

CODE OF BY-LAWS

OF

STILLWOOD CONDOMINIUMS

HORIZONTAL PROPERTY REGIME

Allen County, Indiana

CODE OF BY-LAWS
OF
STILLWOOD CONDOMINIUMS
HORIZONTAL PROPERTY REGIME

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CODE OF BY-LAWS
OF
STILLWOOD CONDOMINIUMS
HORIZONTAL PROPERTY REGIME

ARTICLE I

IDENTIFICATION AND APPLICABILITY

Section 1.01. Identification and Adoption. These By-Laws are adopted simultaneously with the execution of a certain Declaration creating the STILLWOOD CONDOMINIUMS HORIZONTAL PROPERTY REGIME to which these By-Laws are attached and made a part thereof. The Declaration is incorporated herein by reference, and all of the covenants, rights, restrictions and liabilities therein contained shall apply to and govern the interpretation of these By-Laws. The definitions and terms as defined and used in the Declaration shall have the same meaning in these By-laws. The provisions of these By-Laws shall apply to the property and the administration and conduct of the affairs of the STILLWOOD CONDOMINIUMS ASSOCIATION (hereinafter called the "Association").

Section 1.02. Individual Application. All of the owners, future owners, tenants, future tenants, or their guests and invitees or any other person that might use or occupy a Condominium Unit or any part of the property, shall be subject to the rules, restrictions, terms and conditions set forth in the Declaration, these By-Laws and the Act.

ARTICLE II

MEETING OF ASSOCIATION

Section 2.01. Purpose of Meetings. At least annually and at such other times as may be necessary, the meetings of the co-owners shall be held for the purpose of electing the Board of Directors (subject to the provisions of Section 3.02), approving the annual budget, providing for the collection of common expenses and for such other purposes as may be required by the Declaration.

Section 2.02. Annual Meetings. The annual meeting of the members of the Association shall be held on the second Sunday of April in each calendar year. At the annual meetings, the owners shall elect the Board of Directors of the Association in accordance with the provisions of these By-Laws and transact such other business as may properly come before the meeting.

Section 2.03. Special Meetings. A special meeting of the members of the Association may be called by resolution of the Board of Directors or upon a written petition of a majority of the owners. The resolution or petition shall be presented to the President or Secretary of the Association, and shall state the purpose for which the meeting is to be called. No business shall be transacted at a special meeting except as stated in the petition or resolution.

Section 2.04. Notice and Place of Meetings. Written notice stating the date, time and place of any meeting, and, in the 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 Association to each owner not less than fourteen (14) days prior to the date of such meeting. The notice shall be mailed or delivered to the owners at their address as it appears upon the records of the Association. Attendance at any meeting in person, by agent or by proxy shall constitute a waiver of notice of such meeting.

Section 2.05. Voting.

(a) Number of Votes. Each owner shall be entitled to cast one vote equal to his Condominium Unit's percentage of interest, set out in Exhibit "B" of the Declaration, or later amended as set out and provided in said Declaration, on each matter coming before the meeting.

(b) Voting by Corporation or Trust. Where a corporation or trust is an owner or is otherwise entitled to vote, the trustee may cast the vote on behalf of the trust and the agent or other

representative of the corporation duly empowered by the Board of Directors of such corporation is entitled. The Secretary of the Corporation or a trustee of the trust so entitled to vote shall deliver or cause to be delivered prior to the commencement of the meeting a certificate signed by such person to the Secretary of the Association stating who is authorized to vote on behalf of said Corporation or trust.

(c) Proxy. An owner may vote either in person or by his duly authorized and designated attorney-in-fact. Where voting is by proxy, the owner shall duly designate his attorney-in-fact in writing, delivered to the Secretary of the Association prior to the commencement of the meeting.

(d) Quorum. Except where otherwise expressly provided in the Declaration, these By-Laws or the Indiana Horizontal Property Act, the owners representing thirty-three percent (33%) of the vote shall constitute a quorum at all meetings. The term majority of owners or majority of vote, as used in these By-Laws, shall mean not less than fifty-one percent (51%) of the owners at such meetings.

(e) Conduct of Meeting. The Chairman of the meeting shall be President of the Association. He shall call the meeting to order at the duly designated time, and business will be conducted in the following order:

(1) Reading of Minutes. The Secretary shall read the minutes of the last annual meeting and the minutes of any special meeting held subsequent thereto.

(2) Treasurer's Report. The Treasurer shall report to the owners concerning the financial condition of the Association and answer relevant questions of the owners concerning the common expenses and financial report for the prior year and the proposed budget for the current year.

(3) Budget. The proposed budget for the current calendar year shall be presented to the owners for approval or amendment.

(4) Election of Board of Directors. Nominations for the Board of Directors may be made by any owner from those persons eligible to serve. Such nominations must be in writing and presented to the Secretary of the Association at least ten (10) days prior to the date of the annual meeting. Voting for the Board of Directors will be by paper ballot. The ballot shall contain the name of each person nominated to serve as a Board member. Each owner may cast the total number of votes to which he is entitled for as many nominees as are to be elected; however, he shall not be entitled to cumulate his votes. Those persons receiving the highest number of votes shall be elected. Each voting owner shall sign his ballot. The foregoing is subject to the provisions of Section 3.02.

(5) Other Business. Other business may be brought before this meeting only upon a written request submitted to the Secretary of the Association at least ten (10) days prior to the date of the meeting; provided, however, that such written request may be waived at the meeting if agreed by a majority of the percentage vote..

(6) Adjournment.

ARTICLE III

BOARD OF DIRECTORS

Section 3.01. The affairs of the Association shall be governed and managed by the Board of Directors (herein collectively called "Board" or "Directors" and individually called "Director"). The Board of Directors shall be composed of three (3) persons. No person shall be eligible to serve as a Director unless he is an owner or Declarant or is an attorney, agent or employee of Declarant.

Section 3.02. Initial Board of Directors. The initial Board of Directors shall be Dale H. Alber, Michael A. Rohrbach, and William R. Martin, all of whom are the Declarant or representatives of the Declarant. The term of office of one (1) Director shall be one (1) year, of a Second Director two (2) years, and a third

Director three (3) years. Thereafter, the term of at least one (1) Director shall expire annually.

Section 3.03. Additional Qualifications. Where an owner consists of more than one person or is a partnership, corporation, trust or other legal entity, then one of the persons constituting the multiple owner, or a partner or an officer or trustee shall be eligible to serve on the Board of Directors, except that no single office may be represented on the Board of Directors by more than one person at a time.

Section 3.04. Term of Office and Vacancy. Subject to the provisions of Section 3.02, the Board of Directors shall be elected at each annual meeting of the Association. The term of at least one (1) Director shall expire annually. Any vacancy or vacancies occurring in the Board shall be filled by a vote of a majority of the remaining Directors, or by vote of the owners if a Director is removed in accordance with Section 3.05 of this Article III.

Section 3.05. Removal of Director. A Director or Directors, except the initial Board of Directors, may be removed with or without cause by a vote of a majority of the owners at a special meeting of the owners duly called and constituted. In such case, his successor shall be elected at the same meeting from eligible owners nominated at the meeting. A director so elected shall serve until the next annual meeting of the owners or until his successor is duly elected and qualified.

Section 3.06. Duties of the Board of Directors. The Board of Directors shall provide for the administration of STILLWOOD CONDOMINIUMS HORIZONTAL PROPERTY REGIME, the maintenance, upkeep and replacement of the common areas and limited areas, and the collection and disbursement of the common expenses. These duties include, but are not limited to:

- (a) protection, surveillance and replacement of the common areas and limited areas;

garbage and waste, and snow removal from the common areas;

- (c) landscaping, painting, decorating, and furnishing of the common areas and limited areas, the exterior of the buildings and walls;
- (d) surfacing, paving, and maintaining streets, parking areas and sidewalks;
- (e) assessment and collection from the owners of the owner's pro-rata share of the common expenses;
- (f) preparation of the proposed annual budget, a copy of which will be mailed or delivered to each owner at the same time as the notice of annual meeting is mailed or delivered;
- (g) preparing and delivering annually to the owners a full accounting of all receipts and expenses incurred in the prior year, such accounting shall be delivered to each owner simultaneously with the delivery of the annual budget;
- (h) keeping a current, accurate and detailed record of receipts and expenditures affecting the property, specifying and itemizing the common expenses, and all records and vouchers shall be available for examination by an owner at any time during normal business hours.

Section 3.07. Powers of the Board of Directors. The Board of Directors shall have such powers as are reasonable and necessary to accomplish the performance of their duties. These powers include, but are not limited to, the power:

- (a) to employ a managing agent or a real estate management company (either being hereinafter referred to as "Managing Agent") to assist the Board in performing its duties;
- (b) to purchase for the benefit of the Owners such equipment, materials, labor and services as may be necessary in the judgment of the Board of Directors;
- (c) to employ legal counsel, architects, contractors, accountants and others as in the judgment of the Board of Directors may be necessary or desirable in connection with the business and affairs of STILLWOOD CONDOMINIUMS;
- (d) to include the costs of all of the above and foregoing as Common Expenses and to pay all of such costs therefrom;
- (e) to open and maintain a bank account or accounts in the name of the Association;
- (f) to adopt, revise, amend and alter from time to time reasonable rules and regulations with respect to use, occupancy, operation and enjoyment of the Property.

