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DECLARATIONS OF COVENANTS, CONDITIONS, AND

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RESTRICTIONS FOR CHATEAU WOODS ADDITION

MAR 20 1991

This Declaration, made this 1st day of March, 1991 by the Lake County Trust Company, Trust Numbers 3950 and 4007, solely as Trustee under certain Trust Agreements dated the 29th day of December, 1989, and known as Trust Numbers 3950 and 4007, hereinafter referred to as "Owner" and/or "Developer."

RECITALS, INTENT AND PURPOSES

WHEREAS, the Owner holds title to certain property in the Town of Dyer, Lake County, Indiana, which is more particularly described on "Exhibit A" attached hereto and incorporated herein by reference; and

WHEREAS, the Developer desires to create on this property, called Chateau Woods Addition, a residential community which if carried to full and final completion, will consist of residential dwelling units consisting of single-family homes. As part of the Chateau Woods Addition development, various community facilities, such as landscaping, open spaces, greenbelts, storm water drainage and retention systems, entrance signs, swimming pool, pavilion, park, playground, and parking areas are or may be provided for the benefit and enjoyment of persons residing in the dwelling units. The area of the property and the common area in the development will require uniform and continuing care and maintenance for the primary benefit and enjoyment of the persons residing in the developments; and

WHEREAS, the Developer has formed the Chateau Woods Property Owners Association, Inc., a not-for-profit corporation, for the purpose of providing for the orderly and proper administration and maintenance of the entrance sign, swimming pool, pavilion, park, playground, and the common area, and for the preservation and enhancement of those portions of the development which are improved by the Developer from time to time, and to administer and enforce covenants, conditions and restrictions of this Declaration and to collect and disburse assessments and charges hereinafter created; and

WHEREAS, the Developer may from time to time convey or cause to be conveyed portions of Chateau Woods Addition herein defined as common area, to the Property Owners Association, and subject portions of this property to this Declaration and to the covenants, restrictions, conditions, easements and liens described in this Declaration for the benefit of all or part of the property and each owner of a lot thereon and which shall attach to and constitute covenants running with the land;

NOW, THEREFORE, the Owner and the Declarant hereby declare that all of the property described on "Exhibit A" shall be held, sold and conveyed subject to the following easements, restrictions,

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INDIANA DIVISION

STATE OF INDIANA

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covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the property. These easements, covenants, restrictions and conditions shall run with the property as part of a general plan of development and shall be binding on all parties having or acquiring any right, title or interest in the property or any part thereof, and shall inure to the benefit of each owner thereof.

## ARTICLE I DEFINITIONS

As used herein or elsewhere in these documents, unless otherwise provided, or unless the context requires otherwise, the following terms shall be defined as provided in this Article:

A. Assessments: that portion of the cost of construction, maintaining, repairing, and managing the common area as set forth in the Articles of Incorporation and the By-Laws of the Association.

B. Association: the Chateau Woods Property Owners Association, Inc., a not-for-profit corporation to be organized under the laws of the State of Indiana, and its successors. Copies of the proposed Articles of Incorporation and the By-Laws are attached hereto and made a part hereof as "Exhibit B" and "Exhibit C", respectively.

C. Common Area: shall mean all the property owned by the Association for the common use and enjoyment of the members of the Association and consisting of private rights of way, greenbelts, storm water drainage and retention system and other areas conveyed to the Association pursuant to Article III.D. hereof.

D. Declaration: this instrument, including any provision of which from time to time may be lawfully amended and/or supplemented by additional property as provided in Article III.E. hereof.

E. Developer: the beneficiaries under Lake County Trust Company, Trust Numbers 3950 and 4007.

F. Expenses: the actual and estimated cost of:

1. Maintenance, management, operation, repair and replacement of the entrance sign(s), swimming pool, pavilion, park, playground equipment, landscaping, open spaces, storm water drainage and retention systems, fencing, parking area, and other improvements to the common area, whether the same be initially installed by the Developer or by the Association. Further, the expenses shall include the cost of construction or improvement of those facilities determined by the

Association to be for the benefit and betterment of those persons living within the Chateau Woods Addition and to be used by such owners and owned, operated and managed by the Association.

2. Management and administration of the Association, including, but not limiting the same, to compensation paid by the Association to a managing agent, accountants, attorneys, and other employees, if any.
3. All sums lawfully assessed against lot owner by the Association.
4. Expenses agreed upon as common expenses by the Association.
5. Any other items held by or in accordance with other provisions of this Declaration, or a required by statute.

G. Lot: shall mean and refer to that portion of the property designated for single family residence.

H. Lot Owner: shall mean and refer to the record owner of a lot, whether one or more persons or entities who own fee simple title in any lot which is part of the property, including contract buyers, but excluding those having such interest merely as security for performance of an obligation.

I. Member: shall mean and refer to every person or entity who holds Membership in the Association.

J. Plat: is hereby designated and defined to mean, attached and incorporated herein by reference:

1. The Plats of the Chateau Woods Addition, Town of Dyer, Indiana, as the same may be platted, approved and recorded from time to time in the office of the Recorder of Lake County, Indiana.
2. Such other recorded plats of subdivision that may be approved and recorded under the provisions of Article III.D. and E. hereof.

K. Property: means that it includes the land, buildings, all improvements and structures thereon, and all easements, rights and appurtenances belonging thereto as set forth in Exhibit "A".

ARTICLE II  
MEMBERSHIP AND VOTING RIGHTS

A. Membership: Every person or entity who is the owner of a fee or equitable title of a lot in the property shall be a member of the Association. For the purpose of determining membership, such ownership will be deemed to have vested upon delivery to the Owner of a duly executed deed, or as to subsequent owners, upon delivery to the Association of a certified copy of a duly executed deed or other instrument establishing a change of record title to a lot. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. The membership shall be appurtenant to and may not be separated from ownership of any lot which is within the properties. Nothing herein contained shall be interpreted so as to exclude the Developer from membership while it or its successors in interest, if any, owns one or more lots, or any part of the properties.

