

DECLARATION OF COVENANTS AND RESTRICTIONS

61969

THIS HERITAGE VALLEY VILLAGE DECLARATION OF COVENANTS AND RESTRICTIONS ("Declaration") is made this day by Coolman & Coolman, Inc., hereinafter called the "Developer."

Preamble

WHEREAS, The Developer is the owner of the real property described in Exhibit A of this Declaration and desires to create thereon the first section of the Community of Heritage Valley Village as a Planned Residential Development, as more specifically defined in the Porter County Zoning Ordinance; and

WHEREAS, the Developer desires to provide for the preservation and enhancement of the property values, amenities, and opportunities in said community contributing to the personal and general health, safety, and welfare of residents and for the maintenance of the land and improvements thereon, and to this end desires to subject the real property described in Exhibit A, together with such additions as may hereafter be made thereto (as provided in Article II), to the covenants, restrictions, easements, charges, and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, to provide a means for meeting the purposes and intents herein set forth and the intents and requirements of the County of Porter, the Developer has incorporated under the laws of this state the Heritage Valley Village Services Assn., Inc.

NOW, THEREFORE, the Developer declares that the real property described in Exhibit A, and such additions thereto as may hereafter be made, pursuant to Article II hereof, is and are and shall be held, transferred, sold, conveyed, and occupied subject to the covenants, restrictions, easements, charges, and liens hereinafter set forth;

*See Exhibit A for lots affected.
Most lots in Phase 1 are not included,
until a supplemental is filed 12/13/92*

AND FURTHER, the Developer hereby delegates and assigns to the Heritage Valley Village Services Assn., Inc., the power of owning, maintaining, and administering the community properties and facilities, administering and enforcing the covenants and restrictions, collecting and disbursing the assessments and charges hereinafter created, and promoting the recreation, health, safety and welfare of the residents.

Article I

Definitions

Section 1. "Approval" shall mean and refer to the issuance by any public agency of written approval, or any written waiver of approval rights, or a letter of "no objection."

Section 2. "Assessable Unit" shall mean and refer to any real property within the Properties which is subject to assessments, as provided in Article V.

Section 3. "Association" shall mean and refer to the Heritage Valley Village Services Assn., Inc., and its successors and assigns.

Section 4. "Book of Resolutions" shall mean and refer to the document containing the rules, regulations, and policies of the Association as they may from time to time be amended.

Section 5. "Cluster" shall mean and refer to a group of Lots or parcels of real estate all of which are subject to the same Supplementary Declaration establishing such cluster.

Section 6. "Common Area" shall mean and refer to all real property and improvements thereon owned or leased by the Association or over which the Association has an easement for maintenance (excepting lots and dwelling units thereon) for the use and enjoyment of the Members.

Section 7. "Condominium" shall mean and refer to any structure governed by a Declaration filed pursuant to the Horizontal Property Act of this state.

Section 8. "Cooperative" shall mean and refer to any Multi-Family Rental Structure in which the Living Units in which proprietary leases are granted are leased by and subject to the control of shareholder members of a residential housing cooperative.

Section 9. "Declaration" shall mean and refer to the covenants, conditions, and restrictions and all other provisions herein set forth in this entire document, as they may from time to time be amended.

Section 10. "Developer" shall mean and refer to Coolman & Coolman, Inc., and its successors and assigns; provided, however, that no successor assignee of the Developer shall have any rights or obligations of the Developer hereunder unless such rights and obligations

are specifically set forth in the instrument of succession or assignment or unless such rights and obligations pass by operation of law. The rights and obligations set forth herein of the Developer shall cease when new Living Unit construction contemplated by the Development Plan is substantially complete or after five years have lapsed since the filing of the last Supplementary Declaration establishing a Cluster. In the event an entity, other than the first Developer, comes to stand in the same relation to the project as the first Developer, that Developer shall hold the same rights and obligations as would then have been held by the first Developer.

Section 11. "Development Plan" shall mean and refer to the total general scheme of intended uses of land in the Properties approved by Porter County, as illustrated in Exhibit B hereof, as may be amended from time to time, and as further defined in Article II, Section 3.

Section 12. "First Mortgage" shall mean and refer to an Institutional Lender who holds the first mortgage on a Lot or Living Unit and who has notified the Association in writing of his holdings.

Section 13. "Founding Documents" shall mean and refer to the Articles of Incorporation of the Association, this Declaration, Supplementary Declarations, and the Association By-Laws, all initially drawn by the Developer and filed and recorded as the case may be, and all as may be duly amended from time to time.

Section 14. "Governing Documents" shall mean and refer collectively and severally to the Founding Documents and the Book of Resolutions, as such may be amended from time to time.

Section 15. "Institutional Lender" shall mean and refer to one or more commercial or savings banks, savings and loan associations, trust companies, credit unions, industrial loan associations, insurance companies, pension funds, or business trusts including but not limited to real estate investment trusts, any other lender regularly engaged in financing the purchase, construction, or improvement of real estate, or any assignee of loans made by such a lender, or any private or governmental institution which has insured the loan of such a lender, or any combination of any of the foregoing entities.

Section 16. "Lead Lender" shall mean and refer to the First Mortgagee holding the greatest number of first mortgages on Lots.

Section 17. "Living Unit" shall mean and refer to any portion of a structure situated upon the Properties and designed and intended for use and occupancy as a residence by a Single Family.

Section 18. "Lot" shall mean and refer to any plot of land shown on the Development Plan, with the exception of Common Area as hereinbefore defined, and to any condominium unit created under the Horizontal Property Act of this state, as such may be amended from time to time, and to each Living Unit within a Cooperative.