Section 3.08. Limitation on Board Action. The authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than \$2,500.00 without obtaining the prior approval of a majority of Owners, except in the following cases:

- (a) contracts for replacing or restoring portions of the Common Areas or Limited Areas damaged or destroyed by fire or other casualty where the cost thereof is payable out of insurance proceeds actually recieved;
- (b) proposed contracts and proposed expenditures expressly set forth in the proposed annual budget as approved by the Owners at the annual meeting; and
- (c) expenditures necessary to deal with emergency conditions in which the Board of Directors reasonably believes there is insufficient time to call a meeting of the Owners.

Section 3.09. Compensation. No Director shall receive any compensation for his services as such except to such extent as may be expressly authorized by a majority of the Owners.

Section 3.10. Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of Directors. The Secretary shall give notice of regular meetings of the Board to each Director personally or by United States mail at least five (5) days prior to the date of such meeting.

Special meetings of the Board may be called by the President or any two members of the Board. The person or persons calling such a meeting shall give written notice thereof to the Secretary, who shall either personally or by mail and at least three (3) days prior to the date of such special meeting, give notice to the Board members. The notice of the meeting shall contain a statement of the purpose for which the meeting is called. Such meeting shall be held at such place and at such time within Allen County, Indiana, as shall be designated in the notice.

Section 3.11. Waiver of Notice. Before any meeting of the Board, any Director may, in writing, waive notice of such meeting

and such waiver shall be deemed equivalent to the giving of such notice. The presence of any Director at a meeting shall, as to such Director, constitute a waiver of notice of the time, place and purpose thereof. If all Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 3.12. Quorum. At all meetings of the Board a majority of the Directors shall constitute a quorum for the transaction of business and the votes of the majority of the Directors present at a meeting at which a quorum is present shall be the decision of the Board.

Section 3.13. Non-Liability of Directors. The Directors shall not be liable to the Owners for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith, or gross negligence. The Owners shall indemnify and hold harmless each of the Directors against any and all liability to any person, firm or corporation arising out of contracts made by the Board on behalf of STILLWOOD CONDOMINIUMS, unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or By-Laws. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of STILLWOOD CONDOMINIUMS or the Association, and that in all matters the Board is acting for and on behalf of the Owners and as their agent. The liability of any Owner arising out of any contract made by the Board or out of the aforesaid indemnity in favor of the Directors shall be limited to such percentage of the total liability of obligation hereunder as is equal to his Percentage Interest. Every contract made by the Board of the Managing Agent on behalf of STILLWOOD CONDOMINIUMS shall provide that the Board of Directors and the Managing Agent, as the case may be, is acting as agent for the

Owners and shall have no personal liability thereunder, except in their capacity as Owners and then only to the extent of their Percentage Interest.

ARTICLE IV

Officers

Section 4.01. Officers of the Association. The principal officers of the Association shall be the President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board. The Directors may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary. Any two 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.

Section 4.02. Election of Officers. The officers of the Association shall be elected annually by the Board at the initial meeting of each new Board. Upon an affirmative vote of a majority of all members of the Board, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

Section 4.03. The President. The President shall be elected from among the Directors, and shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board, and shall have and discharge all the general powers and duties usually vested in the office of president or chief executive officer of an association or stock corporation organized under the laws of Indiana, including, but not limited to, the power to appoint committees from among the Owners as he may deem necessary to assist in the affairs of the Association and to perform such other duties as the Board may from time to time prescribe.

Section 4.04. The Vice President. The Vice President shall

incumbent upon the President during the absence or disability of the President. The Vice President shall also perform such other duties as these By-Laws may prescribe or as shall, from time to time, be imposed upon him by the Board or by the President.

Section 4.05. The Secretary. The Secretary shall be elected from among the Directors. The Secretary shall attend all meetings of the Association and of the Board and shall keep or cause to be kept a true and complete record of the proceedings of such meetings, shall perform all other duties incident to the office of Secretary, and such other duties as from time to time may be prescribed by the Board. The Secretary shall specifically see that all notices of the Association or the Board are duly given, mailed or delivered, in accordance with the provisions of these By-Laws.

Section 4.06. The Treasurer. The Board shall elect from among the Directors a Treasurer who shall maintain a correct and complete record of account showing accurately at all times the financial condition of the Association, and such other duties incident to the office of Treasurer. He shall be the legal custodian of all monies, notes, securities and other valuables which may from time to time come into possession of the Association. He shall immediately deposit all funds of the Association coming into his hands in some reliable bank or other depository to be designated by the Board, and shall keep such bank account in the name of the Association. The Treasurer shall not make any payments except on the basis of a voucher which shall be signed by him and one other officer.

Section 4.07. Assistant Officers. The Board of Directors may, from time to time, designate and elect from the Owners an Assistant Secretary and an Assistant Treasurer who shall have such powers and duties as the officers whom they are elected to assist shall delegate to them, and such other powers and duties as these By-Laws or the Board of Directors may prescribe.

ARTICLE V

Assessments

Section 5.01. Annual Accounting. Annually, after the close of the Association's accounting year, the Board shall cause to be prepared and furnished to each Owner a financial statement prepared by a Certified Public Accountant then serving the Association, which statement shall show all receipts and expenses received, incurred and paid during the preceding calendar year.

Section 5.02. Proposed Annual Budget. Annually, on or before the date of the annual meeting of the Association, the Board of Directors shall cause to be prepared a proposed annual budget for the ensuing calendar year estimating the total amount of the Common Expenses for the ensuing year and furnish a copy of such proposed budget to each Owner prior to the annual meeting. The annual budget shall be submitted to the Owners at the annual meeting of the Association for adoption, and, if so adopted, shall be the basis for the Regular Assessments (hereinafter defined) for the ensuing calendar year. At the annual meeting of the Owners, the budget may be approved in whole or in part or may be amended in whole or in part, by a majority of the vote; provided, however, that in no event shall the annual meeting of the Owners be adjourned until an annual budget is approved at such meeting, and provided further that until the Annual Budget is adopted the Directors are authorized to collect and expend monies only based on the prior year's budget.

Section 5.03. Regular Assessments. The annual budget as adopted shall, based on the estimated cash requirement for the Common Expenses in the ensuing year as set forth in said budget, contain a proposed assessment against each said Condominium Unit based on the Percentage Interest of each Condominium Unit. Immediately following the adoption of the annual budget, each Owner shall be given written notice of such assessment against each respective Condominium Unit (herein called the "Regular Assessment"). The regular Assessment against each Condominium

unit shall be paid in equal quarterly installments, commencing on the first day of March of such year and quarterly thereafter through and including the following December 1st. Payment of the quarterly installments of the Regular Assessment shall be made to the Board of Directors or the Managing Agent, as directed by the Board of Directors; provided, however, Owners may elect to pay quarterly assessments semi-annually, in advance. The Regular Assessment for said year shall become a lien on each separate Condominium Unit as of March 1st of such year.

Section 5.04. Special Assessments. From time to time Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time and without the approval of the Owners, unless otherwise provided by these By-Laws, the Declaration or the Indiana Horizontal Property Act, the Board of Directors shall have the full right, power, and authority to make special assessments not in excess of \$500.00 per each such occurrence, which, upon resolution of the Board, shall become a lien on each Condominium Unit, prorated in accordance with the Percentage Interest of each Condominium Unit (herein called "Special Assessment").

Section 5.05. Lien for Assessments.

(a) All liens assessed but unpaid by an Owner for its share Common Expenses chargeable to a respective Condominium Unit including interest thereon at ten percent (10%) per annum, shall constitute a lien on such Condominium Unit superior (prior) to all other liens and encumbrances, excepting only two:

- (1) all taxes and special assessments levied by governmental and taxing authorities; and
- (2) all liens securing sums due or to become due under any duly recorded mortgage lien or deed of trust.

(b) To evidence such lien, the Association may, but shall not be required to, prepare written notice setting forth the amount of such unpaid indebtedness, the name of the Owner of the Condominium Unit and description of the Condominium Unit. Such

... stated by one of the Board of Directors and may be

recorded in the Office of the Recorder of Allen County, Indiana. Such lien for the Common Expenses shall attach from the date of the failure of payment of the assessment. Such lien may be enforced by foreclosure of the defaulting Owner's condominium unit by the Association. Any such foreclosure sale is to be conducted in accordance with the provisions of I.C. 32-1-6-24. Each Owner, by accepting a deed to his condominium unit, expressly grants to the Association a power of sale in connection with the assessment lien. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses for filing the notice or claim of lien and all reasonable attorney's fees. The Owner shall also be required to pay to the Association a reasonable rental for the condominium unit during the period of foreclosure, and the Association shall be entitled to the appointment of a receiver to collect the same. The Association shall have the power to bid in the condominium unit at foreclosure sale and to acquire and hold, lease, mortgage and convey same.

(c) The amount of the Common Expenses assessed against each Condominium Unit shall also be the debt of the Owner thereof at the time the assessment is made. Suit to recover and money judgment for unpaid Common Expenses may be maintainable without foreclosing or waiving the lien securing same.

(d) In addition, to the extent permitted by law, Declarant reserves and assigns to the Association, without recourse, a vendor's lien against each condominium unit to secure payment of a Common Assessment or Special Assessment which is levied pursuant to the terms hereof. Said liens may be enforced by appropriate judicial proceedings and the expenses incurred in connection therewith including, but not limited to, interest, cost of reasonable attorney's fees, shall be chargeable to the Owner in default. Such lien shall be subordinated and inferior to those liens

(e) Any party holding a lien on a Condominium Unit may pay any unpaid Common Expense payable with respect to such Condominium Unit, and upon such payment, said party shall have a lien on such Condominium Unit for the amount paid of the same rank as the lien of his encumbrance.

