

## DECLARATORY STATEMENT OF COVENANTS TO RUN WITH LAND

The undersigned, PAINTED HILLS DEVELOPMENT CO., an Indiana Partnership, which is the successor in interest of NEDD PROPERTIES, INC. and is the owner of certain real property and interests therein of lands situated in Sections 7, 8, 17 and 18 of Twp. 11 N, Range 2 E, in Morgan County, Indiana, a part of which real estate is now and will hereafter be platted as "PAINTED HILLS SUB-DIVISION", of Morgan County, Indiana, and plats of which will subsequently be recorded from time to time in the office of Recorder of Morgan County, and/or in the office of the Morgan County, Indiana, Plan Commission, hereby makes the following Declarations as to limitations, restrictions and uses to which the lots and/or tracts constituting said sub-division may be put, hereby specifying that said Declaration shall constitute covenants to run with all of the land as shall be shown and disclosed on the respective plats as filed, as provided by law, and shall be binding on all platted properties (except as to those areas which may be specifically exempted from the application hereof by appropriate notation on any such plat) and shall be binding on all persons claiming under the undersigned and for the benefit of and limitation upon all future lot owners in said sub-division. This declaration of restrictions is designed for the purpose of keeping said sub-division desirable, uniform and in suitable esthetic, practical and architectural design and use as herein specified;

## COVENANTS AND RESTRICTIONS

In the following Covenants and Restrictions whenever the term "SELLER" shall appear or be used hereinafter, it shall be deemed and construed to mean and include Painted Hills Development Co., its successors and assigns, and whenever the term "PURCHASER" shall appear or be used hereinafter, it shall be deemed and construed to mean and include all "Purchasers" and their respective heirs, legal representative, administrators, executors and assigns, and whenever singular or masculine pronouns are used herein, they shall be construed to mean and include plural and feminine or neuter gender pronouns as the situation shall be.

The SELLER may, from time to time assign to Painted Hills Association, Inc. one or more or all of the rights, privileges, regulatory authorities, duties and obligations it holds pursuant to and under the terms of the following Covenants and Restrictions, and upon assignment thereof, said Painted Hills Association, Inc., shall thereupon be authorized, empowered and obligated to exercise such rights, privileges, duties and obligations as are respectively herein vested in SELLER.

The following restrictive covenants and conditions shall be applicable to and binding upon the lots or parcels of land shown on plats of Painted Hills Development Co., Sub-Division recorded or to be recorded in the Recorder's Office of Morgan County, Indiana, except that the seller may from time to time set aside certain unplatted areas for special usage or future development, which areas may contain special restrictions and/or covenants.

## UTILITIES COVENANT

The PURCHASER understands that at the present time sewage disposal is by means of individual disposal units, and as a partial consideration for the conveyance of the property mentioned on the face of this agreement, the PURCHASER specifically agrees to install on his property only such sewage disposal units as are approved by the SELLER, and/or authorized state or local governmental officials, and further agrees that after installation, the unit shall be kept in good and satisfactory operating condition and shall be subject to periodic inspection by the SELLER.

It is further understood that in the future some form of central sewage plant and collection lines may be required, and in such event the PURCHASER agrees to pay such charges in connection with said system as are uniformly assessed against all other similar lots within the sub-division.

In consideration of the like agreements of other purchasers/owners of lots in Painted Hills Development Co. Sub-division and in the development and maintenance of a water supply system, the PURCHASER agrees to abide by the conditions and stipulation contained in the application for water service agreement which is attached hereto and to be considered a part of this contract, with like effect and enforceability as if contained herein verbatim.

The PURCHASER, in consideration of the presents and of like agreements and covenants by other Purchasers and Lot Owners, covenants and agrees to maintain his membership in Painted Hills Association, Inc., in good standing as long as he owns the above described premises and agrees to abide by the By-Laws of Painted Hills Association, Inc. and further agrees to pay to said Association an annual charge in the amount of \$50.00 payable on the first day of May of the year following the date of this Contract, and a like sum on the first day of May of each succeeding year, so long as he shall own property in Painted Hills Development Co., Sub-Division. \$5.00 of the first annual payment shall be a membership fee, the balance of \$45.00 and the succeeding \$50.00 annual payments being a reasonable, necessary and proportionate charge for the maintenance, upkeep and operation of various areas and facilities by Painted Hills Association, Inc., regardless of whether or not the privilege of using such areas or facilities are exercised. The above charge may not be increased except by vote of 2/3 of the Association's "Active" members. This covenant concerning said real estate and the enjoyment, use and benefit thereof, shall be deemed to run with the land and the non-payment of the annual charges shall, after the respective dates, become a lien thereon in favor of said Painted Hills Association, Inc. and shall be enforceable by said Association.