Section 19. "Members" shall mean and refer to members of the Association, which shall consist of all Owners and all Occupants.

Section 20. "Neighborhood Common Area" shall mean and refer to portions of the Common Area which are designated as Neighborhood Common Area in the Governing Documents and which are intended primarily for the use and enjoyment of Members residing in such Neighborhood service districts.

Section 21. "Neighborhood Service District" shall mean and refer to a portion of the Properties which is a coherent and defined geographic area within which the Owners and Occupants by virtue of provisions contained in the Governing Documents may share the enjoyment of certain services or rights of use which are not enjoyed by all Members.

Section 22. "Multi-Family Rental Structure" shall mean and refer to a structure owned by a single entity with two or more Living Units under one roof, except where such a structure is a Cooperative.

Section 23. "Notice" shall mean and refer to (1) written notice delivered personally or mailed to the last known address of the intended recipients, or (2) notice published at least once each week for two consecutive weeks in a newspaper having general circulation in Porter County, Indiana.

Section 24. "Occupant" shall mean and refer to an occupant of a Living Unit who is the Owner or contract purchaser or lessee or sublessee who holds a written lease having an initial term of at least twelve months.

Section 25. "Owner" shall mean and refer to (1) the record holder of the fee simple title to any Lot, whether one or more persons or entities, and (2) shareholders members of a Cooperative; the term shall exclude those having such an interest merely as security for the performance of an obligation.

Section 26. "Participating Builder" shall mean and refer to a person or entity who or which acquires a portion of the Properties for the purposes of improving such portion in accordance with the Development Plan for resale to future Owners.

Section 27. "Properties" shall mean and refer to all real property which is hereby subjected to the Declaration, together with such other real property as may from time to time be annexed thereto under the provisions of Article II hereof.

Section 28. "Quorum of Members" shall mean and refer to the representation by presence or proxy of Members who hold fifty percent of the outstanding votes of each voting class.

Section 29. "Quorum of Owners" shall mean and refer to the representation by presence or proxy of Members who hold seventy-five percent of the outstanding Class A votes.

Section 30. "Registered Notice" shall mean and refer to any Notice which has been signed for by a recipient or has been certified by the U.S. Postal Service or other entity as having been delivered (or the delivery of which has been attempted) to the address of the intended recipient. Failure by refusal of an intended recipient to acknowledge such Notice shall nevertheless constitute receipt when such refusal is witnessed by two other people, or by one person if that person is a Postal Service representative.

Section 31. "Single Family" shall mean and refer to a single housekeeping unit which includes not more than three adults who are legally unrelated, together with their legal children.

Section 32. "Supplementary Declaration" shall mean and refer to any declaration of covenants and restrictions which may be recorded by the Developer, which extends the provisions of this Declaration to a Cluster or which contains such complementary provisions for such Cluster as deemed appropriate by the Developer and/or as are herein required.

Section 33. "Zoning Ordinance" shall mean the provisions pertaining to Planned Residential Developments contained in the Ordinance of Porter County, as amended from time to time and as such shall be applicable to the Properties.

Article II

Property Subject to This Declaration

Additions Thereto

Section 1. The "Properties." The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in the County of Porter, State of Indiana, and is more particularly described in Exhibit A and represents a portion of the Planned Residential Development known as Heritage Valley Village.

Section 2. Additions to the Properties. Additional properties may become subject to this Declaration in the following manner:

(a) Additions by the Developer. The Developer shall have the right to subject to the Declaration any additional property which lies within the land area represented by the Development Plan as it may be amended from time to time, provided that not more than five years have lapsed since the filing of the last Supplementary Declaration which subjects a Cluster to this Declaration.

(b) Additions by Lot Owners. The owners of any Lot described in Exhibit B shall have the right to subject such Lot to the Declaration and to the Supplemental Declaration for Thornapple Farms East and Thornapple Farms West or Cotters Mill by filing their Notice of such intention in the office of the recorder of Porter County, Indiana.

(c) Other Additions. Additional land, other than that described above, may be annexed to the Properties upon approval of seventy-five percent of the votes of a Quorum of Owners.

The additions authorized under subsections (a) and (c) shall be made by complying with the requirements of the Zoning Ordinance, by filing of record one or more Supplementary Declarations of covenants and restrictions with respect to the additional property, and by filing with the Association the preliminary plat for such additions.

Section 3. The Development Plan.

(a) Purpose. The Development Plan, illustrated in Exhibit B, is the dynamic design for the staged development of the Properties as a Planned Residential Development which will be regularly modified and amended, as provided herein, during the several years required to build the community. Because the Development Plan is a temporary design, it shall not bind the Developer to make any of the

additions to the Properties which are shown on the Development Plan or to improve any portion of such lands in accordance with the Development Plan unless and until a Supplementary Declaration is filed by the Developer subjecting such property to this Declaration. Thereupon, the Developer shall be obligated to complete development of such Cluster in accordance with the Development Plan currently in effect, unless seventy-five percent of the votes of a Quorum of Owners consent to a change.

(b) Amendments. The Developer hereby reserves the right to add land to or amend the Development Plan for lands which have not yet been made subject to this Declaration, in response to changes in technological, economic, environmental, or social conditions related to the development or marketing of the Properties or in response to changes in requirements of government agencies and financial institutions. Such amendments shall be effected by (1) giving Notice of the proposed changes to the Association, and (2) securing and approval of the Porter County Plan Commission and Board of Zoning Appeals.