Section 5.06. Maintenance and Repairs. Every Owner shall promptly perform all maintenance and repair within his own Condominium Unit, which, if neglected, would affect the value of the Property. Maintenance and repairs for which the Owner is responsible to make at his expense include, but are not necessarily limited to, water, gas, plumbing and electric lines which service the Owner's Condominium Unit and are located within exterior walls of the Condominium Unit, including any lines in the area from below the floor to above the roof if they are within an extension of the exterior walls of the Condominium Unit; appliances to include garbage disposals, dishwashers, stoves, ranges and refrigerators, telephones, air conditioning and heating equipment, doors, screens, windows, to include exterior and interior of all glass and screen surfaces, lamps, interior and exterior grouting and/or caulking, and all other Accessories appurtenant to the Condominium Unit.

Section 5.07. Mechanic's and Materialmen's Liens. No labor performed or materials furnished and incorporated in a Condominium Unit, notwithstanding the consent or request of the Owner, his agent, contractor or subcontractor, shall be the basis for filing of a lien against the Common or Limited Areas owned by such other Owners. Each Owner shall indemnify and hold harmless each of the other Owners from and against all liabilities arising from the claim of any lien against the Condominium Unit of any other Owner or against the Common or Limited Areas for construction performed or for labor, materials, services or other products incorporated in the Owner's Condominium Unit at such Owner's

request of any Owner or any lienholder or prospective lienholder of a Condominium Unit, the Association, by its Board of Directors, shall issue a written statement setting forth the unpaid assessments, if any, with respect to the subject Condominium Unit, the amount of the periodic assessments, the of such assessment and the due date, credit for advance payments or for prepaid items, including but not limited to, insurance premiums, which shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. Unless such request for a statement of indebtedness shall be complied with within ten (10) days, all unpaid assessments which become due prior to the date of making such request shall be subordinate to the lien of the person requesting such statement.

The purchaser, donee or other transferee of a Condominium Unit, by deed or other writing (herein called "Grantee"), shall be jointly and severally liable with the transferor of such Condominium Unit (herein called "Grantor") for all unpaid assessment against the latter for his proportionate share of the Common Expenses to the time of the grant or conveyance, without prejudice to the recover from Grantor the amounts paid by the Grantee, but such Grantee shall be personally liable only if he expressly assumes such liability. The grantee shall be entitled to a statement by the Board of Directors setting forth the amount of the unpaid assessments, if any, with respect to the subject Condominium Unit, the amount of the current periodic assessment and the date such assessment becomes due, as well as any credit for advance prepayments or for prepaid items, including, but not limited to, insurance payments. This statement shall be conclusive upon the Association. Unless such request for a statement of indebtedness shall be complied with within ten (10) days of such request, such Grantee shall not be liable for, nor shall the Condominium Unit be subject to a lien for any unpaid assessment against the subject Condominium Unit accruing prior to such ten (10) day period.

ARTICLE VI

Restrictions on Use

Section 6.01. The following restrictions on the use and enjoyment of the Condominium Unit, Common Areas, Limited Areas and the Property shall be applicable to STILLWOOD CONDOMINIUMS, and in addition to those set forth in the Declaration. These are as follows:

(a) All Condominium Units shall be used exclusively for residential purposes and be occupied by the Owner, his tenant or lessee, or their invitees.

(b) No additional buildings shall be erected or located on the Tract other than the Condominium Units designated in the Declaration, or a supplemental Declaration, without the consent of the Board of Directors.

(c) Nothing shall be done or kept in any Condominium Unit or in the Common Areas or Limited Areas which will cause an increase the rate of insurance on any Building or the contents thereof. No Owner shall permit anything to be done or kept in his Condominium Unit or in the Common Areas or Limited Areas which will result in a cancellation of insurance on any Condominium Unit or contents thereof, or which would be in violation of any law or ordinance.

(d) No waste shall be committed in the Condominium Unit, Common Areas or Limited Areas.

(e) No Owner shall cause or permit anything to be hung or displayed on the outside of the windows or placed on the outside walls of a Condominium Unit and no sign, awning, canopy, shutter or radio or television antenna or other attachment or thing shall be affixed to or placed upon the exterior walls or roofs of any other parts of any Condominium Unit except those items installed by Declarant without the prior consent of the Board.

(f) No animals, livestock or poultry of any kind shall be raised, breed or kept in any Condominium Unit or in the Common

(g) Nothing shall be done or permitted in any Condominium Unit which will impair the structural integrity of any Building or which would structurally change any Condominium Unit except as otherwise provided in the Declaration or these By-Laws; nor shall the premises be used in any unlawful manner or in any manner to cause injury to the reputation of the Condominium Unit or to be a nuisance, annoyance, inconvenience, or damage to other tenants of the Condominium Unit or neighborhood, including without limiting the generality of the foregoing, noise by the use of any musical instruments, radio, TV, loudspeakers, electrical equipment, amplifiers or other equipment or machines or loud persons.

(h) The Common Areas shall be kept free and clear of rubbish, debris and other unsightly materials.

(i) No "for sale", "for rent" or "for lease" signs or other window or advertising display shall be maintained or permitted on any part of the Property or any Condominium Unit without the prior consent of the Board; provided, however, that the right is reserved by the Declarant, its successors and assigns, to place or allow to be placed, "for sale" or "for lease" signs on or about any unsold or unoccupied Condominium Unit.

(j) All Owners, their tenants, or invitees, and all occupants of any Condominium Unit or other persons entitled to use the same and to use and enjoy the Common Areas or any part thereof, shall observe and be governed by such rules and regulations as may from time to time be promulgated and issued by the Board governing the operation, use and enjoyment of the Common Areas and Limited Areas.

(k) No boats, campers, trailers of any kind, buses, trucks, mobile homes, motorcycles, minibikes, or any other unconventional vehicles of any description, or any other sporting paraphernalia, shall be permitted, parked or stored anywhere within the Property.

(l) No Owner shall be allowed to plant trees, landscape or do any gardening in any of the Common Areas or Limited Areas,

except with express permission from the Board, said consent not to be unreasonably withheld.

Section 6.02. Right of Entry. An Owner or occupant of a Condominium Unit hereby grants the right of entry to the Managing Agent or any other person authorized by the Board in case of any emergency originating in or threatening his Condominium Unit whether the Owner is present at the time or not. Any Owner shall permit other persons, or their representatives, when so required, to enter his Condominium Unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, or to make structural repairs, provided that requests for entry are made in advance, and that such entry is at a time convenient to the Owner. In case of emergencies, such right of entry shall be immediate.

Section 6.03. Right of Board to Adopt Rules and Regulations
The Board may promulgate such additional rules and regulations regarding the operation of the Property, including but not limited to the use of the Common Areas and Limited Areas, as it may deem necessary from time to time and such rules as are adopted may be amended by a vote of a majority of the Board, and the Board shall cause copies of such rules to be delivered or mailed promptly to all Owners.

ARTICLE VI

Amendment to By-Laws

Section 7.01. These By-Laws may be amended by a vote of not less than fifty-one percent (51%) of the Owners in a duly constituted meeting called for such purpose.

ARTICLE VIII

Mortgages

Section 8.01. Notice to Association. Any Owner who places a first mortgage lien upon his Condominium Unit or the Mortgagee shall notify the Secretary of the Association and provide the name

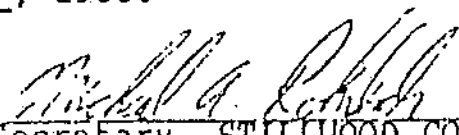
address of the Mortgagee. A record of such Mortgagee and name and address shall be maintained by the Secretary, and any notice required to be given to the Mortgagee pursuant to the terms of the Declaration or these By-Laws shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record in the time provided. Unless notification of any such mortgage and the name and address of Mortgages are furnished to the Secretary, either by the Owner or the Mortgagee, no notice to any Mortgagee as may be otherwise required by the Declaration or these By-Laws shall be required, and no Mortgagee shall be entitled to vote on any matter to which he otherwise may be entitled by virtue of the Declaration or By-Laws or proxy granted to such Mortgagee in connection with the Mortgage.

Section 8.02. Notice of Unpaid Assessments. The Association shall, upon request of a Mortgagee, a proposed mortgagee or purchaser who has a contractual right to purchase a Condominium Unit, furnish such Mortgagee or purchaser a statement setting forth the amount of the unpaid Regular or Special Assessments against the Condominium Unit, which statement shall be binding upon the Association and the Owners, and any Mortgagee or grantee of the Condominium Unit shall not be liable for nor shall the Condominium Unit conveyed be subject to a lien for any unpaid assessments in excess of the amount set forth in such statement.

CERTIFICATE

I hereby certify that the foregoing is a true, complete and correct copy of the By-Laws of STILLWOOD CONDOMINIUMS HORIZONTAL PROPERTY REGIME, as adopted by the initial Board of Directors at its initial meeting on the 20th day of September, 1988.

IN WITNESS WHEREOF, I hereunto set my hand and seal this 20th day of September, 1988.