## RESTRICTIONS

1. The lots shall be used exclusively for residential purposes, except those lots designated as business, commercial, or "special use" areas on the plats aforementioned.
2. All building plans and type of materials must be approved by SELLER and must comply with any existing local building codes in force at the time of construction.
3. No lots may be sub-divided and not more than one single family dwelling house may be erected or constructed on any one lot. However, lots may be divided to increase the size of adjoining lots, but each such enlarged lot shall be considered one lot only. No building may be erected on any lots prior to the erection of a dwelling house, except that a boat house on waterfront lots may be constructed upon receiving prior written permission from the SELLER. No accessory, basement or temporary building, including a boat house, shall be used or occupied as living quarters. No building shall be constructed or erected on said lots unless built of solid or permanent material. No unpainted exteriors shall be permitted without permission. No house trailers, tents, or other similar structures shall be erected, moved onto, or placed upon said premises except in those specific areas which may be designated for such use. No open basements or foundations shall remain unenclosed without permanent sub-flooring for more than 3 weeks. The exteriors of all buildings must be completed within 6 months from the date construction commences. Open pier foundation type construction shall not be permitted without prior permission and written plan approval of SELLER.
4. Minimum residence living space on ground or first floor, exclusive of porch area, shall be in conformity with the letter symbol on each lot as set forth on the plat or plats of Painted Hills Development Co., Sub-division so that the minimum area for lots classified "A" shall be 1200 square feet; the minimum for lots classified "B" shall be 1000 square feet; the minimum for lots classified "C" shall be 800 square feet; the minimum for lots classified "D" or bearing no classified symbol shall be subject to individual determination by SELLER; the minimum residence living space on ground or first floor may be diminished by established percentages for certain types of construction involving second floor plans such as "A: Frames and split levels, provided that before construction is commenced written permission and approval of plans is obtained from SELLER in

accordance with current reduction schedules then utilized. No porch or projection of any building shall extend nearer than twenty-five (25) feet from any road right-of-way; nor nearer than ten (10) feet from the side property line, nor nearer than twenty (20) feet from the rear line, of any lot; nor within fifty (50) feet from the normal water line of any lake which the said respective lots abutt as indicated on Plat or Plats of Painted Hills Development Co. Sub-division without written permission of SELLER. All conditions must comply with the Zoning Regulations of Morgan County, Indiana.

5. No outside toilets shall be allowed. No waste shall be permitted to enter any lakes, and all sanitary arrangements must comply with specifications and regulations of SELLER and local and/or state health officers, and all buildings having plumbing facilities shall be required to connect to central water and sewer systems upon availability of same. No individual drain field or other disposal system shall be allowed nearer than fifty (50) feet from the normal water level of the respective abutting lakes.

6. No Noxious or offensive activity shall be permitted on any lot, nor shall anything be done thereon which shall be or become an annoyance or nuisance to the neighborhood, and SELLER shall determine what constitutes noxious or offensive activity and said determination shall be complete and final. No animals or fowl shall be kept or maintained on said lots except customary household pets in reasonable numbers. No signs of any kind shall be displayed on any lot without written permission of SELLER. Failure to maintain lots in a tidy manner will result in maintenance of the lots by SELLER or the Painted Hills Association, Inc., for which a reasonable charge may be levied against the proper owner.

7. No boat docks, floats or other structures extending into the lake shall be constructed or placed into or on said lake without prior written approval of SELLER. Use of the lake is limited to members of Painted Hills Association, Inc. and such use shall be in compliance with the rules and regulations of said Association. SELLER shall have the use of the lake for its corporate purposes.

8. SELLER, for itself and licensees, reserves a perpetual easement twenty (20) feet in width along the entire shoreline of all lakes, together with an easement fifteen (15) feet in width along both sides of all road rights-of-way and an easement ten (10) feet in width along the side and rear lines of each and every lot, with the right of ingress and egress thereon for the purpose of installing, operating, maintaining and servicing all types of utilities and drainage, ditches and appurtenances thereto, together with the right to trim, cut or remove any trees, or brush necessary for the above purposes. Except, where an owner of two or more lots, the sides of which adjoin, constructs a building which will cross over or through a common lot side line, said consolidated lot shall not be subject to the afore-mentioned side 10 foot easement along the line common to both lots. The owners of lots within the subdivision shall have no cause of action against SELLER, or its licensees either at law or in equity by reason of any damage caused said lots in the installation, operation or maintenance of above mentioned utilities except in cases of gross negligence.

9. As part of the consideration herein the PURCHASER, his heirs, devisees or assigns further agrees that he will not sell, assign or convey any lot or lots to any person or persons not accepted for membership in Painted Hills Association, Inc. This restriction shall not apply to mortgages given to savings banks, institutions for savings, cooperative banks, savings and loan associations, credit unions or other bona fide lenders or lending institutions but shall apply to all conveyances of the equity of redemption in any lot.

10. These restrictions and covenants run with the land and shall bind the PURCHASER, his heirs, executors, administrators, personal representatives and assigns and if any of them shall violate or attempt to violate any of the covenants or restrictions herein contained, it shall be lawful for any person(s) or corporation(s) owning any such lot in the subdivision to prosecute any proceedings at law or in equity against those violating or attempting to violate any such covenants or restrictions and either to prevent him from doing so or to recover damages for such violations. All of the restrictions, conditions, covenants and agreements contained herein shall continue until January 1, 1988, except that they may be changed, altered, amended or revoked in whole or in part by the record owners of the lots in the subdivision whenever the individual and corporate Record owners of at least two-thirds of said platted lots so agree in writing. Provided, however, that no changes shall be made which might violate the purposes set forth in Restrictions No. 1, 2, 3, 4, 5, 6, 7 and No. 8. Any invalidation of any one of these covenants and restrictions shall in no way affect any other of the provisions thereof which shall thereafter remain in full force and effect.

11. The filing and/or recordation of these covenants and restrictions in the office of the Recorder of Morgan County and/or the office of the Morgan County, Indiana Planning Commission shall constitute a recision of any restrictions and covenants heretofore so filed pertaining to said subdivision or development.