B. Voting Rights: There shall be one (1) vote and one (1) voting member for each lot regardless of the number of persons who may have the ownership interest in a lot or the manner in which title is held by them. The vote of the owners of a lot owned by more than one (1) person shall be cast by the person named in a certificate signed by all of the owners of the lot and filed with the secretary of the Association. Such certificate shall be valid until revoked by a subsequent certificate. If the certificate is not on file, the vote of such owner shall not be considered in determining the requirement for a quorum nor for any other purpose.

C. Number and Term of Board of Directors. The initial Board of Directors shall consist of seven (7) directors who shall serve for one (1) year. Each year thereafter until the last lot is sold, the Developer shall have the right to select and designate a majority of the Directors.

D. Election of Board of Directors. Elections of directors shall be done in the following manner:

1. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the By-Laws and the Articles of Incorporation of the Association.
2. Vacancies in the Board of Directors may be filled until the date of the next annual meeting by the remaining directors.
3. Anything herein contained to the contrary notwithstanding, for so long as the Developer owns any lot or any of the property (including any area of future expansion), it shall be entitled to elect a



majority of the directors, which directors need not be owners of a lot within the properties.

ARTICLE III  
PROPERTY RIGHTS

A. Owners' Easement of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the common area, which shall be appurtenant to and shall pass with title to every lot subject to the following provisions:

1. The right of the Association to charge reasonable admissions and other fees for the use of any facilities situated upon any common area.
2. The right of the Association to suspend the voting rights and the right to use of any recreational facilities by an owner for any period during which any assessment against his lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of the public rules and regulations of the Association.
3. The right of the Association to dedicate or transfer all or any part of the common area to any public agency, authority, corporation, or utility for such purposes and subject to such conditions as may be agreed by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer, signed by fifty percent (50%) of all of the owners then existing, has been recorded in the Public Records of Lake County, Indiana.
4. The right of the Association to pass reasonable rules and regulations.
5. The right of the Association to limit the number of guests of members for use of the common areas.
6. The right of the Association to levy assessments as provided in this Declaration.
7. The easements of record and any easements which may hereinafter be granted for utilities, such as drainage, water, gas, sewer, electricity, communication, cable television, and such other easements as may be necessary or desirable.
8. The right of the Developer to the use of the common areas and facilities without charge during the sales and construction period in the property as a part of the overall development program.

9. The right of the Association, in accordance with the Articles and By-laws, to borrow money for the purpose of improving the common area and construction facilities thereon and to secure such loans by mortgages on the common area. The rights of such mortgagee in said common area shall be senior to the rights of the owners hereunder.

B. Access Easement. Every member shall have an easement for ingress and egress to his lot over and across the common area and such other easements that are designed on the plat for access to such common area. Such easements shall be appurtenant to and shall pass with the title to every lot.

C. Delegation of Use. Any member may delegate, in accordance with the By-Laws and Rules and Regulations of the Association, his right of enjoyment to the common area to his family, his tenants, or contract purchasers who reside on the property.

D. Title to the Common Area. The Owner/Developer hereby covenant for themselves, their successors and assigns, that they will cause to be conveyed fee simple title to the common area to the Association, free and clear of all encumbrances and liens, except for the Covenants and Restrictions contained herein, public zoning ordinances, current real estate taxes, if any (which shall be prorated among the parties), and utility easements to be granted for sewer, drainage, water, gas, electricity, communications and such other easements as may be necessary or desirable. Conveyance of said title to such common area shall be by deed to the Association which shall be executed and delivered contemporaneously with the recording of each plat of subdivision.

E. Parking Rights. The Association may provide parking spaces for the convenience of owners, their families and guests while using the common areas. The use of such parking areas shall be subject to rules and regulations adopted by the Association.

#### ARTICLE IV COVENANT FOR MAINTENANCE AGREEMENT

A. Creation of the Lien and Personal Obligation of Assessments. Developer, for each lot owned within the property, hereby covenants, and for each owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements; such assessments to be fixed, established, and collected from time to time, as hereinafter provided. Each assessment, together with such interest thereon and cost of collection thereof, as hereinafter provided, shall be a charge on the lot and shall be a continuing lien thereon. Each such assessment, together with such interest, costs and reasonable

attorneys' fees shall also be the personal obligation of the person who was the owner of such lot at the time when the assessment was levied. The personal obligation shall not pass to successors in title unless expressly assumed.

B. Purpose of Assessment. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the members and, in particular, for the improvement and maintenance of the common area, services, utilities and facilities devoted to this purpose and related to the use and enjoyment of the common area and of the lots. Such assessments may include, but are not limited to, the cost and charges to the Association of all taxes, insurance, repair, replacement, construction and maintenance of the common area, including any walks, roads, streets, street illumination, garage removal, snow removal, sprinkler system, landscaping, open spaces, greenbelts, storm water drainage and retention systems, security stations and personnel, fencing, parking areas, and the construction and maintenance of any buildings as may from time to time be authorized by the Board of Directors, and other facilities, activities, and charges required by this Declaration or that the Board of Directors shall determine to be necessary or desirable to meet the primary purpose of the Association.

C. Annual Assessments. The amount of the annual assessments shall be fixed by the Board of Directors of the Association each year and shall be based upon the projected budget prepared by the Board of Directors for that year.

D. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment for the purpose of paying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a capital improvement upon the common area, including the necessary fixtures and personal property related thereto, PROVIDED THAT, any such assessment shall have the assent of two-thirds (2/3) of the votes of all members entitled to vote at a meeting called for this purpose.