Secretary, STILLWOOD CONDOMINIUMS
ASSOCIATION

FIRST AMENDMENT TO CODE OF BY-LAWS
OF
STILLWOOD CONDOMINIUMS HORIZONTAL
PROPERTY REGIME

The undersigned, being the record owners of condominium units in Stillwood Condominiums Horizontal Property Regime, a Horizontal Property Regime in Allen County, Indiana, constituting not less than 51% of the owners of units of said Horizontal Property Regime, hereby amend the Code of By-Laws of Stillwood Condominiums Horizontal Property Regime, which are recorded in the Offices of the Recorder of Allen County, Indiana, as Instrument W-7985, and recorded September 26, 1988, by adding two (2) new sections (Sections 3.14 and 3.15, and amending Section 6.01(f)), set forth below as follows:

Section 3.14 Number of Board of Directors.
Notwithstanding anything set forth to the contrary in the original Code of By-Laws, the Board of Directors shall be composed of five (5) persons.

Section 3.15 Amended Duties of the Board of Directors.
Notwithstanding anything in the original Code of By-Laws to the contrary, the Board of Directors shall have no responsibility for the maintenance and repairs needed within the interior and exterior walls of each owner's home, including, but not limited to, exterior painting, exterior wall maintenance, exterior lighting fixtures, electrical service lighting, roof repair and replacement, flower gardens, trees, and shrubbery (except for the maintenance of the shrubbery located immediately to the front of each unit, which shall remain the responsibility of the Association). The Association shall remain responsible for all duties set forth in the original Horizontal Property Regime, except as specifically modified herein, and the Association shall continue to have the following duties (by way of example and not by way of limitation) lawn care and maintenance, snow removal on each unit's driveway and sidewalks, and pruning and mulching of vegetation located immediately to the front of each unit. Each owner shall be directly responsible for the maintenance and repair of those Limited Common Areas adjacent to an owner's unit. The Association shall have no responsibility for the performance of maintenance or repairs to the Limited Common Areas or to the exterior of the units, if the same has specifically been allocated to owner in this section.

Section 3.07(f) Employment of a Managing Agent.
Notwithstanding anything in the original Code of By-Laws to the contrary, the Board of Directors may only employ a managing agent or a real estate management company to assist the Board in performing its duties, only after an affirmative vote by a majority of owners approving the same.

Section 6.01(f) Animals. Notwithstanding anything to the contrary in the original Code of By-Laws, no animals, livestock or poultry of any kind shall be raised, bred or kept in any Home or in the Common Areas or Limited Areas, except that small pet dogs, cats, or customary household pets may be kept in a Home, provided that such pet is not kept, bred, or

maintained for any commercial purposes, and does not create a nuisance. Pets shall be walked on a leash and an Owner shall be fully liable and responsible for any damage to the Common Areas or Limited Areas caused by his pet. Pets shall also be tethered within the limited areas. Pet leavings on the main grounds and walks should be picked up by the pet's owner and disposed of in a proper receptacle.

Section 5.05(f) Lien for Assessments. All liens assessed but unpaid by an owner for his share of common expenses chargeable to a respective condominium unit shall include a late fee of Five and no/100 DOLLARS (\$5.00) if received more than thirty (30) days from the due date of any installment, and an additional late fee of Five and no/100 DOLLARS (\$5.00) shall become due and payable for each and every additional month that such installment is delinquent.

All other terms and provisions of said Code of By-Laws of Stillwood Condominiums Horizontal Property Regime shall remain in full force and effect and are not altered or modified except as specifically set forth in this Amendment.

IN WITNESS WHEREOF, the undersigned owners of not less than Fifty-one percent (51%) of the units in Stillwood Condominiums Horizontal Property Regime do hereby execute this First Amendment to the Code of By-Laws of Stillwood Condominiums Horizontal Property Regime, as their free and voluntary act and deed.

AMENDMENT TO DECLARATION OF
HORIZONTAL PROPERTY OWNERSHIP STILLWOOD
CONDOMINIUMS HORIZONTAL PROPERTY REGIME

THIS AMENDMENT, made this _____ day of _____ 1995,
by STILLWOOD CONDOMINIUMS ASSOCIATION,

WITNESSETH:

WHEREAS, by the DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP, STILLWOOD CONDOMINIUMS HORIZONTAL PROPERTY REGIME recorded in the Office of the Recorder of Allen County, Indiana, on September 26, 1988, as Document 88-039530, recorded in Cabinet A, page 100, the Declarant, Commercial Equity Resources, Inc., submitted certain real estate to the Horizontal Property Act of the State of Indiana, said regime being known as Stillwood Condominiums; and

WHEREAS, the absolute right to amend said Declaration is reserved to the Stillwood Condominiums Association upon approval of not less than Seventy-five percent (75%) of the owners;

NOW, THEREFORE, Stillwood Condominium Association (hereinafter sometimes "Association"), upon approval of not less than Seventy-five percent (75%) of the owners of the designated vote at a meeting duly held in accordance with the provisions of the Horizontal Property Regime and the By-Laws, hereby amends the Declaration by adding thereto three (3) new paragraphs as follows:

30. Exterior Maintenance By Owner. Notwithstanding anything to the contrary in the original DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP STILLWOOD CONDOMINIUM HORIZONTAL PROPERTY REGIME, each owner shall be liable and responsible for the maintenance and repairs needed within the interior and exterior walls of each owner's home, including, but not limited to, exterior painting, exterior wall maintenance, exterior lighting fixtures, electrical service lighting, roof repair and replacement, flower gardens, trees, and shrubbery (except for the maintenance of the shrubbery located immediately to the front of each unit, which shall remain the responsibility of the Association). Each owner shall be directly responsible for the maintenance and repair of those Limited Common Areas adjacent to the owner's unit. The Association shall continue to have the following duties (by way of example and not by limitation), lawn care and maintenance, snow removal on each unit's driveway and sidewalks, and pruning and mulching of shrubbery located immediately to the front of each unit. The Association shall have no responsibility or obligation for the performance of maintenance or repairs, if the same has specifically been allocated to owner in this section.

31. Insurance Coverage By Owner. Notwithstanding anything to the contrary in the original DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP STILLWOOD CONDOMINIUMS HORIZONTAL PROPERTY REGIME, each owner shall individually obtain and pay for fire and extended coverage insurance insuring each owner's home in an amount equal to the full replacement costs thereof, such insurance having the designation of HO-3 or HO-5, or other designation as is appropriate for insurance coverage for individual condominium units. The premiums for all such owner's insurance shall be paid by each owner directly to the owner's insurance company.

Each owner shall annually submit proof of such insurance to the Association, and the Association shall maintain a file thereon. In the event all or any portion of a home or homes are destroyed by the occurrence of fire or other casualty, each owner shall cause his home therein to be promptly repaired and restored. The Association shall continue to obtain comprehensive public liability insurance in such limits as the Board of Directors shall deem appropriate, together with workman's compensation insurance and other liability insurance if deemed necessary or appropriate by the Board of Directors, to ensure against any potential common liabilities.

32. Architectural Control. In order to assure a quality environment and protection of property values, all plans and specifications for any improvement for any unit must be submitted to the Architectural Control Committee, prior to construction. The Architectural Control Committee, which shall consist of no less than three (3) members, shall be appointed by the Association Board of Directors. The submission will be made to the Architectural Control Committee and must include: drawings of the structure including elevations of all sides, floor plans, sight plans showing placement upon the lot and grade elevations, and description of materials to be used. Any improvements, including normal painting, repair and maintenance, are to be approved by the Architectural Control Committee prior to commencement. The Architectural Control Committee shall not be responsible for any structural defects in such plans or specifications or any building or structure erected according to them.

All other terms and provisions of said STILLWOOD CONDOMINIUMS HORIZONTAL PROPERTY REGIME shall remain in full force and effect and are not altered or modified except as specifically set forth in this Amendment.

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be executed the day and year first above written.

STILLWOOD CONDOMINIUMS ASSOCIATION

BY _____
President

BY _____
Secretary

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, a Notary Public in and for said County and State, this _____ day of _____, 1995, personally appeared _____ and _____, by me personally known and by me known to be the President and Secretary of Stillwood Condominiums Association, who executed the within and foregoing document as the free and voluntary act of said corporation.

WITNESS my hand and notarial seal the day, month and year last above written.

Notary Public

My Commission Expires: _____ Resident of _____ County

This instrument prepared by Terry A. Stauffer, Attorney at Law.

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DECLARATION OF HORIZONTAL
PROPERTY OWNERSHIP
STILLWOOD CONDOMINIUMS
HORIZONTAL PROPERTY REGIME

THIS DECLARATION, made this 20th day of September, 1988, by COMMERCIAL EQUITY RESOURCES, INC., an Indiana corporation (the "Declarant"),

WITNESSETH:

WHEREAS, Declarant possesses the fee simple title to the following described real estate (the "Tract"), located in Allen County, Indiana, to-wit:

A part of the Northwest Quarter of Section 26, Township 31 North, Range 13 East and more particularly described as follows:

Beginning at the Northwest corner of said Northwest Quarter, thence South 88 deg. 59 min. 24 sec. East 329.99 feet along the centerline of Stillhorn Road and the North line of said Northwest Quarter; thence South 00 deg. 20 min. 00 sec. West 1326.60 feet; thence North 89 deg. 06 min. 30 sec. West 322.26 feet to the West line of said Northwest Quarter; thence North 00 deg. 00 min. 00 sec. East along said West line 1327.38 feet to the place of beginning and containing 9.934 acres more or less, subject to easements and rights-of-way of record.

Together with such storm sewer and utility easements as may extend and be appurtenant to the above described tract.