Section 4. Merger. In accordance with its Articles of Incorporation, the property, rights, and obligations of the Association may, by operation of law, be transferred to another surviving or consolidated association similar in corporate nature and purposes or, alternatively, the property, rights, and obligations of an association similar in corporate nature and purposes may by operation of law be added to the property, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change, or addition to the covenants established by this Declaration within the Properties except as hereinafter provided. Such a merger or consolidation shall require the assent of seventy-five percent of the votes of a Quorum of Owners.

Article III

Heritage Valley Services Assn., Inc.

Section 1. Organization.

(a) The Association. The Association is a not-for-profit corporation organized and existing under the laws of the state and charged with the duties and vested with the powers prescribed by law and set forth in the Governing Documents, as such may be amended from time to time, provided no other governing Documents than this Declaration shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

(b) Institutional Plan. As the operation responsibilities of the Association expand from those related to the Properties as originally constituted to those required by the fully developed Planned Residential Development of Heritage Valley, this Declaration and the Governing Documents shall guide the controlled and orderly evolution of the Association into a comprehensive community institution with two major operating and administrative levels, each with associated membership rights and assessment obligations:

(1) Neighborhood level refers to the administrative and operation activities construed to be of material benefit primarily to Members of a Neighborhood Service District. A primary purpose of a Neighborhood Service District is to foster a sense of community at

a neighborhood level by establishing an institutional identity at a scale less than that represented by the entire community. Neighborhood Service District boundaries shall be established by the Developer, and the Supplementary Declaration recorded for each Cluster shall designate in which Neighborhood Service District the Cluster is to be located. A Neighborhood Service District Council shall be established for each Neighborhood in accordance with the By-Laws to advise the Board of Directors on matters pertaining to such Neighborhood; a majority of the members of each Council shall be Class A members, unless otherwise provided in the Supplementary Declarations for a Neighborhood.

(2) Community Level refers to the administrative and operational activities construed to be of material benefit to the Members at large without respect to the type of location of Living Unit in which they reside.

(c) Subsidiary Corporations. The Association shall have the right to form one or more subsidiary corporations, for any purposes or purposes deemed appropriate by a majority vote of the Board of Directors. Without limiting the generality of the foregoing, one or more subsidiary corporations may be formed for the operation and maintenance of any specific area or to perform any function within the Properties; however, such subsidiary corporation shall be subject to this Declaration and may not take any action to lessen or abate the rights of Members.

Section 2. Membership.

(a) Membership in the Association shall be divided into two classes of members: Class A members and Class B members.

(b) The owners of any Lot or Living Unit within the Properties shall be a Class A member and shall be entitled to cast one vote for each Lot or Living Unit he owns in any election or in any matters submitted to the Class A members for determination.

(c) The occupant of any Lot or Living Unit within the properties shall be a Class B member and shall be entitled to vote only on non equity matters. Unless he is an owner, he shall only have the one vote appurtenant to occupancy, received through an executed lease.

(d) Exercise of Vote. The vote for any membership which is held by more than one person may be exercised by any one of them, unless any objection or protest by any holder of such membership is made prior to the completion of a vote, in which case the vote for such membership shall not be counted.

Any person or entity qualify as a member of more than one voting class may exercise those votes to which he or it is entitled for each such class of membership.

If fewer than twenty-five percent of all Class A and Class B votes are cast in an election for any elective office, the Board of Directors may declare the results of such election invalid and may elect a Member to fill such office.

Section 3. Board of Directors.

(a) The management of the affairs of the Association shall be vested in a Board of Directors which may exercise all such power of

the Association and do all such lawful acts and things as are not by statute or by the Certificate of Incorporation of the Association, or by this Declaration of Covenants and Restrictions directed or required to be exercised or done by the members.

(b) The Board of Directors shall consist of nine (9) members who shall be at least 21 years of age. The Board shall be divided into three groups whose terms of office shall expire three years after the annual meeting at which they were elected, except that the term of three of the members of the first Board of Directors shall expire after one year; and the term of three of the other members of the first Board of Directors shall expire after two years. Two members of the Board of Directors shall be elected by the owners or occupants of living units in Cotters Mill; two shall be elected by the owners or occupants of living units in Thornapple Farms, located East of Thornapple Drive; two shall be elected by the owners or occupants of living units in Thornapple Farms, located West of Thornapple Drive; and one member shall be elected at large by all the members of the Association except that until 90% of the lots are sold, the At-Large member of the Board of Directors shall be appointed by the Developer. Each of the four areas described in the preceding sentence shall constitute a separate Neighborhood Service District.

(c) Vacancies in the Board of Directors shall be filled without notice to any members by a vote of the majority of the remaining Directors present at the meeting at which such election is held and the Directors so elected shall serve until the next annual meeting of the Association, at which time the appropriate members shall elect a Director to fill the unexpired portion of the term of the vacancy.

(d) The Board of Directors shall adopt resolutions for the regulation and management of the property and affairs of the Association, prepare an annual budget, establish the annual assessments, enter into contracts for and on behalf of the Association, grant easements, employ such agents and staff as are necessary to implement the resolutions of the Association and enforce the governing documents.

(e) The Board of Directors shall appoint an Architectural Review Board which shall review any changes in the development plan and any improvements proposed to be erected upon any lot in Heritage Valley Village. No buildings shall be erected, placed or altered on any lot in Heritage Valley Village until the building plans, specifications and plot plans showing the location of such building have been approved in writing as to conformity and harmony of existing design with existing structures in the neighborhood and as to location of buildings with respect to style, topography and finished ground elevation by the architectural control committee. In the event that said committee or its representatives fail to approve or disapprove such design and location within 30 days after such plans and specifications have been submitted to them, such approval shall not be required and this covenant shall be deemed to have been fully complied with. Developer shall be exempt from the provisions of this paragraph so long as Developer complies with the development plan attached as Exhibit B.