E. The Allocation of Assessments. Both annual and special assessments shall be allocated by the Association against a lot by dividing the total aggregate amount of such annual or special assessments by the number of lots. Assessments shall be collected on a monthly, quarterly, or other basis as determined by the Board of Directors and shall be assessed equally among all lots.

F. Date of Commencement of Annual Assessments. Annual assessments may commence for all lots in Chateau Woods Additions on the first day of the month following the month in which the Developer conveys title to the lot within the Chateau Woods Additions. The Board of Directors shall fix the amount of the



annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. In the event the Board of Directors fails to establish said assessment as provided, the amount of the last annual assessment shall remain in effect for the ensuing year, or until such time as the annual assessment is fixed by the Board of Directors. Written notice of any change in the amount of the annual assessment shall be sent to every owner subject to the assessment. All notices to owners shall be mailed to the address shown on the records of the Association. Monthly assessments shall be due on the first day of each month, or quarter or otherwise as determined by the Board of Directors. A new owner shall be liable for payment of the monthly assessment in the first day of the month following conveyance of title. The Association shall upon demand at any time furnish a certificate in writing, signed by an officer of the Association, setting forth whether the assessments on a specified lot have been paid, and a reasonable charge may be made for the issuance of this certificate. Such certificate shall be conclusive evidence of payment of any assessment.

G. Remedies for Non-Payment of Assessments. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of one percent (1%) per month, and the Association may bring an action of law against the owner personally obligated to pay the assessment, or foreclose the lien against the property; either action shall include interest, costs and reasonable attorneys' fees which shall be added to the amount of the assessment and included in a judgment rendered. The Board of Directors shall perfect such lien by filing notice of the same within sixty (60) days from the date such assessment was due and may foreclose the lien under the laws of the State of Indiana governing mechanics' and materialmen's liens. In such foreclosure, the delinquent owner may be required to pay a reasonable rental for the lot and the Association in such foreclosure shall be entitled to the appointment of a receiver to collect such delinquent assessment. The Association may, in addition to such foreclosure action, file suit to recover a money judgment for unpaid common expenses and such action shall not constitute a waiver of the lien securing such unpaid assessment. If the Board of Directors determines to file foreclosure to collect such unpaid assessments, the Board of Directors acting on behalf of the Association shall have the power to bid on the lot at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. No owner may waive or otherwise escape liability for the assessments by non-use of the common area or abandonment of his lot.

#### ARTICLE V SUBORDINATION OF THE LIEN TO MORTGAGES

The lien of the assessments provided for herein shall be subordinate to a lien of any lot shall not affect the assessment lien. The sale or transfer of any lot pursuant to a mortgage



foreclosure or any proceeding in lien thereof shall, however, extinguish the lien of such assessment as to payments which became due prior to such sale or transfer.

#### ARTICLE VI ARCHITECTURAL CONTROL

No building, wall, improvement or other structure shall be commenced, erected or maintained on the property and no exterior addition, change or alteration shall be made until the plans and specifications, plot lay-out, exterior elevations and landscaping which shall show the nature, kind, shape, height, materials and location of the improvement to be made shall have been submitted to and approved in writing as to the harmony of external design and location in relationship to the surrounding structures, topography, and lot lines by the Architectural Control Committee appointed by the Board of Directors of the Association. In addition, each owner intending to build shall submit a resume as to the experience and financial responsibility of the proposed contractor who is to perform the work. This provision shall not apply to any construction or improvement made by the Developer in connection with the development of the property.

Neither the Developer, the Association, nor the Architectural Control Committee, nor any member thereof, shall be liable for any damage, loss or prejudice suffered or claimed by any owner or contractor who submits such plan on account of (a) any defects in any plans or specifications submitted, revised or approved in accordance with the foregoing provisions; (b) any structural or other defects in any work done according to such plans and specifications; (c) the approval or disapproval of any plans, drawings and specifications, whether or not defective; (d) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications, and (e) the development of any property within Chateau Woods Additions. Any person submitting plans to the Architectural Control Committee shall hold the Developer, the Association, the Architectural Control Committee, or any member thereof, harmless from all damage, loss or prejudice suffered or claimed by any third party, including attorneys' fees incurred.

When the Developer sells the last lot in the Chateau Woods Addition then, the purpose of the committee having been satisfied, the Architectural Control Committee shall dissolve.

#### ARTICLE VII INSURANCE

The insurance which may be carried upon the common area and personal property shall be governed by the following provisions:

A. Authority to Purchase. All insurance policies upon the common area and personal property shall be purchased by the Association for the benefit of the members of the Association. If

the insurance companies issuing said policies agree, such policies shall provide that the insurer waives its rights of subrogation as to any claims against lot owners, the Association, the members thereof and their respective servants, agents and guests. Such policies and endorsements shall be deposited with the Association and held as part of the records of the Association.

B. Policies to be Secured by the Association. The policies to be secured by the Association are as follows:

1. Casualty. The buildings and other insurable improvements upon the common area and all personal property as may be owned by the Association shall be insured in an amount equal to the maximum insurable replacement value thereof (exclusive of excavation and foundations) as determined annually by the insurance company affording such coverage. Such coverage shall afford protection against:
  - (a) loss or damage by fire and other hazards covered by the standard extended coverage endorsement;
  - (b) such other risks as from time to time customarily shall be covered with respect to buildings similar in construction, location and use as the building, including, but not limited to, vandalism, malicious mischief, windstorm and water damage;
2. Public liability, officers, directors and employees liability for errors and omissions, and property damage in such amounts and such forms as may be required by the Association.
3. Workmen's Compensation policy to meet the requirements of law.
4. All liability insurance shall contain cross liability endorsements to cover liabilities of the lot owners as a group to a lot owner.

C. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association and charged as common expenses.