WHEREAS, Declarant, by execution of this Declaration, hereby creates a Horizontal Property Regime upon the Tract, to be known as "STILLWOOD CONDOMINIUMS", subject to the provisions of the Horizontal Property Act of the State of Indiana, and the terms and conditions of this Declaration.

NOW, THEREFORE, Declarant hereby makes this Declaration as follows:

1. Definition. The following terms, as used in this Declaration, unless the context clearly requires otherwise, shall mean the following:

(a) "Act" means the Horizontal Property Act of the State of Indiana, Acts 1963, Chapter 349, Sections 1 through 31, as amended. The Act is incorporated herein by reference.

(b) "Home" means one of the condominium, living units constituting "STILLWOOD CONDOMINIUMS". Each individual unit shall be a separate freehold estate as provided in the Act, consisting of the space bounded by such unit and being more particularly

described and identified on the Site Development Plan and in paragraph 6 of this Declaration. For purposes of the application of the Act to this Horizontal Property Regime, the term "Home", as used in this Declaration and all attending documents shall be deemed to be synonymous with the term "Condominium Unit" as used in the Act. Wherever the term "Condominium Unit" is used in the Act, the same shall be deemed to apply to the term "Home" as used in the documents of this Horizontal Property Regime.

(c) "Association" means the unincorporated association of Co-Owners of STILLWOOD CONDOMINIUMS, more particularly described in paragraph 15.

(d) "Board of Directors" means the governing body of the Association elected by the Co-Owners in accordance with the By-Laws of said Association.

(e) "By-Laws" means the By-Laws of the Association providing for the administration and management of the Property as required by in conformity with the provisions of the Act. A true copy of the By-Laws is attached to this Declaration and incorporated herein by reference.

(f) "Common Areas" means the common areas and facilities appurtenant to the Property as defined in paragraph 7 of this Declaration.

(g) "Common Expenses" means expenses of administration of the Association and expenses for the upkeep, maintenance, repair and replacement of the Common Areas and all sums lawfully assessed against the Owners by the Association or as declared by the Act, this Declaration or the By-Laws.

(h) "Condominium" means real estate lawfully subjected to this Declaration and the STILLWOOD CONDOMINIUMS HORIZONTAL PROPERTY REGIME.

(i) "Co-Owners" means the Owners of all the Homes.

(j) "STILLWOOD CONDOMINIUMS" means the name by which the Property and Horizontal Property Regime shall be known.

(k) "Limited Areas" or "Limited Common Areas" means the limited common areas and facilities as defined in paragraph 8 of this Declaration.

(l) "Mortgagee" means the holder of a first mortgage lien on a Home, or Condominium unit.

(m) "Percentage Interest" means the percentage of undivided interest in the fee simple title to the Common Areas and Limited Areas appertaining to each Home as determined in accordance with paragraph 9 of this Declaration.

(n) "Site Development Plan" means the layout drawing of the Tract and Homes for STILLWOOD CONDOMINIUMS prepared by J. L. Russell, Associates, Inc., Engineers and Surveyors, representing the proposed development of the Tract, said layout drawing, together with the legal description appearing thereon being marked Exhibit "A" and incorporated herein by reference.

(o) "Floor and Building Plans" means the architectural drawings detailing the layout, location, identification and dimensions of the respective proposed Homes to be located on the Tract, to be prepared by J. L. Russell Associates, Inc., Engineers and Surveyors, which said Floor and Building Plans, when prepared and filed in the Office of the Recorder of Allen County, Indiana shall be deemed incorporated herein by reference.

(p) "Property" means the Tract and the appurtenant easements, including therein any annexations or additions thereto, the Homes, improvements, and property of every kind and nature whatsoever, real, personal and mixed, located upon the Tract and used in connection with the operation, use and enjoyment of STILLWOOD CONDOMINIUMS.

(q) "Project" means the condominium project known as STILLWOOD CONDOMINIUMS HORIZONTAL PROPERTY REGIME, including therein all Property comprising the same.

(r) "Tract" means the real estate described in the premises hereto.

(s) "Condominium Interest" shall mean the following:

(1) Fee simple title to an Home.

(2) An undivided percentage interest as a tenant in common, together with all other Owners, in the Common Areas and Limited Common Areas of the Tract.

(3) An exclusive right to use the areas described in the Declaration, Plans and accompanying documents, as "Limited Common Areas" and restricted to the use of the Owner's respective Home.

(4) A membership in the Association, as hereinafter defined, subject to this Declaration, the By-Laws of said Association, and all governing documents of said Association.

2. Declaration. Declarant hereby expressly declares that the Property shall be a Horizontal Property Regime in accordance with the provisions of the Act.

3. Description of Homes. The number of Condominium units shall be thirty-four (34) Homes on the Tract, as shown on the Site Development Plan. The Homes are identified and referred to in the Site Development Plan and in this Declaration by unit number. Said Homes may be further described by street numbers assigned by the Allen County Plan Commission.

4. Building Locations. The Site Development Plan shall disclose the location of streets and the general location and size of the condominium units. The location of the Homes upon the building sites shall be controlled by and in accordance with the following provisions:

(a) Developer's Improvements. Before any Home shall be occupied, the Developer or any subsequent Owner of any building site shall install improvements serving said building site as provided in the Site Development Plan for this Regime. This covenant shall run with the land and be enforceable by the County of Allen State of Indiana, or by any Owner within the Regime.

(b) Permits. Before any site may be used or occupied, such user or occupier shall first obtain from the Allen County

Zoning Administrator the Improvement Location Permit and Certificate of Occupancy as required by the Allen County Zoning Ordinance.

(c) Surface Drainage Easements. Surface drainage easements and Common Areas used for drainage purposes as shown on the Site Development Plan are intended for either periodic or occasional use as conductors for the flow of surface water runoff to a suitable outlet, and the land surface shall be constructed and maintained so as to achieve this intention. Such easement shall be maintained in an unobstructed condition and the County Surveyor or a proper public authority having jurisdiction over storm drainage shall have the right to determine if any obstruction exists and to repair and maintain or to require such repair and maintenance as shall be reasonably necessary to keep the conductors unobstructed.

(d) Obstructions. All easements shall be kept free at all times of permanent structures except improvements installed by an authorized utility and removal of any obstruction by a utility company shall in no way obligate the company to restore the obstruction. Any structure, shrubbery, trees, or other installation located on easements for public and municipal utilities and sewers, whether temporary or permanent, shall be subject to the paramount right of the utility or sewage treatment works to install, repair, maintain or replace its utility and sewer installation.

(e) Run With The Land: Amendment. The covenants and restrictions herein contained shall run with the land and be effective from the date of recordation of this Declaration; provided, however, the Declarant, its successors or assigns, shall have the exclusive right with five (5) years from the date of recording of this Declaration to amend any of the covenants and restrictions contained in this paragraph as well as any other covenants and restrictions contained in this Declaration or the By-Laws, with the approval of the Allen County Plan Commission.

5. Identification of Homes. Each Home will be identified by street numbers assigned by the Allen County Plan Commission.

The Site Development Plan of the Tract submitted herewith sets forth the location of the Homes to be placed upon the Tract as described in paragraph 4 above, sets forth the relation of the Homes to streets, and establishes the proposed placement of Homes upon the Tract. To be superimposed upon the Homes as described and outlined in said Site Development Plan are the street numbers corresponding to the designation of the Homes in said Tract. (The street numbers designating the Homes shall also be set forth on the Floor and Building Plans to further designate the dimensions, layout and location of the respective Homes.)

The legal description for each Home shall be the numerical designation assigned to it as shown on the Floor and Building Plans. By way of example, a given Home shall be legally described as follows: Unit No. 1 STILLWOOD CONDOMINIUMS, a Horizontal Property Regime in Allen County, Indiana, (Also known as _____ Stillwood Drive or Stillwood Court)

6. Description of Homes

(a) Appurtenances. Each Home shall consist of all space within the boundaries thereof as hereinafter defined, and all portions of the Home situated within such boundaries, including but not limited to, all fixtures, facilities, utilities, equipment, appliances, and structural components designed and intended solely and exclusively for the enjoyment, use and benefit of the Home wherein the same are located, or to which they are attached, but excluding therefrom that designed or intended for the use, benefit, support, safety, or enjoyment of any other Home or which may be necessary for the safety, support, maintenance, use, and operation of the Home, or which are normally designed for common use; provided, however, that all fixtures, equipment and appliances designed or intended for the exclusive enjoyment, use and benefit of a Home shall constitute a part of such Home, whether or not the same are located within or partly within the boundaries of such Home. The interior surface of all doors and windows (excluding frames) in the perimeter walls of a

Home, whether or not located within or partly within the boundaries of a Home, and all interior walls within the boundaries of a Home, are considered part of the Home.

No pipes, wires, conduits, or other public utility lines or installations constituting a part of the overall systems designed for the service of any particular Home or adjoining and attached Home or Homes, nor any of the structural members or portions of any kind, including fixtures and appliances within the unit, and adjoining or common walls which are not removable without jeopardizing the soundness, safety, or usefulness of the adjoining and attached Home, shall be deemed to be a part of any Home.