Article IV

Common Areas

Section 1.

Within thirty (30) days after the recording of this Declaration, the Developer may convey to the Association the common area described in Exhibit B attached hereto and made a part hereof. Developer hereby reserves possession of the buildings, driveway and parking lot located on the described real estate for the purpose of maintaining an office and sales area until all of the lots in Thornapple Farms East and Thornapple Farms West have been sold.

Section 2.

All of the other common areas included in the various plats of the property shall may be conveyed to the Association by the Developer after the improvements required under the development plan have been installed. After such conveyance, the Association shall provide for the maintenance and use of such common areas.

Section 3.

An easement of enjoyment and use is hereby granted in, under and over the common areas in each neighborhood service districts and in favor of the owners and occupants in each of said neighborhood service districts and in favor of their invitees and guests. An easement of enjoyment and use in the common area and the improvements located on such property, more specifically described in Exhibit D attached hereto, is hereby granted to each of the members of the Association, subject to the provisions of Section 1 hereof and the following conditions:

(a) The Association may charge each member a reasonable fee for the use of the facilities located in the common area.

(b) The Association may temporarily suspend the right of use of any Association member for non-payment of assessments or violations of any of the governing documents.

(c) The Association may only sell, mortgage or otherwise encumber the common areas upon having first obtained the express written consent of at least 75% of a quorum of owners.

(d) Members of the Association may extend the use of the common areas to members of their family and guests, subject to the rules and regulations established by the Association.

Section 4. Title to Common Area.

The Developer may retain the legal title to areas designated as open space in the Development Plan, or portions thereof. The Developer hereby covenants that such open space or portions thereof that it may convey to the Association as Common Area or to a governmental agency as parkland shall be free and clear of liens and financial encumbrances at the time of conveyance. Assessments may not be used to defray operating and maintenance costs of designated open space which has not been conveyed to the Association.

In the event any open space in the Properties which is not owned by the Association is foreclosed upon, the Association shall have a

right of first refusal to purchase the open space for an amount not more than the outstanding obligation and shall have a period of at least three months from the date of receipt of notice of foreclosure in which to exercise its right of first refusal. If the open space is secured through the obligation on a larger tract of land, the holder shall separate the open space obligation based upon the ratio of a fair appraisal of the open space to fair appraisal of the larger tract. The open space appraisal shall take into consideration its limited developability for commercial and residential use.

Article V

Assessments

Section 1.

The Association is hereby granted the right to obtain an assessment lien against any lot within the Properties by filing of record in the Office of the Recorder of Porter County, Indiana, an assessment lien in the amount of the unpaid delinquent assessment against any lot as more specifically provided for in the By-Laws of the Association.

Section 2.

The assessment lien shall attach to the lot at the time of recordation and shall be subject to, and shall not affect the rights of the holder of, any indebtedness secured by any recorded mortgage upon such lot made in good faith and for value, provided that after the foreclosure of any such mortgage, there may be a lien created pursuant to the applicable declarations and By-Laws securing all assessments, whether regular or special, assessed to such lot. No amendments to this Article shall affect the rights of the holder of any mortgage recorded prior to the recordation of such assessment unless the holder of said mortgage consents to such assessment.

Section 3.

The amount of any general, neighborhood or special assessment shall be determined by the Board of Directors of the Association. However, the neighborhood assessment shall be based upon the recommendation of the neighborhood council established for each Neighborhood Service District.

Section 4.

Annual assessments shall consist of general assessments and neighborhood assessments.

(A) General Assessments.

(1) Purpose. The General Assessment shall be used exclusively to promote the health, safety, and welfare of the Members and in particular to improve, maintain, and operate the Common Area and facilities, more specifically described in Exhibit D, attached hereto and made a part hereof, including funding of appropriate reserves for future repair and replacement.

(2) Basis for Assessment. For General Assessment purposes, there shall be three classes of Assessable Units, all of which shall be assessed at a uniform rate within each class:

Class I. All Living Units which are, or have been, occupied by a Single Family shall be assessed at 100 percent of the General Assessment rate.

Class II. All Living Units for which an Occupancy Permit has been issued by Porter County but which have never been occupied shall be assessed at twenty-five percent of the General Assessment rate commencing ten days after issuance of said permit.

Class III. All Lots which are not otherwise assessable under the Class I and Class II provisions shall be assessed at ten percent of the General Assessment rate, except that a Lot for which a Building Permit has been issued shall be assessed at ten percent of the General Assessment rate for each Living Unit to be constructed on such lot.

(3) Maximum. Until the first day of the first fiscal year following commencement of assessments, the maximum Annual General Assessment shall be \$120.00. The General Assessment shall be used for all general administrative costs and expenses of the Association and for services which directly benefit the common areas made available to all members

(4) Change in Maximum. From and after the first day of the first fiscal year immediately following the commencement of assessments, the Board of Directors may increase the maximum each year by the greater of (1) not more than five percent of the maximum for the current fiscal year, or (2) the percentage increase, if any, over the twelve-month period ending five months before the start of the fiscal year in the Consumer Price Index, or its equivalent, as published by the U.S. Department of Labor for the area which includes the community of Heritage Valley Village. Such increase shall become effective the first day of the next fiscal year.

From and after the first day of the fiscal year immediately following the commencement of assessments, the maximum may be increased above the amount which can be set by the Board with the assent of two-thirds of the votes of a Quorum of Owners.