D. Beneficiary of Policies. All insurance policies purchased by the Association shall be for the benefit of the Association and shall provide that all proceeds payable as a result of losses thereunder shall be paid to the Association. Proceeds received from insurance policies shall be used by the Association to repair or replace the property damaged. In the event the proceeds are insufficient, the Association may levy assessments to cover such deficiency.

E. Disposal of Proceeds. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds; and if there is a balance after payment of all costs of the reconstruction or repair for which the proceeds of the policies were received, such balance shall be retained by the Association and regarded as miscellaneous revenue to the Association.

F. Insurance Adjustments. Each member shall be deemed to have delegated to the Board of Directors his right to adjust with insurance companies all losses under policies purchased by the Association.

#### ARTICLE VIII CONVEYANCES

Each owner who sells his lot shall require that his purchaser provide to the Association a copy of the instrument of conveyance. In addition, each owner upon such sale shall endorse to his purchaser his Certificate of Membership in the Association and shall deliver to his purchaser copies of all documentation received by the seller at the time of the initial purchase. The Association shall thereafter issue a new certificate in the name of the purchaser.

#### ARTICLE IX USE RESTRICTIONS

A. Conveyance. Each lot shall be conveyed as a separately designed and legally described freehold estate subject to the terms, conditions and provisions hereof.

B. Use. Lots shall be occupied by a single family only and shall be used as a family dwelling.

C. Construction. All buildings or structures on the property shall be of new construction.

D. Front and Rear Set Back. The minimum front yard set back lines and rear lot lines, if any, shall be designated on the plat.

E. Side Lot Lines. The side lot lines shall meet Dyer town requirements.

F. Signs. No advertising signs (except one of not more than six (6) square feet "For Rent" or "For Sale" sign per lot or unit), billboards, unsightly objects or nuisances shall be erected, placed or permitted to remain on property, nor shall the property be used in any way or for any purpose which may endanger the health or unreasonably disturb the owner of any lot or any resident thereof. No business activities of any kind whatsoever shall be conducted in any building or in any portion of the property; provided, the foregoing covenants shall not apply to the business activities, signs and billboards, or the construction and maintenance of

buildings, if any, of Developer, its agents and assigns during the construction and sale of the property.

G. Parking. Recreational vehicles, campers, boats, trailers, plus trucks and/or other commercial vehicles of more than one ton in size shall not be stored or parked within the property, including the streets and common area unless specific areas for such purposes are designated by the Association.

H. Permanent Structures. No structure of a temporary character, such as a trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on the property at any time as a residence, either temporarily or permanently.

I. Kind of Construction. No building previously constructed elsewhere shall be moved upon any of the property.

J. Approval Prior to Construction. No residence or structure shall be commenced, erected, or maintained on any of the property until the plans and specifications have been submitted to and approved by the Architectural Control Committee as provided in Article VI.

K. Common Area. Common area is reserved for the common use and enjoyment of the owners, their families and invitees, subject to rules and regulations governing such use and enjoyment as may be adopted by the Association.

L. Regulations. Regulations concerning use of the property may be promulgated by the Association as hereinabove set forth; provided, however, that copies of such regulations are furnished to each lot owner prior to the time that the same becomes effective. The proposed initial regulations, which shall be deemed effective until amended by the Association are attached hereto and made a part hereof as "Exhibit D."

#### ARTICLE X AMENDMENT

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

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

B. Resolution. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association, and after being proposed and approved by either of such bodies, must be approved by the other. Directors and lot owners not present at the meeting considering such amendment may express their position in writing or by proxy. An amendment must be adopted by not less than seventy-five percent



(75%) of the total number of Directors and fifty-five percent (55%) of the total membership of the Association.

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

D. Exceptions. The provisions contained in this article shall not apply to or govern acts of the Developer taken pursuant to the provisions of Article III.D. and E.

#### ARTICLE XI TERMINATION

The Declaration shall be terminated, if at all, by the agreement of all the lot owners and their respective mortgagees, which agreement shall be evidenced by an instrument or instruments executed in the manner required for the conveyance of real property. The termination shall become effective when such agreement has been recorded in the Office of the Recorder of Lake County, Indiana.

#### ARTICLE XII GENERAL PROVISIONS

A. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no manner affect or invalidate any of the other provisions, which other provisions shall remain in full force and effect.

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

C. No Dedication to Public Use. Nothing contained in this Declaration shall be construed or deemed to constitute a dedication, express or implied, of any part of the common area to or for any public use or purpose whatsoever.

ARTICLE XIII  
CAPACITY OF TRUSTEE

It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal representations, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally, but this instrument is executed and delivered by said Trustee not in its own rights, but solely in the exercise in the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by not shall at any time be asserted or enforceable against the Lake County Trust Company on account of this instrument or on account of any representations, covenants, undertaking or agreement of said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

IN WITNESS WHEREOF, the Lake County Trust Company, as Trustee, has caused this instrument to be signed by its Trust Officer and Trust Officer, and attested by its Assistant Secretary and Trust Officer and its seal to be hereunto affixed this 19th day of March, 1991.

OWNER: LAKE COUNTY TRUST  
COMPANY, as Trustee under that  
certain Trust Agreement dated  
December 29, 1989, and known as  
Trust No. 4007 and Trust No. 3950

By SEE SIGNATURE PAGE ATTACHED

ATTEST:

By SEE SIGNATURE PAGE ATTACHED

OWNER/DEVELOPER:

It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the warranties, covenants, representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the warranties, indemnities, representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal warranties, indemnities, representations, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said Trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against LAKE COUNTY TRUST COMPANY on account of this instrument or on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

Nothing contained herein shall be construed as creating any liability on LAKE COUNTY TRUST COMPANY, personally under the provisions of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) or the Indiana Responsible Property Transfer Law (the Act) as amended from time to time or any other Federal, State or local law, rule or regulation. LAKE COUNTY TRUST COMPANY, personally is not a "Transferor" under the Act and makes no representations concerning any possible environmental defects. In making any warranty herein the Trustee is relying solely on information furnished to it by the beneficiaries and not of its own knowledge and specifically exculpates itself from any liabilities, responsibilities or damages as a result of including any warranty in this instrument.