(b) Boundaries. The boundaries of each Home shall be as shown on the Floor and Building Plans without regard to the existing construction measured between the interior unfinished surface of the floors, ceilings and perimeter walls of each Home. In the event any horizontal or vertical Home boundary lines shown on such Plans do not coincide with the actual location of the respective wall, floor or ceiling surface because of inexactness of construction, minor derivations from location according to the Site Development Plan, or for any other reasons, the boundary lines of each Home shall be deemed to be and treated for purposes of occupancy, possession, maintenance, decoration, use and enjoyment, as in accordance with the actual existing construction. In such case, permanent easements for exclusive use shall exist in favor of the Owner of each Home in and to such base lying outside of the actual boundary line of the Home, but within the appropriate wall, floor or ceiling surface of the Home. No part of any Home shall be located nearer than twenty-five (25) feet to a boundary line of the real estate comprising any part of the Tract, nearer than seven (7) feet to the structural portion of any other Home, nor nearer than twenty-five (25) feet to the centerline of any street, except any Home whose front yard adjoins the circular portion of a cul-de-sac street, such Home shall be located no nearer than forty-nine (49) feet from the center of said cul-de-sac.

(c) Size of Home. The Homes shall be one (1) story

(d) Home - Condominium Interest. Each home shall carry with it and have inherent therein a "Condominium Interest", as that term is herein above defined, and said Condominium Interest shall be inseparable from said Home and shall pass with the fee simple interest to said Home as an integral part thereof.

7. Common Areas and Facilities. Common Areas means and includes all portions of the Tract and the improvements thereon, except the portion assigned or to be assigned to fewer than all of the Owners, or to the Association, all as provided for in this Declaration, the By-Laws of the Association, and the Site Development Plan of STILLWOOD CONDOMINIUMS.

Common Areas shall include, but may not be limited to, the following: (1) the Tract; (2) the yard, driveways and sidewalks; (3) water and sanitary sewer mains or lines serving the Homes; (4) exterior lighting fixtures and electrical service lighting the exterior of the Homes; (5) pipes, ducts, electrical wiring and conduits and public utility lines; and (6) all facilities and appurtenances located outside of the boundary lines of the Homes, except those areas and facilities expressly defined as part of a Home and/or Limited Common Areas.

8. Limited Common Areas and Facilities. Limited Common Areas shall be those portions of the Common Areas described above which are limited in their use and enjoyment to fewer than all of the Owners. Limited Areas and those Homes to which use thereof is limited are as follows:

(a) Entranceways. Entranceways through which access to the Home is obtained are limited to the use and enjoyment of the Home or Homes served by such entranceway and their invitees.

(b) Utilities and Improvements Serving Individual Homes. All utilities lying within the interior dimensions of the perimeter walls of any Home and exclusively serving a particular Home or Homes within the Project shall be deemed to be Limited Common Areas, and shall be restricted to the use and enjoyment of the Home or Homes which they serve. Such utilities

shall expressly be deemed to include all water, sewer, gas, electrical, telephone and heating lines, ducts, improvements and facilities of every type or nature whatsoever. Except as may otherwise be expressly provided, such utilities and all portions thereof lying outside the exterior perimeters of any Home shall be deemed to be and remain Common Areas. In addition to those facilities established as Limited Common Areas above, all air conditioning facilities lying within or without the exterior perimeters of any Home and serving any particular Home shall be deemed to be Limited Common Areas, and shall be restricted to the use and enjoyment of the Home which they serve. Such air conditioning facilities shall include all air conditioning ducts, lines and improvements lying within the exterior perimeters of any Home, all air conditioning condenser units located or lying outside of any Home, and all lines, ducts or facilities connecting any such condenser with any of said lines, ducts or improvements within the perimeters of a Home.

9. Ownership of Common Areas and Percentage Interest. Each Owner shall have an undivided interest in the Common Areas and Limited Common Areas, as tenants in common with all other Owners, equal to his Home's Percentage Interest. The Percentage Interest in the Common Areas and Limited Common Areas appertaining to each Home is set forth in Exhibit "B" attached hereto. The Percentage Interest of each Home shall be equal for all purposes and shall be a percentage equal to the number one (1) divided by the total number of Homes which, from time to time, have been submitted and subjected to the Act and this Declaration as herein provided and which constitute a part of STILLWOOD CONDOMINIUMS. Except as otherwise provided or permitted herein, the Percentage Interest appertaining to each separate Home in the Common Areas and Limited Common Areas shall be of a permanent nature and shall not be altered without the unanimous consent of all the Owners and Mortgagees and then only if in compliance with all requirements of the Act. The Percentage Interest appertaining to each

Home shall also be the Percentage Vote allocable to the Owner thereof in all matters with respect to STILLWOOD CONDOMINIUMS HORIZONTAL PROPERTY REGIME and the Association upon which the Co-Owners are entitled to vote.

10. Encroachments and Easements for Common Areas. If, by reason of the location, construction settling, or shifting of a Home, any Common Area or Limited Area encroaches upon any Home an easement shall be deemed to exist and run to the Co-Owners and the Association for the maintenance, use and enjoyment of such Common Area or Limited Area.

Notwithstanding anything herein above or hereafter set forth, each Owner shall have an easement in common with each other Owner to use all pipes, wires, ducts, cables, conduits, utility lines and other common facilities located in any of the other Homes and serving his Home.

11. Real Estate Taxes. Real estate taxes are to be separately taxed to each Home as provided in the Act. In the event for any year real estate taxes are not separately assessed and taxed to each Home, but are assessed and taxed on the Property as a whole, then each Owner shall pay his proportionate share of the real estate taxes assessed to the land in accordance with the Percentage Interest appertaining to his respective Home, and shall further pay his proportionate share of the taxes on the improvements based upon the ratio between the value of his Home and the sum of the values of all Homes that make up the assessment on improvements. Where replacement costs have been established for purposes of insurance, such replacements costs shall be deemed to establish the relative values of the respective Homes for purposes of this paragraph.

12. Utilities. Each Owner shall pay his own utility costs which are separately metered. Utilities which are not separately metered shall be treated as and paid as part of the Common Expenses, unless otherwise agreed by a majority of the Percentage Vote of the Co-Owners.

13. Private Streets. The streets and entranceways shown on the Site Development Plan known as Stillwood Drive and Stillwood Court shall be private easements for the benefit of all Home Owners and their invitees.

The Declarant grants, dedicates and conveys to each Home Owner, their successors and assigns, their invitees, and all public and quasi-public parties, including by way of illustration and not by way of limitation, fire, law enforcement, emergency, public utility, mail and delivery vehicles, a perpetual right and easement for the purpose of ingress to and egress from STILLWOOD CONDOMINIUMS. These easements may not be accepted by the Allen County Highway Department as part of the County's public road system for maintenance or otherwise; and therefore, the repair and maintenance of said roads and rights-of-way shall be borne equally by the Co-Owners of STILLWOOD CONDOMINIUMS.

14. Easement for Utilities and Public and Quasi-Public Vehicles. All Public and quasi-public vehicles, including but not limited to police, fire and other emergency vehicles, trash and garbage collection, post office vehicles and privately owned delivery vehicles, shall have the right to enter upon the streets, Common Areas and Limited Areas of STILLWOOD CONDOMINIUMS in the performance of their duties. An easement is also granted to all utilities and their agents for ingress, egress, installation, replacement, repairing, maintaining of such utilities, including but not limited to water, sewers, gas, telephones, electricity, and cable television on the Property; provided, however, nothing herein shall permit the installation of sewers, electric lines, water lines, or other utilities, except as initially designed and approved by Declarant or as thereafter may be approved by the Board of Directors of the Association. By virtue of this easement, the electric, telephone and cable television utilities are expressly permitted to erect and maintain the necessary equipment on the Property and to affix and maintain electric, telephone

and cable television wire, circuits and conduits on, above, across and under the roofs and exterior walls of the Homes.

15. Association of Owners. In order to provide for maintenance repair, replacement, administration and operation of the Property and in compliance with the provisions of the Act, there is hereby created an association of the Co-Owners of the Homes in STILLWOOD CONDOMINIUMS, to be known as the STILLWOOD CONDOMINIUMS ASSOCIATION. Each Owner shall be a member of the Association, but membership shall terminate when such person ceases to be an Owner, and will be transferred to the new Owner.

The Association shall elect a Board of Directors annually in accordance with and as prescribed by the By-Laws. The Co-Owners shall be entitled to cast their Percentage Vote for the election of the Board of Directors.

The Board of Directors shall be the governing body of the Association, representing all of the Co-Owners in providing for the management, maintenance, repair, replacement, and upkeep of the Property.

16. Maintenance, Repairs and Replacements. Each Owner shall, at his expense, be responsible for the maintenance, repairs, decoration and replacement within his own Home, except as may otherwise be provided in the By-Laws. Each owner shall repair any defect occurring in his Home which, if not repaired, might adversely affect any Condominium Unit, Common Area, or Limited Area. Maintenance, repairs, replacements and upkeep of the Common Areas and Limited Areas shall be furnished by the Association, and shall be chargeable by the Association to all Homes or fewer than all Homes as the Declaration, the By-Laws and rules and regulations of the condominium Project shall provide. The Board of Directors shall adopt such rules and regulations concerning maintenance, repairs, use and enjoyment of the Common Areas and Limited Areas as it deems appropriate.

The Association shall have the duty of determining by estimate or otherwise and collecting the amount of common expenses necessary

to maintain, repair and administer the STILLWOOD CONDOMINIUMS and all improvements constituting a part thereof, and said duties of the Association shall be more fully set out in the By-Laws thereof consistent with the following general statement of the obligations of said Association. Annually, on or before the date of the regular annual meeting of the Association, it shall notify the Owner of each Condominium Unit of the amount of the estimated annual assessment and shall collect the fractional interest of one-quarter ($1/4$) of the amount thereof quarterly commencing on the 1st day of March of each year and quarterly thereafter through and including the following December 1st. The estimated Common Expenses shall be on a calendar year basis. The Association shall maintain and establish a reserve fund for deferred maintenance, repairs, administration costs, payment of a manager, if necessary, payment of insurance premiums and other matters deemed appropriate.

