGES, DAVIS, GRUENBERG,

COMPTON & SAYERS, P.C.

5525 Broadway

Merrillville, IN 46410

Phone: (219) 981-2557

DESCRIPTION

A tract of land In the Northwest One Quarter of Section 2, Township 35 North, Range 6 West of the Second Principal Meridian in Center Township, Porter County, Indiana described as Commencing at the Southwest corner of said Northwest One Quarter; thence North 00°18'59" West along the west line of said NW 1/4 700.00 feet to the POINT OF BEGINNING; thence continuing North 00°18'59" West along said West line, 1664.34 feet to the Northwest corner of said NW 1/4; thence North 89°56'06" East along the North line of said NW 1/4, 1193.33 feet; thence South 03°09'53" West 118.34 feet; thence South 34°30'28" West 214.35 feet; thence South 76°23'37" East 271.56 feet; thence South 40°41'11" East 240.05 feet; thence South 89°52'20" East 270.37 feet; thence South 47°15'11" East 155.45 feet; thence South , 20°23'24" West 325.66 feet; thence on a curve to the left 25.66 feet, said curve having a radius of 80 feet and a chord that bears South 40°27'32" West 25.55 feet; thence on a curve to the right 25.49 feet, said curve having a radius of 25 feet and a chord that bears South 60°28'40" West 24.40 feet; thence South 00°18'59" East 60.00 feet; thence South 89°41'01" West 247.85 feet; thence South 19°07'51" East 304.66 feet; thence South 31°45'00" East 335.00 feet; thence South 55°30'28" West 349.72 feet thence North 90°00'00" West parallel to the South line of said NW 1/4, 125.00 feet to the East line of the SW 1/4 of said NW 1/4 : thence South 00°05'39" East along said East line. 65.00 feet thence North 90°00'00" West parallel to the South line of said NW 1/4, 125.00 feet; thence South 00°05'39" East parallel to the East line of the SW 1/4 of said NW 1/4. 135.00 feet; thence North 90°00'00" West parallel to the South line of said NW 1/4, 875.00 feet; thence South 00°05'39" East parallel to the East line of the SW 1/4 of said NW 1/4* 350.00 feet to the South line of said NW 1/4; thence North 90°00'00" West along said South . 172.27 feet; thence North 00°18'59" West parallel to the West line of said NW 1/4, 700.00 feet; thence North 90°00'00" West 150.00 feet to the Point of Beginning. Containing 70.079 acres and subject to all legal highways and easements.

PARCELA

A parcel of land In the Northwest One Quarter of Section 2, Township 35 North, Range 6 West of the 2nd Principal Meridian in Center Township, Porter County, Indiana described as commencing at the Southeast corner of the Northwest One Quarter; thence North 90°00'00" West along the South line of said NW 1/4 615.00 feet to the POINT OF BEGINNING; thence continuing North 90°00'00" West along said South line 330.00 feet; thence North 00°00'00" West 155.00 feet; thence North 34°28'20" East 406.36 feet; thence North 90°00'00" East 100.00 feet; thence South 00°00'00" West 490.00 feet to the Point of Beginning. Containing 2.828 acres. Subject to all legal highways and easements. *

PARCEL B