The information contained in this instrument has been furnished the undersigned by the beneficiary under aforesaid Trust and the statements made therein are made solely in reliance thereon and no responsibility is assumed by the undersigned, in its individual capacity for the truth or accuracy of the facts herein stated.

IN WITNESS WHEREOF, LAKE COUNTY TRUST COMPANY, not personally but as Trustee as aforesaid, has caused these presents to be signed by its Trust Officer and attested by its Assistant Secretary this 10th day of March, 19 91.

LAKE COUNTY TRUST COMPANY, not personally but as Trustee under the provisions of a Trust Agreement dated December 29, 1989 and known as Trust No. 3950 and Trust No. 4007

BY: Karyn Lasada  
Karyn Lasada, Trust Officer

ATTEST:

BY: Charlotte L. Keilman  
Charlotte L. Keilman, Assistant Secretary

STATE OF INDIANA )

COUNTY OF LAKE )

SS:

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that the abovesigned Trust Officer and Assistant Secretary of the Lake County Trust Company, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Trust Officer and Assistant Secretary respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Company for the uses and purposes therein set forth.

Witness my hand and seal this 10th day of March, 19 91.

Angela Newcomb  
Angela Newcomb, Notary Public

My Commission Expires:

Resident: Lake County, Indiana

April 2, 1994

EXHIBIT "A"

Trust NO. 3950 - Chateau Woods, Addition to Town of Dyer, Lake County, Indiana

Lots 1 thru 3; 8; 13 thru 49; 62 thru 65; 72 & 73; 75 thru 100; 104 thru 124;  
127 thru 131; Outlot A

Trust NO. 4007 - Chateau Woods, Addition to Town of Dyer, Lake County, Indiana.

Lots 54 thru 61; 66 thru 71; 101 thru 103; 125 & 126.





# ARTICLES OF INCORPORATION

State Form 4122 (Rev. 1-28) Corporate Form No. 364-1 (October 1984)

Articles of Incorporation (Not for Profit)

Provided by Evan Bayh, Secretary of State of Indiana.

Approved by State Board of Accounts, 1975

Instructions: Use 8 1/2 x 11 inch paper for inserts  
Present 2 executed copies to:

SECRETARY OF STATE  
Room 155, State House  
Indianapolis, Indiana 46204

Present 2 originally executed copies.

FILING FEE IS \$26.00

I.C. 23-7-1.1-18

For tax exempt status, Not-For-Profit Corporations must file with both the Internal Revenue Service and the Indiana Department of Revenue.

## ARTICLES OF INCORPORATION OF

CHATEAU WOODS PROPERTY OWNERS ASSOCIATION, INC.

(Complete name as will be shown in Article 1)

The undersigned Incorporator or Incorporators, desiring to form a corporation (hereinafter referred to as the "Corporation") pursuant to the provisions of the Indiana Not-For-Profit Corporation Act of 1971 (hereinafter referred to as the "Act"), execute the following Articles of Incorporation:

### ARTICLE I Name

The name of the Corporation is (The name MUST include the word "Corporation" or "Incorporated," or one of the abbreviations thereof):

CHATEAU WOODS PROPERTY OWNERS ASSOCIATION, INC.

### ARTICLE II Purpose

The purposes for which the Corporation is formed are:

SEE ATTACHED PAGES 1a and 1b.

### ARTICLE III Period of Existence

The period during which the Corporation shall continue is:

(The period will be perpetual unless otherwise specified)

### ARTICLE IV Registered Agent, Registered Office, Principal Office

SECTION 1 Registered Agent. The name and address of the Corporation's Registered Agent and Registered Office for service of process are:

Name

Joseph M. Skozen, Attorney at Law

Address (Street or Building and City):

730 Seiberger Drive, Munster

Indiana

Zip Code

46321

SECTION 2 Principal Office. The post office address of the principal office of the Corporation is:

419 Joliet Street, Dyer

Indiana

Zip Code

46311

### ARTICLE V Membership

A minimum of one (1) person shall have signed the membership list. (Directors or Trustees or Incorporators may be included in the membership.)

SECTION 1 Classes (if any):

SEE ATTACHED PAGE 2a.

ARTICLES OF INCORPORATION  
CHATEAU WOODS PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE II - Purposes

The purposes for which the Corporation is formed are:

- A. The Association shall not engage in any activities for the profit of its members, and shall conduct its affairs in such fashion and for such purposes other than for the pecuniary gain of its members, directors, officers or incorporators.
- B. This Association is organized for the purpose of providing a convenient means of administering and providing for the maintenance, preservation and/or architectural control of the single and multi-family residential lots, and common areas within a certain real estate subdivision development known as Chateau Woods Addition.
- C. That the Association shall have all common law and statutory powers of a corporation not-for-profit which are not in conflict with the terms of this Article.
- D. The Association shall have all the powers reasonably necessary to implement the purpose of the Association, including but not limited to the following:
  - 1. To exercise all the powers and privileges and to perform all the duties and obligations of the Association in accordance with the provisions of the Declaration of Covenants, Conditions, and Restrictions for Chateau Woods Addition, and as the same may be amended from time to time.
  - 2. To fix, levy, collect and enforce assessments against members pursuant to the terms of the Declaration.
  - 3. To use the proceeds of assessments and exercise its powers and duties.
  - 4. To provide for the maintenance, repair, replacement, and operation of the Association property.
  - 5. To provide for the reconstruction of improvements after casualty and the further improvement of the property.
  - 6. To make and amend regulations respecting the use of the property described in the Declaration.
  - 7. To enforce by legal means the provisions of the Declaration, these Articles, the By-Laws of the Association, and the regulations for the use of the property in the development.