(B) Neighborhood Assessments.

(1) Purpose. The Neighborhood Assessments shall be used exclusively to promote the health, safety and welfare of the members owning or occupying Living Units in the Neighborhood Service District from which they are collected.

(2) Basis of Assessment. The basis for Neighborhood Assessment shall be the same as the basis for the General Assessments.

(3) Maximum and Change in Maximum. The Maximum Neighborhood Assessment and Change in Maximum Neighborhood Assessment for each cluster shall be fixed at the time of recording the Supplementary Declaration for each cluster.

Section 5. Method of Assessment.

By a vote of two-thirds of the members of the Board of Directors, the Board shall fix the Annual General and Neighborhood Assessments at an amount not in excess of the current maximum for each assessment, provided, however, that the Annual Assessments shall be sufficient to meet the obligations imposed by the Declaration and the Supplementary Declarations. In the event the Board fails to fix an assessment for any fiscal year, then each assessment established for the prior year shall automatically be continued until such time as the Board acts.

Section 6. Date of Commencement of Annual Assessments.

The first Annual Assessment as to each Lot or Living Unit shall commence on the first day of January, 1980.

Section 7. Special Assessments.

(a) Capital Improvement Assessment. The Association may levy in any assessment year a Special Assessment against Assessable Units, applicable to that year and payable over not more than the next three succeeding years, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, or upon public lands within the Properties, provided that any such assessment shall have the assent of two-thirds of the votes of a Quorum of Owners. Special Assessments for Capital Improvements on Neighborhood Common Areas, which will primarily benefit, be paid for, and be maintained by the Owners of that Neighborhood Service District, require only the approval of two-thirds of the votes of a Quorum of Owners of the affected Neighborhood Service District.

(b) Restoration Assessment. The Association may levy a Restoration Assessment upon any Lot whose owner fails to maintain such Lot, or who fails to provide such maintenance funds as may be required by the Supplementary Declaration for such Lot. Restoration Assessments shall be limited to the amount necessary to meet the cost of restoration or deficiency in required funds and the cost of collection thereof.

Section 8. Effect of Non Payment of Assessments.

Any assessment not received by the Association within ten (10) days after the due date shall be deemed delinquent and the Association may (1) declare the remaining unpaid portion of the annual assessment immediately due and payable and (2) assess an additional late charge of no more than 12% of the amount due. Any assessment lien obtained pursuant to this declaration may be enforced by foreclosure against the delinquent Lot as though said assessment lien were a real estate mortgage and the procedure, limitation and remedies of the parties shall be the same as those conferred upon the parties in a mortgage foreclosure action, including costs, expenses and attorneys fees.

Section 9. Exempt Property.

All of the common areas and publicly owned areas within the property shall be exempt from assessment.

ARTICLE VI

Supplementary Declarations

At the time of recording final plats for each Cluster in Heritage Valley, Supplementary Declarations shall be filed setting forth additional protective covenants, restrictions and easements applicable to such Cluster. Such declaration shall also establish the maximum Neighborhood Assessment and change in maximum Neighborhood Assessment applicable to said Cluster.

ARTICLE VII

General Provisions

Section 1. Term.

The foregoing Declaration of Covenants and Restrictions are to run with the land described in Exhibit A hereof and that portion of the land described in Exhibit C, made subject to the same, and shall be binding on all parties and all persons owning said land until December 1, 2000, at which time said Declaration of Covenants and Restrictions shall be automatically extended for successive periods of ten years unless by vote of a two-thirds majority of the Owners of the Lots covered by this Declaration of Covenants and Restrictions it is agreed to change the same in whole or in part. Notwithstanding the preceding sentence, this Declaration of Covenants and Restrictions can be amended by the Owners of 80% of the Lots by executing and recording an amendment hereto at any time.

Section 2. Enforcement.

The right to enforce this Declaration of Covenants and Restrictions by any appropriate action, either seeking damages or equitable relief, is hereby reserved to Heritage Valley Village Services Assn., Inc., an Indiana Corporation, and the several owners of the lots subject hereto and to their respective, heirs, successors and assigns.

Section 3. Certain Rights of the Developer.

For such time as the Developer shall own lots, its rights and interests shall not be prejudiced by any of the following actions unless it shall, in writing, join in such actions.

There shall be no amendments to the Founding Documents which shall:

- (a) Discriminate or tend to discriminate against its rights as an Owner.
- (b) Change Article I, Definitions, in a manner which alters its rights or status.
- (c) Alter its rights under Article II as regards annexation of additional properties.
- (d) Alter the character and rights of membership or the rights of the Developer as set forth in Article III.

(e) Alter previously recorded or written agreements with public or quasi-public agencies as regards easements and rights-of-way.

(f) Deny the right to convey Common Areas to the Association so long as such Common Areas lie within the land area represented in the Development Plan.

(g) Alter its rights as set forth in Article IV relating to design controls.

(h) Alter the basis for assessments.

(i) Alter the Developer's rights as they appear under this article.

Section 4. Limitations.

As long as the Developer has an interest in developing the Properties as defined in Article I hereof, the Association may not use its financial resources to defray any costs of opposing the development activities so long as they remain consistent with the general intents of the Development Plan. Nothing in this Section shall be construed to limit the rights of Members to act as individuals or in affiliation with other Members or groups.

Section 5. Severability.

Invalidation of any one of the foregoing covenants or restrictions shall in no way affect any of the other covenants or restrictions which shall remain in full force and effect.

Section 6. Interpretation.