Common Expenses shall be deemed to include, but shall not be limited to the Insurance Premium for all insurable improvements, administration and management expenses and the cost of maintenance, repair and upkeep of the Common Area. All Owners shall be responsible and liable for a pro-rata share of the Common Expenses.

Notwithstanding anything hereinabove or hereinafter set forth, it is expressly provided that the expense of maintenance repair and upkeep of the Limited Common Areas described and set forth in paragraphs 8(a) and (b) shall be borne exclusively by the owners of the Homes entitled to the use and enjoyment of such Limited Common Area. Except as otherwise provided in the Declaration, By-Laws and rules and regulations of the Association, it shall be the duty of the Association to provide all such maintenance, repair and upkeep of the Limited Common Area described in paragraph 8, and the Association shall have the further responsibility of collecting the expenses of the same incurred with respect to any such Limited Common Areas from the Home Owners entitled to the exclusive use and enjoyment of such Limited Common Area. The

Association may establish uniform reserves with respect to each Home. It shall be understood, however, that any damage caused by an Owner, tenant of an Owner, or guest or invitee of an Owner through said party's negligence, wear or tear, or by his willful acts, shall be the responsibility of the Owner and a lien against the Home of such Owner as hereinafter provided shall exist with respect to any such damage. The Board of Directors of the Association or their designated agent shall have the right at reasonable times and upon reasonable prior notice (except in cases of emergency, in which case no notice shall be required) to enter into each individual Home for the purposes of inspection of the Home, Common Areas, and Limited Areas appurtenant thereto and for the further purpose of replacement, repair and maintenance of the same.

The Board of Directors shall have the sole and exclusive power, authority and obligation to determine all matters affecting assessments, except as may otherwise be provided for in this Declaration and/or the By-Laws. Such power, authority and obligation shall expressly include but shall not be limited to the allocation of all assessments between Homes and Home Owners, the determination of whether property making up any portion of the Project constitutes Common Areas, or Limited Common Areas as provided for in the Declaration and By-Laws, and the determination of whether expenditures with respect to any such property or affecting the same is assessable against all or fewer than all the Owners. Such determinations by the Board shall be binding upon all parties and all Owners unless it shall be shown that said determinations were made in bad faith with an intent to prefer certain Homes or Owners over others, or were made in contravention of the express terms and conditions of the Declaration and/or the By-Laws.

17. Alterations, Additions, Improvements, Partition. No Owner shall make any alterations or additions to the exterior of any Home, or to the Common Areas or Limited Areas without the

prior written approval of the Board of Directors, nor shall any Owner make any alterations to his respective Home and within the boundaries thereof which would affect the safety or structural integrity of the Homes or of any attached and adjoining Homes. No Owner shall bring an action for partition or division of the Common or Limited Areas. There shall be no judicial partition of the Common or Limited Areas, nor shall Declarant or any person acquiring any interest in the project or any part thereof seek any such judicial partition unless the property has been removed from the provisions of the Horizontal Property Act of the State of Indiana, provided, however, that if any Home shall be owned by two or more persons as tenants-in-common, joint tenants or tenants by the entireties, nothing herein contained shall be deemed to prevent a judicial partition between such co-tenants, joint tenants or tenants by the entireties, but such partition shall not affect any other Home.

Cash in lieu of insurance
18. Insurance. The Association, acting through its Board of Directors, shall obtain fire and extended coverage insurance insuring each Home in the Property in an amount equal to the full replacement cost thereof as determined by a qualified appraiser. This amount shall be determined and the insurance shall be renewed, annually. The cost of any appraisal shall be a Common Expense. Such insurance shall (1) provide that notwithstanding any provision thereof giving the insurer an election to restore damage in lieu of a cash settlement, such option shall not be exercisable in the event the do not elect to restore pursuant to paragraph 19; (2) contain a "replacement cost endorsement"; and (3) provide full coverage for replacement of any Home regardless of what damage, if any, is sustained by any other Home. Such insurance coverage shall be for the benefit of each Owner in accordance with the replacement cost established for each respective Home, and, if applicable, the Owner's Mortgagee. The proceeds shall be payable to the Association or the Board of Directors, who shall hold such proceeds as trustee for the

The Association shall also obtain comprehensive public liability insurance in such limits as the Board of Directors shall deem appropriate, together with workmen's compensation insurance and other liability insurance if deemed necessary or appropriate by the Board of Directors. Such insurance shall inure to the benefit of each individual Owner, the Association, the Board of Directors and any Managing Agent or company acting on behalf of the Association. Such insurance coverage shall also cover cross-liability claims of one insured against the other.

*A Cashdown
to the
owner
policy*

The premiums for all insurance shall be paid by the Association as part of the Common Expenses; provided, however, that notwithstanding anything hereinabove or hereinafter set forth, it shall be understood that if there shall appear any appreciable differences in the insurance premiums attributable to the separate Homes, the Board shall have the power and authority within its sole and exclusive discretion to treat those portions of premiums which are above an established base premium applicable to all Homes as Additional Expenses separate from the established Common Expenses. Such additional expense of insurance may be charged to the respective Homes to which they apply individually, and shall constitute obligations exclusive to that Home. The Board shall further have the right to notify the respective Home Owners that insurance premiums shall be paid in whole or in part directly by the Mortgagee, where appropriate, and such direction shall be followed by the Home Owners. By acceptance of the deed to any such Home, each and every Owner of such an Home consents to being charged for such additional insurance premium individually and agrees to pay the same. It shall be further understood and agreed by all parties accepting deeds as title to such Homes that such assessments for additional insurance premiums shall in all respects be enforceable against the Homes to which they apply and the Owners thereof in the same manner as Common Expenses shall be enforceable against all Homes and Owners. Each Owner shall have the right to purchase any additional insurance he may deem

necessary, and each Owner shall be solely responsible for insurance on the contents of his own Home, including all floor and wall coverings, and fixtures and betterments installed by the Owner, and his personal property stored elsewhere on the Property.

19. Casualty and Restoration. In the event all or any portion of an Home or Homes are destroyed by the occurrence of fire or other casualty, the Association shall cause the Home or Homes therein to be promptly repaired and restored. The proceeds of the insurance carried by the Association shall be applied to the cost of such restoration. If the insurance proceeds are not adequate to cover the costs of reconstruction of any Home suffering casualty damage, or in the event there are no proceeds, the costs of restoring the damage suffered by any given Home shall be borne by the respective Owner or Owners of such Home to the full extent of the additional costs and expenses of such restoration or reconstruction over and above the insurance proceeds allocable to said Home. If any Owner refuses or fails to make the required repairs necessary to restore any casualty damage, and shall leave his Home in a state of disrepair, the other Owners shall (or the Association, if such Owners fail) complete the restoration and pay the cost thereof, and the cost attributable to the Owner or Owners who refuse or fail to make such repairs or restoration at the time required by the Board of Directors shall become a lien on such defaulting Owners' Homes and may be foreclosed in the same manner as provided for the lien of Common Expenses.

20. Condemnation.

(a) If all or any part of the Property is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Association and each Owner shall be entitled to participate in the proceedings incident thereto at their respective expense. The Association shall give timely written notice of the existence of such proceedings to all Owners and to all first Mortgagees known to the Association to have an interest in any Home. The expense

of participation in such proceedings by the Association shall be borne by the Association. The Association is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Association in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for any such taking shall be deposited with the Association and such damages or awards shall be applied as herein provided. In the event an action in eminent domain is brought to condemn a portion of the Common Areas (together with or apart from any Home), the Association in addition to the general powers set out herein, shall have the sole authority to determine whether to defend or resist any such proceeding, to make any settlement with respect thereto, or to convey such property to the condemning authority in lieu of such condemnation proceedings.

(b) With respect to any such taking, all damages and awards shall be determined for the taking of the individual Homes and for the taking of the Common Areas and for each Owner's interest therein by the Association. After the damages or awards for such taking are determined, such damages or awards shall be paid to the account of each Owner for the loss of the individual Home plus an amount in proportion to his Percentage Ownership Interest in the Common Areas, unless restoration takes place as herein provided. The Association, if it deems advisable, may call a meeting of the Owners, at which meeting the Owners, by a majority vote, shall decide whether to replace or restore, as far as possible, the Common Areas so taken or damaged. In the event it is determined that such Common Areas should be replaced or restored by obtaining other land or building additional structures, this Declaration and the Site Development Plan attached hereto shall be duly amended by instrument executed by the Association on behalf of the Owners. In the event such eminent domain proceedings result in the taking of or damage to one or

more but less than two-thirds (2/3) of the total number of Homes, then the damages and awards for such taking shall be determined for each Home and the following shall apply:

(1) The Association shall determine which of the Homes damaged by such taking may be made tenantable for the purposes set forth in this Declaration, taking into account the nature of this Project and the reduced size of each Home so damaged.

(2) The Association shall determine whether it is reasonably practicable to operate the remaining Homes of the Project, including those damaged Homes which may be made tenantable, as a condominium in the manner provided in this Declaration.