ARTICLES OF INCORPORATION  
CHATEAU WOODS PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE II - Purposes - continued

8. To contract for the management of the Association property and delegate to such contractor all powers and duties of the Association except such as are specifically required by the declarations to have the approval of the Board of Directors or of the members of the Association.
9. All funds and the titles of all properties acquired by the Association and the proceeds thereof shall be held only for the benefit of the members in accordance with the provisions of the Declaration.
10. To acquire, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association.
11. To borrow money, with the consent of two-thirds (2/3) of the members and to pledge or deed in trust, any or all of its real or personal property as security for money borrowed or debt incurred.
12. To dedicate, sell or transfer all or any part of the common area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless the instrument has been signed by two-thirds (2/3) of the members, agreeing to such dedication, sale or transfer.

## ARTICLE V Membership (continued)

SECTION 1 Rights, Preferences, Limitations, and Restrictions of Classes:

SEE ATTACHED PAGE 2a.

SECTION 2 Voting Rights of Classes:

SEE ATTACHED PAGE 2a.

## ARTICLE VI Directors

SECTION 1 Number of Directors:

The Initial Board of Directors is composed of three (3) members. If the exact number of Directors is

stated, the minimum number shall be three (3) and the maximum number shall be eleven (11) provided, however, that the exact number of directors shall be prescribed from time to time in the By-Laws of the Corporation; AND PROVIDED FURTHER THAT UNDER NO CIRCUMSTANCES SHALL THE MINIMUM NUMBER BE LESS THAN THREE (3).

SECTION 2 Names and Addresses of the Initial Board of Directors are:

Name	No. and Street or Building	City	State	Zip Code
Douglas VanDerNoord	419 Joliet Street	Dyer	Indiana	46311
Harry VanDerNoord	419 Joliet Street	Dyer	Indiana	46311
Thomas Santefort	419 Joliet Street	Dyer	Indiana	46311

## ARTICLE VII Incorporator(s)

Name(s) and Address(es) of the Incorporator(s) of the Corporation is (are) as follows:

Name	No. and Street or Building	City	State	Zip Code
Joseph M. Skozen	730 Seberger Drive	Munster	Indiana	46321

## ARTICLE VIII Statement of Property and Value (If any)

A statement of the property and an estimate of the value thereof to be taken over by the Corporation at or upon its incorporation is as follows:

None.



ARTICLES OF INCORPORATION  
CHATEAU WOODS PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE V - Membership

Section 1.

Classes (if any): There shall be one class of membership. Every owner, or owners, or any lot as defined in the declaration shall be members of the Association, and no other person or entity shall be entitled to membership.

Section 2.

Rights, Preferences, Limitations, and Restrictions of Classes: Every person or entity who is the owner of a fee or equitable title of a lot in the property shall be a member of the Association. For the purpose of determining membership each ownership will be deemed to have vested upon delivery to the owner of a duly executed deed, or as to subsequent owners, upon delivery to the Association of a certified copy of a duly executed deed or other instrument establishing a change of record title to a lot. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance an obligation. The membership shall be appurtenant to and may not be separated from ownership of any lot which is within the properties. Nothing herein contained shall be interpreted so as to exclude Developer from membership while it or its successors in interest, if any, owns one or more lots, or any part of the properties.

Section 3.

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

ARTICLES OF INCORPORATION  
CHATEAU WOODS PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE IX - Provisions for Regulation and Conduct of the Affairs of Corporation

- A. All such provisions as may be found in the By-Laws of the corporation.
- B. The power to make, alter, amend or repeal the By-Laws of the corporation shall be vested in the Directors of the Association, subject to the terms, provisions, and conditions contained in the Declaration.
- C. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the By-Laws, except that the Developer shall have the right to elect a majority of the directors for so long as the Developer owns any lot, or any of the properties, which Directors need not be owners of any lot within the properties.
- D. Every director, officer, and incorporator of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in any connection with any proceeding to which he may be the party, or in which he may become involved, by reason of his being or having been a director, officer, or incorporator of the Association, or any settlement thereof whether or not he is a director, officer, or incorporator at the time such expenses are incurred, except in such cases wherein the director, officer, or incorporator are adjudged guilty of willful misfeasance or malfeasance in the performance of his duty; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approve such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director, officer, or incorporator may be entitled.

## ARTICLE IX Provisions for Regulation and Conduct of the Affairs of Corporation

Other provisions, consistent with the laws of this state, for the regulation and conduct of the affairs of the Corporation, and creating, defining, limiting or regulating the powers of the corporation, the directors or the members of any class or classes of members are as follows: (Can be provided for in the "By-Laws") (Any provision in this section may only be changed by amending the Articles of Incorporation.)

SEE ATTACHED PAGE 3a.

The undersigned, being one or more persons, do hereby adopt these Articles of Incorporation, representing beforehand to the Secretary of State of the State of Indiana and all persons whom it may concern, that a membership list or lists of the above-named corporation for which a Certificate of Incorporation is hereby applied for, have heretofore been opened in accordance with the law and that at least three (3) persons have signed such membership list.

THIS DOCUMENT MUST BE SIGNED BY ALL INCORPORATORS.

I (we) hereby verify subject to penalties of perjury that the facts contained herein are true. (Notarization not necessary)

Signature	Printed Name Joseph M. Skozen
Signature	Printed Name
Signature	Printed Name
Signature	Printed Name

This instrument was prepared by:

Joseph M. Skozen, Attorney at Law

Address

730 Seberger Drive, Munster, Indiana 46321

## BY-LAWS

of

CHATEAU WOODS PROPERTY OWNERS ASSOCIATION, INC.,  
A Corporation Not-for-Profit under the  
Laws of the State of Indiana

### I.

#### IDENTITY

These are the By-Laws of Chateau Woods Property Owners Association, Inc., a corporation not-for-profit under the laws of the State of Indiana, which are subject to the charter granted by the Secretary of the State and the Declaration affecting the land and all improvements thereon known as the Chateau Woods Addition. The Association has been organized for the purpose of administering lots and common areas upon said real estate in Lake County, Indiana.