This declaration shall be liberally construed in favor of the party seeking to enforce the provisions hereof to effectuate the purpose of protecting and enhancing the value, marketability, and desirability of the Properties by providing a common plan for the development thereof.

IN WITNESS WHEREOF, the said Coolman & Coolman, Inc., an Indiana corporation, by and through Robert B. Coolman and Florence E. Coolman, its President and Secretary, respectively executed the above and foregoing this 22^d day of May, 1979.

COOLMAN & COOLMAN, INC.

BY: Robert B. Coolman
Robert B. Coolman, President

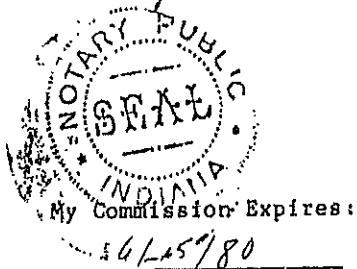
ATTEST:

Florence E. Coolman
Florence E. Coolman

STATE OF INDIANA }
COUNTY OF Porter } SS:

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Robert B. Coolman, President, and Florence E. Coolman, Secretary, to me known to be such President and Secretary of Coolman & Coolman, Inc. and acknowledged the execution of the foregoing Declaration of Covenants and Restrictions for and on behalf of said Corporation and by its authority.

WITNESS my hand and notarial seal this 22^d day
of May, 1979.



William H. Hagan
Notary Public
County of Residence: Porter

Phase I of Heritage Valley as per plat thereof recorded in the Office of the Recorder of Porter County, Indiana, in Plat File 11-B-1, except therefrom Lots 1 through 39 inclusive; Lot 41; Lots 117 through 119 inclusive; Lot 121; Lots 232 through 236 inclusive; Lots 239 through 269 inclusive; and

Phase II of Heritage Valley as per plat thereof recorded in the Office of the Recorder of Porter County, Indiana, in Plat File 11-B-1-A, except therefrom Lots 80 through 83 inclusive; and

PHASE III of Heritage Valley as per plat thereof recorded in the Office of the Recorder of Porter County, Indiana, in Plat File 11-B-1-B, except therefrom Lot 78; and

Phase IV of Heritage Valley as per plat thereof recorded in the Office of the Recorder of Porter County, Indiana, in Plat File 11-B-1-C, except therefrom Lot 125; and

A parcel of land located in the W 1/2 of the NW 1/4 of Section 26, T 35 N, R 6W of the Second Principal Meridian in Centre Township, Porter County, Indiana, more particularly described as follows: Beginning at the NW corner of Lot #122 of Heritage Valley, Phase 4, as per plat thereof, as recorded in Plat File 11-8-1C in the Office of the Recorder of Porter County, Indiana, said Point of Beginning being on the Easterly Right-of-Way line of Thorn Apple Way (an 80 foot wide R/W); thence Along the Northerly Boundary of said Heritage Valley Phase 4 S 88°11' 28" E 725.00 feet to the N-S Centerline of the NW 1/4 of Section 26; thence N 00°15'15"E 949.41 feet to the SW corner of Block 67 of Council Addition to the City of Valparaiso; thence N 89°39'33"W 498.20 feet to the Easterly R/W line of Thorn Apple Way; thence along said R/W line described as follows, thence S12°49'41" W 127.79 feet to the point of beginning of a curve concave Easterly and having a radius of 260.00 feet; thence along said curve an arc length of 36.43 feet, a chord length of 36.40 feet and a chord bearing of S 08°48'49"W; thence S 04° 47' 57" W 130.83 feet to the point of beginning of a curve concave Northwesterly and having a radius of 340.00 feet; thence along said curve an arc length of 231.18 feet, a chord length of 226.75 feet and a chord bearing of S 24° 16' 42" W; thence S 43°45'26" W 45.54 feet to the point of beginning of a curve concave Easterly and having a radius of 260.00 feet; thence along said curve an arc length of 214.59 feet, a chord length of 208.55 feet and a chord bearing of S 20°06'48"W; thence S 03°31'51" E 182.68 feet; thence S 01°32'37"W 20.78 feet to the Point of Beginning containing 13.36 acres, more or less, to be recorded as "Olde Towne," and

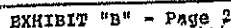
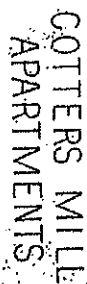
A parcel of land located in the W 1/2 of the NW 1/4 of Section 26, T 35 N, R 6 W of the Second Principal Meridian in Center Township, Porter County, Indiana, more particularly described as follows: Beginning at the NE corner of Lot #119 of Heritage Valley, Phase I as recorded in the Office of the Recorder, in Plat File 11-B-1, in the Courthouse of said Porter County; said point being on the West right-of-way line of Thorn Apple Way; thence South 88 degrees 11 minutes 28 seconds, East 805.0 feet to the North-South Centerline of said NW 1/4 of Section 26; thence North 15 minutes 15 seconds East 949.42 feet; thence South 89 degrees 39 minutes 35 seconds East 498.22 feet to the East right-of-way line of said Thorn Apple Way; thence North 28 degrees 36 minutes 45 seconds West 131.56 feet to the West right-of-way line of said Thorn Apple Way; thence North 88 degrees 48 minutes 19 seconds West 214.0 feet; thence North 25 degrees 10 minutes 10 seconds West 356.89 feet; thence West 280.0 feet to the West property line of Coolwood Acres Subdivision; thence South 706.92 feet along said West line; thence West 310.0 feet along said Coolwood Acres boundary; thence South 269.0 feet; thence South 26 degrees 34 minutes 48 seconds East 422.22 feet; thence South 88 degrees 11 minutes 28 seconds East 519.47 feet to the point of beginning excepting therefrom that portion of the above-described real estate lying East of Thorn Apple Drive, being developed as Cotters Mill, except therefrom the following described real estate:

A parcel of land located in the W 1/2 of the NW 1/4 of Section 26, T 35 N, R 6 W of the Second Principal Meridian, Porter County, Indiana, more particularly described as follows: Commencing at an iron pipe at the NE corner of Lot numbered 1 of Coolwood Acres as per plat thereof, as recorded in Plat Book 17, Page 245, in the Office of the Recorder of Porter County, Indiana; thence South along the East Boundary of Coolwood Acres a distance of 343.08 feet; thence East 320.00 feet to the point of beginning; thence East 217.40 feet to the West Right-of-Way line of Thorn Apple Way; thence South 30°14'19" East along said Right-of-Way line a distance of 105.38 feet to a point on a curve, said curve having a radius of 260.00 feet and being concave Westerly; thence along said curve and right-of-way line an arc length of 89.85 feet, a chord length of 89.40 feet, and a chord bearing of South 20°21'19" East; thence South 10°26'19" East along said Right-of-Way line a distance of 15.00 feet; thence South 85°13'52" West 151.29 feet; thence North 75°23'54" West 75.60 feet; thence South 68°06'06" West 18.20 feet; thence North 18°28'18" West 200.25 feet to the point of beginning. Containing 1.05 acres more or less and subject to legal easements and highways of record; and also excepting:

*Pt
Cotters
Cove*

A parcel of land located in the W 1/2 of the NW 1/4 of Section 26, T 35 N, R 6 W of the Second Principal Meridian, Porter County, Indiana, more particularly described as follows: Commencing at an iron pipe at the NE corner of Lot numbered 1 of Coolwood Acres as per plat thereof, as recorded in Plat Book 17, Page 245 in the Office of the Recorder of Porter County, Indiana; thence South along the East Boundary of Coolwood Acres a distance of 343.08 feet; thence East 320.00 feet; thence S 18°28'18" E a distance of 36.38 feet, to the Point of Beginning; thence S 18°28'18" E a distance of 163.87 feet; thence S 68°06'06" W a distance of 71.34 feet; thence S 17°31'52" W a distance of 51.18 feet; thence S 11°20'32" E a distance of 44.00 feet; thence S 86°12'16" W a distance of 150.08 feet to a point on a curve, said curve having a radius of 200.00 feet and being concave Easterly; thence along said curve an arc length of 51.14 feet, a chord length of 51.00 feet and a chord bearing of N 4°08'43" E; thence N 21°28'13" E a distance of 64.00 feet to a point on a curve, said curve having a radius of 225.00 feet and being concave Southeasterly; thence along said curve an arc length of 241.26 feet, a chord length of 229.87 feet and a chord bearing of N 42°11'20" E to the point of beginning. Containing 0.76 acres more or less and subject to legal easements of record.