(3) Subject to the provisions of I.C. 32-1-6-28, should the Association determine that it is not reasonably practicable to operate the undamaged Homes and the damaged Homes which can be made tenantable, then the Project shall be deemed to be regrouped and merged into a single estate owned jointly in undivided interest by all Owners, as tenants in common, in the proportionate ownership interest previously owned by each Owner in the Common Areas. Any decision to terminate the condominium status of the Project must have the approval of first Mortgagees holding the mortgages on Homes possessing at least fifty-one percent (51%) of the votes in the Association.

(4) In the event the Association determines it will be reasonably practicable to operate the undamaged Homes and the damaged Homes which can be made tenantable as a condominium, then the damages and awards made with respect to each Home which may be made tenantable shall be applied to repair and to reconstruct such Home so that it is made tenantable. The restoration shall be performed in accordance with this Declaration and the original Plans and Specifications, unless other action is approved by holders of mortgages on Homes which have at least fifty-one percent (51%) of the votes in the Association. If the cost of such

work exceeds the amount of the award, the additional funds required shall be assessed against the Homes which are tenantable. With respect to those Homes which may not be tenantable, the awards shall be paid as set forth herein, and the remaining portion of such Homes, if any, shall become part of the Common Areas. Upon the payment of such award for the account of the Owner as provided herein, such Home shall no longer be a part of the Project, and the proportionate ownership interest in the Common Areas appurtenant to each remaining Home which shall continue as part of the Project shall be equitably adjusted to distribute the ownership of the undivided interest in the Common Areas among the reduced number of Owners based upon the square footage of the individual remaining Homes in proportion to the total square footage of all the remaining Homes. If two-thirds ($2/3$) or more of the Homes are taken or damaged by such taking, all damages and awards shall be paid to the accounts of the Owners of Homes, as provided herein, and this Condominium Regime shall terminate upon such payment. Upon such termination, the Homes and Common Areas shall be deemed to be regrouped and merged into a single estate owned in undivided interest by all Owners as tenants in common in accordance with the proportionate ownership interest previously owned by each Owner in the Common Areas. In accordance with the provisions of I.C. 32-1-6-28, by agreement of all Owners, and holders of all liens affecting any of the Homes or Common Areas or Limited Common Areas the property may be sold. In such instance, the Association shall record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's authorized officers, the entire premises shall be sold by the Association for all the Owners, free and clear of the provisions contained in this Declaration, the Plans and the By-Laws. The sales proceeds shall be apportioned between the Owners and first mortgagees as their interest may appear on the basis of each Owner's proportionate ownership interest in the regrouped estate. Any damages, awards or sales proceeds provided

in this paragraph to be paid to or for the account of any Owner by the Association shall be applied as set forth herein.

21. Protection of Mortgagee.

(a) Notice to Association. An Owner who mortgages his Home shall notify the Association, giving the name and address of his Mortgagee. Each Mortgagee shall be permitted to notify the Association of the fact that such Mortgagee holds a deed of trust or mortgage on a Home. The Board shall maintain such information in a book entitled "Mortgagees of Condominium Homes".

(b) Notice of Default; Lapse in Insurance. The Association shall notify a first Mortgagee in writing, upon written request of such Mortgagee identifying the name and address of the Mortgagee and the Home number, of any default by the Mortgagor in the performance of such Mortgagor's obligations, as set forth in this Declaration, which is not cured within sixty (60) days. The Association, upon written request, shall notify a first Mortgagee of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

(c) Examination of Books. The Association shall permit a first Mortgagee to examine the books and records of the Association upon request.

(d) Notice of Damage or Destruction. The Association shall furnish a first Mortgagee timely written notice of any substantial damage or destruction of any Home on which the first Mortgagee holds a mortgage if such loss exceeds One Thousand Dollars (\$1,000) and of any part of the Common Areas if such loss exceeds Ten Thousand Dollars (\$10,000).

(e) Management Agreements. Any management agreement and/or service contract entered into by the Association will be terminable by the Association without cause and without payment of a termination fee upon ninety (90) days or less written notice and the term of such management agreement will not exceed the period of three (3) years. In the event of the termination of a

management agreement, as provided herein, the Association shall enter into a new management agreement with a new management agent prior to the effective date of the termination of the old management agreement. Any decision to establish self-management by the Owners Association shall require the prior consent of Owners of Homes to which at least two-thirds (2/3) of the votes are allocated and the approval of first mortgage holders holding mortgages on homes which have at least fifty-one percent (51%) of the votes of the Association.

(f) Taxes, Assessments and Charges. All taxes, assessments and charges which may become liens prior to the first mortgage under local law shall relate only to the individual Condominium Homes and not to the Condominium Project as a whole.

22. Covenants and Restrictions. The covenants and restrictions applicable to the use and enjoyment of the Homes are set forth in Article VI of the By-Laws. These covenants and restrictions are for the mutual benefit and protection of the present and future Owners, and shall run with the land and inure to the benefit of and be enforceable by any Owner, the Co-Owners or by the Association. Present or future Owners of the Association shall be entitled to injunctive relief against any violation of these provisions and shall be entitled to damages for any injuries resulting from any violations thereof, but there shall be no right of reversion or forfeiture of title resulting from such violation.

23. Amendment of Declaration. Amendments to this Declaration shall be proposed and adopted in the following manner:

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

(b) Resolution. A resolution to adopt a proposed amendment may be proposed by the Board of Directors or the Owners of at least a majority of the Percentage Vote.

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

(d) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less than seventy-five percent (75%) in the aggregate of the Percentage Vote. In the event any Home is subject to a first mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the same manner as an Owner if the Mortgagee has given prior notice of its mortgage interest to the Board of Directors in accordance with the provisions of the By-Laws.

(e) Special Amendments. No amendment to this Declaration shall be adopted which changes (1) the Percentage Interest with respect to any Home or the applicable share of an Owner's liability for the Common Expenses, without the approval of one hundred percent (100%) of the Co-Owners, except as otherwise provided in this Declaration.

(f) Recording. Each amendment to the Declaration shall be executed by the President and Secretary of the Association, shall be approved by either the Allen County Plan Commission or Zoning Administrator of Allen County, Indiana, and shall be recorded in the Office of the Recorder of Allen County, Indiana. Such amendment shall not become effective until so executed, approved and recorded.

(g) Correction of Error. Notwithstanding the foregoing or anything herein to the contrary, Declarant reserves, and shall have the continuing right, for a period of five (5) years, without the consent of the Owners or any Mortgagee to amend this Declaration or the By-Laws for the purpose of resolving or clarifying any ambiguities or conflicts herein; or correcting any inadvertent misstatements, errors or omissions herein or to comply with the requirements of any federal, state or local agency or association, provided that no such amendment shall change the stated number of Homes or proportionate ownership interest in the Common Areas attributable thereto.

24. Acceptance and Ratification. All present and future
Mortgagees, tenants and occupants of the Homes shall be

subject to and shall comply with the provisions of this Declaration, the Act, the By-Laws appended hereto, and the rules and regulations as adopted by the Board of Directors as each may be amended from time to time. The acceptance of a deed of conveyance or the act of occupancy of any Home shall constitute an agreement that the provisions of this Declaration, and the Amended or Supplemental Declaration, the Act, the By-Laws and any rules and regulations adopted pursuant thereto, as each may be amended from time to time are accepted and ratified by such Owner, tenant or occupant, and all such provisions shall be covenants running with the land and shall bind any person having at any time any interest or estate in an Home or the Property as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. All persons, corporations, partnerships, trusts, associations, or other legal entities who may occupy, use, enjoy or control a Home or Homes or any part of the Property in any manner shall be subject to the Declaration, the Act, the By-Laws, and the rules and regulations applicable thereto as each may be amended from time to time.

25. Negligence. Each Owner shall be liable for the expenses of any maintenance, repair or replacement rendered necessary by his negligence or by that of any of his invitees, employees, agents or lessees, to the extent that such expense is not covered by the proceeds of insurance carried by the Association.

26. Costs and Attorney's Fees. In any proceeding arising because of failure of an Owner to make any payment required or to comply with any provision of this Declaration, the Act, the By-Laws, or the rules and regulations adopted pursuant thereto as each may be amended from time to time, the Association shall be entitled to recover its reasonable attorneys' fees incurred in connection with such default or failure.

28. Waiver. No Owner may exempt himself from liability for his contribution toward the Common Expenses by waiver of the use

or enjoyment of any of the Common Areas or Limited Areas or by abandonment of his Home.

29. Severability Clause. The invalidity of any covenant, restriction, condition, limitation or other provision of this Declaration or the By-Laws filed herewith shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration or the attached By-Laws.

IN WITNESS WHEREOF, the undersigned have caused this Declaration to be executed the day and year first above written.

DECLARANT

COMMERCIAL EQUITY RESOURCES, INC.

By: Dale H. Alber, President
Dale H. Alber, President

By: Michael A. Rohrbach, Secretary
Michael A. Rohrbach, Secretary

STATE OF INDIANA, COUNTY OF ALLEN, SS:

Before me, a Notary Public in and for said County and State, personally appeared Dale H. Alber and Michael A. Rohrbach, the President and Secretary, respectively, of Commercial Equity Resources, Inc., an Indiana Corporation, who acknowledged execution of the foregoing DECLARATION OF HORIZONTAL PROPERTY OWNERSHIP STILLWOOD CONDOMINIUMS HORIZONTAL PROPERTY REGIME for and on behalf of said corporation.

Witness my hand and Notarial Seal this 20th day of September, 1988.

Gary M. Cappelli
Notary Public

My Commission Expires:

June 9, 1990
Resident of Allen County, Indiana

This instrument prepared by Gary M. Cappelli, Attorney at Law