1. The office of the Association shall be at
2. The fiscal year of the Association shall be the calendar year.
3. The seal of the corporation shall bear the name of the corporation and the words "CORPORATION NOT-FOR-PROFIT" and the year of incorporation.
4. The Developer herein is Lake County Trust Company, Trust Number 4007.

### II.

#### MEMBERS

##### Section 1. -- Membership

Every person or entity who is the owner of a fee or equitable title in a lot of the development shall be a member of the Association. For the purpose of determining membership, such ownership will be deemed to have vested upon delivery to the Association of a copy of a duly executed deed or other instrument establishing a change of record title to a lot. The legal title retained by a vendor selling under contract shall not qualify the vendor for membership. In such instances, membership shall be limited to the equitable owner.

##### Section 2. -- Annual Meeting

The annual meeting of the members shall be held not later than five (5) months after the end of the fiscal year, or at such other time on such other day which shall be fixed by the Board of



Directors upon due notice to the members, for the purpose of electing directors and transacting any other business authorized to be transacted by the members.

### Section 3. -- Special Meetings

Special members' meetings shall be held when ever called by the President or Vice-President or by a majority of the Board of Directors and must be called by such officers upon receipt of a written request from not less than ten percent (10%) of the members entitled to vote. The written request shall set forth the purpose(s) of the special meeting.

### Section 4. -- Place of the Meetings

The Board of Directors may designate any place within Lake County, in the State of Indiana, as a place of meetings for the annual meeting or any special meeting called by the Board of Directors. A waiver of notice signed by all members entitled to vote at the meeting may designate any place within Lake County, in the State of Indiana, as the place for holding the meeting. If no designation is made, the place of meeting shall be the principal office of the corporation in the State of Indiana.

### Section 5. -- Notice of Meeting

Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed not less than ten (10) nor more than sixty (60) days prior to the day of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.

### Section 6. -- Quorum

Twenty percent (20%) of members of the corporation entitled to vote represented in person or by proxy, shall constitute a quorum at a meeting of members.

### Section 7. -- Voting

There shall be one vote and one voting member for each lot regardless of the number of persons who may have the ownership interest in a lot or the manner in which title is held by them. The vote of the owners of a lot owned by more than one person shall be cast by the person named in a certificate signed by all the owners of the lot and filed with the Secretary of the Association. Such certificate shall be valid until revoked by a subsequent certificate. If a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum or for any other purpose.

### Section 8. -- Proxies

A vote may be cast in person or by proxy. However, the proxy shall be another member, in good standing, of the Association. Said proxy can only vote one (1) proxy vote plus his own vote. Proxy shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.

#### Section 9. -- Informal Action by Members

Any action required or permitted to be taken at a meeting of the members may be taken without a meeting if a consent in a writing, setting forth the action so taken, shall be signed by all the members entitled to vote with respect to the subject matter thereof.

#### Section 10. -- Order of Business

The order of business at annual members' meetings and, as far as practical, at all other members' meetings, shall be:

1. Election of chairman of the meeting;
2. Calling of the roll and certifying the proxies;
3. Proof of notice of meeting or waiver of notice;
4. Reading and disposal of any unapproved minutes;
5. Reports of officers;
6. Reports of committees;
7. Election of inspectors of election;
8. Election of directors;
9. Unfinished business;
10. New business;
11. Adjournment.

### III.

#### BOARD OF DIRECTORS

##### Section 1. -- Number and Term of Directors

The initial Board of Directors shall consist of three (3) directors. Upon the expiration of their term of the initial Board of Directors, then Board of Directors of the corporation shall consist of nine (9) individuals.

## Section 2. -- Classification of Board of Directors and Terms

Upon the expiration of the terms of the initial Board of Directors, the Board of Directors shall consist of nine (9) individuals who shall be divided into three (3) classes in respect to term of office, each class to contain three (3) individuals, all of whom shall be then elected to office. The first class shall serve until the annual meeting of members of the corporation held three (3) years following their election, the second class shall serve until the annual meeting of the members of the corporation held two (2) years following their election, and the third class shall serve until the annual meeting of the members of the corporation held in the year following their election. Provided, however, that in each case Directors shall serve until their successors shall be elected and shall qualify. At each successive annual meeting of the members of the corporation, one (1) class of Directors shall be elected to serve until the annual meeting of the members of the corporation held three (3) years next following, and until their successors shall be elected and shall qualify.

## Section 3. -- Election of Directors

Election of Directors shall be conducted in the following manner:

1. The first Board of Directors consisting of nine (9) individuals shall be elected at large from the membership of the corporation by a plurality of the votes of the corporation membership with each corporation member casting one (1) vote for each of the nine (9) Director positions. The three (3) nominees with the highest number of votes shall be Directors of the first class (three (3) year terms of office), the three (3) nominees with the fourth, fifth and sixth highest number of votes shall be Directors of the second class (two (2) year terms of office), and the three (3) nominees with the seventh, eighth and ninth highest number of votes shall be Directors of the third class (one (1) year terms of office).

2. At each successive annual meeting of the members of the corporation following the annual meeting at which the first Board of Directors consisting of nine (9) individuals shall have been elected, three (3) Directors shall be elected to fill the vacancies of the class whose terms have expired, which three (3) Directors shall be elected at large from the corporation membership by a plurality of the vote of the membership of the corporation, with each corporation member casting one (1) vote for each of the three (3) Director positions which have expired.