*Pt
Cotters
Cove*



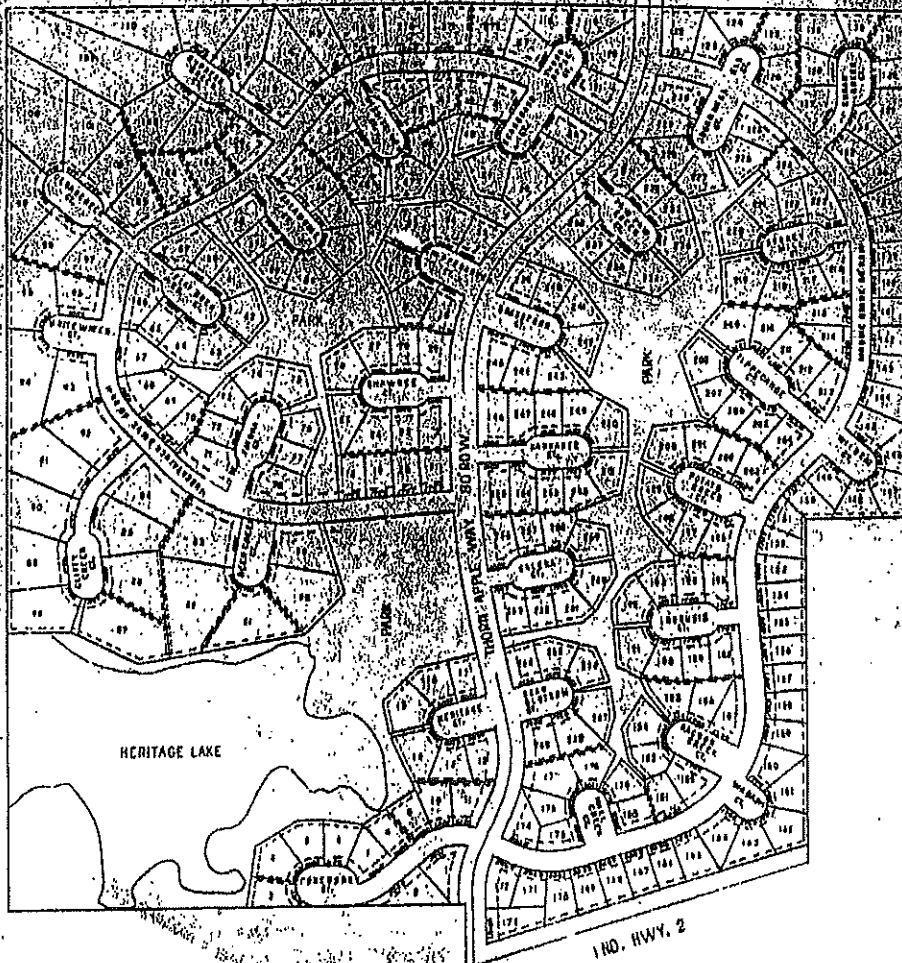
HERITAGE
VALLEY
ON
THORNAPPLE CREEK



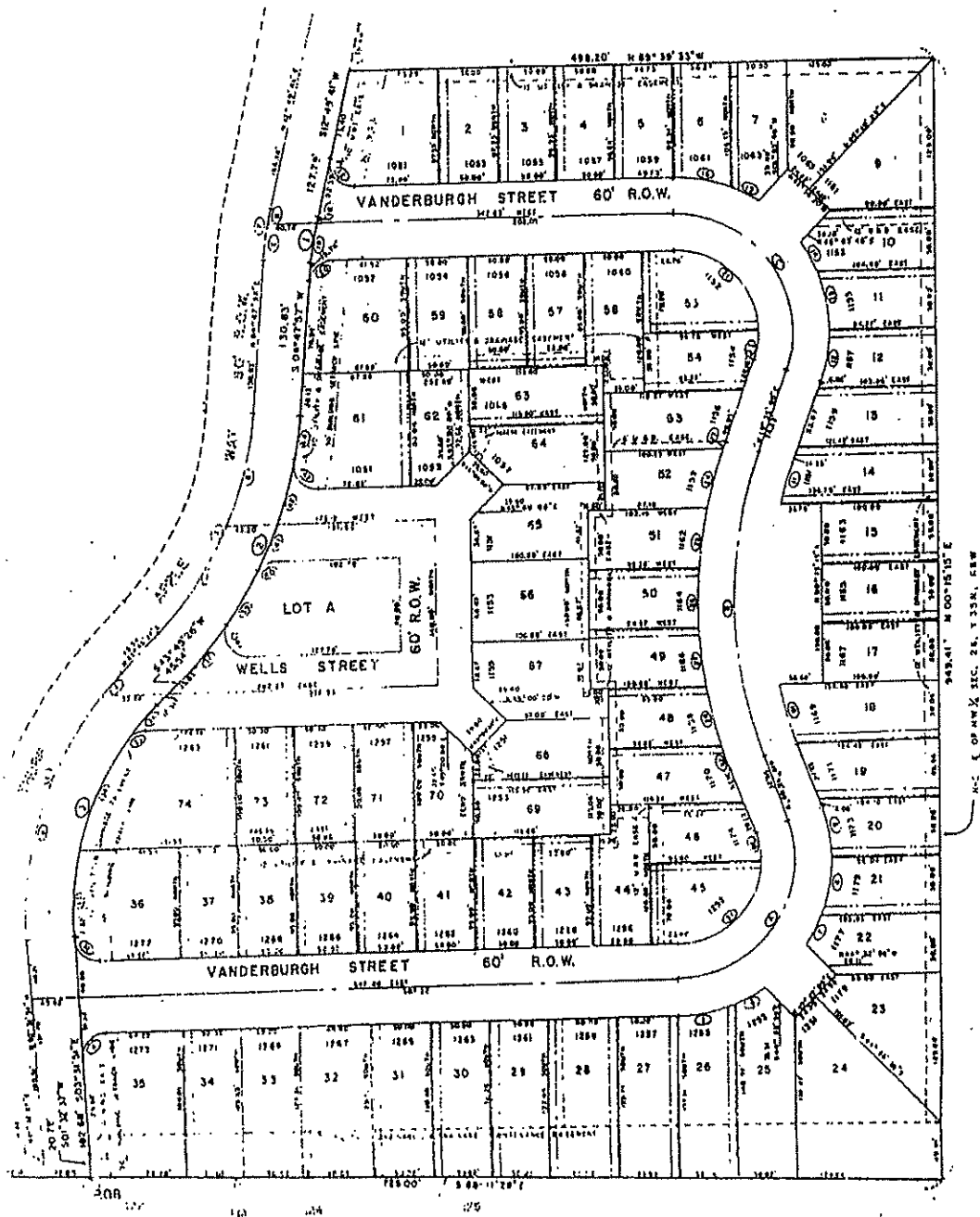
U.S. 30
OFFICE
COMMERCIAL
MULTI-FAMILY
(LODGE HILL APARTMENTS)
See Exhibit "B"
Page 2.

CHIPPING CENTER COMMERCIAL

MAINTENANCE
Older Towne
See Exhibit "B"
Page 3 and
Plat File 11-F-4



Olde Towne



Lots 1 through 39 inclusive; Lot 41; Lots 117 through 119 inclusive; Lot 121; Lots 232 through 236 inclusive; Lots 239 through 269 inclusive of Phase I of Heritage Valley as per plat thereof recorded in the Office of the Recorder of Porter County, Indiana, in Plat File 11-B-1; and

Lots 80 through 83 inclusive of Phase II of Heritage Valley as per plat thereof recorded in the Office of the Recorder of Porter County, Indiana, in Plat File 11-B-1-A; and

Lot 78 in Phase III of Heritage Valley as per plat thereof recorded in the Office of the Recorder of Porter County, Indiana, in Plat File 11-B-1-B; and

Lot 125 of Phase IV of Heritage Valley as per plat thereof recorded in the Office of the Recorder of Porter County, Indiana, in Plat File 11-B-1-C.

SE 17 '80
PORTER COUNTY
FILED FOR RECORD

1979 SEP 10 PM 3 21

C. H. ROBERT LINK
RECORDER

EXHIBIT "C"