3. Voting shall not be cumulative.

4. Vacancies in the Board of Directors may be filled by a majority vote of all remaining Directors, and the individual filling such vacancy shall serve until the expiration of the term of the class in which the vacancy existed.

5. Anything herein contained to the contrary notwithstanding, the Developer shall have the right to elect a majority of the Directors for so long as the Developer owns any lot, unit or any of the properties which are subject to the Declaration or may become subject thereto by future expansion as provided in said Declaration, which Directors need not be owners of any lot or unit within the properties.

#### Section 4. -- Organizational Meeting

An organizational meeting of the Board of Directors shall be held within ten (10) days of the election of new individuals to the Board, at such time as shall be fixed by the Directors, and no further notice of the organizational meeting shall be necessary providing a quorum shall be present. The purpose of the organizational meeting shall be for the election of officers and such other business as may come before the meeting.

#### Section 5. -- Regular Meetings

Regular meetings of the Board Of Directors may be held at such time and place within Lake County, State of Indiana as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day nazed for such meeting unless such notice is waived.

#### Section 6. -- Special Meetings

Special meetings of the Board of Directors may be called by the President and must be called by the Secretary at the written request of two (2) members of the Board. Not less than three (3) days' notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

#### Section 7. -- Waiver of Notice

Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

#### Section 8. -- Quorum

A quorum at Directors' meetings shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The actions of the Board approved by a majority of votes present at the meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as specifically otherwise provided in the Declaration as may be required by the statutes of the State of Indiana. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may



adjourn the meeting from time to time until a quorum is present. At an adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

#### Section 9. -- Action Without a Meeting

Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the Directors.

#### Section 10. -- Compensation

Directors' fees, if any, shall be determined by the members of the corporation.

#### Section 11. -- Presiding Officer of Directors' Meetings Shall be the President

The presiding officer at the Directors' meetings shall be the President. In the absence of the presiding officer, the Vice-President shall preside.

### IV.

#### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All the powers and duties of the Association shall be exercised by the Board of Directors including those existing under the common law and statutes, the Articles of Incorporation of the Association, the Declaration and the Rules and Regulations of the Association. Such powers and duties of the Directors shall be exercised according to the provisions of the Declaration which govern the use of the land, and shall include but shall not be limited to the following:

1. To make and collect assessments against members to defray the cost of the common areas and to carry into effect the obligations created under the Declaration of Covenants, Conditions and Restrictions;
2. To use the proceeds of assessments in the exercise of its powers and duties in the payment of the expenses of the Association;
3. To provide for the maintenance, repair, replacement and operation of the common areas;
4. To provide for the reconstruction of improvements after casualty and further improvement of the property;

5. To make and amend these by-laws and regulations respecting the use of the common area;
6. To enforce by equitable or legal means the provisions of the Declaration, the Articles of Incorporation, the By-Laws of the Association and the regulations for the use of the common area; except that any lien which arises out of such proceeding shall be subordinate to the lien of the first mortgage;
7. To contract for management of the common areas and facilities and the functions, services, programs and activities adopted by the Board of Directors, and to delegate to such contractor all powers and duties of the Association, except such as are specifically required by the Declaration to have the approval of the Board of Directors or the membership of the Association;
8. To pay taxes or assessments which are levied against any part of the common area;
9. To carry insurance for the protection of employees, officers, Directors and members of the Association, and of the Association itself against casualties and liabilities;
10. To pay the cost of all power, water, sewer, and other utility services which services are deemed to be common expenses of the Association;
11. To employ personnel for reasonable compensation to perform the services required for proper administration for the purposes of the Association;
12. To appoint an architectural committee to examine any proposed improvements, or changes in the properties by any owner, and to approve or reject any such change.

## V.

### OFFICERS

#### Section 1. -- Number

The executive officers of the corporation shall be a president, who shall be a Director, a vice-president, who shall be a Director, a treasurer, a secretary and an assistant secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by the Board of Directors at any meeting. Any two or more offices may be held by the same person, except the offices of president and secretary, president and assistant secretary, vice-president and secretary, and vice-president and assistant secretary. The Board of Directors shall

from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

#### Section 2. -- President

The President shall be the chief executive officer of the Association. He shall have all the powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association.

#### Section 3. -- Vice-President

The Vice-President shall in the absence or disability of the President exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

#### Section 4. -- Secretary

The Secretary shall: (a) keep the minutes of the proceedings of the members and of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized; (d) keep a register of the post office address of each member which shall be furnished to the Secretary by such members; (e) keep a register of the name and post office address of the Lender of a mortgage or other secured interest on each lot or unit, and (f) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

#### Section 5. -- Treasurer

The Treasurer shall: (a) have charge and custody of and be responsible for all funds of the corporation; (b) receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VI of these By-Laws; (c) in general, perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

#### Section 6. -- Compensation

Compensation of all employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as employee of the Association nor preclude the contracting with a Director for the management of the Association. Compensation of all officers of the corporation shall be fixed by the members of the corporation.

## VI.

### FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration and Articles of Incorporation shall be supplemented by the following provisions:

#### Section 1. -- Assessment Roll

The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each of the lots and units. Such an account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the date and amount in which the assessments come due, the amounts paid upon the account and the balance due upon assessments.

#### Section 2. -- Budget

1. The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association, including but not limited to the following items:

##### a. Ordinary Expense Budget.

- (1) Maintenance and operation of common areas and facilities, and the functions, services, programs and activities adopted by the Association;
- (2) Utility services;
- (3) Casualty insurance;
- (4) Liability insurance;
- (5) Administration;
- (6) Taxes;
- (7) Security, and
- (8) Professional Services.

##### b. Capital Expense Budget:



- (1) Alteration and improvement;
- (2) Reconstruction and repair;
- (3) Emergency.

2. Copies of the proposed budget and proposed assessment shall be transmitted to each member of the corporation on or before the 10th day prior to the date set for the annual meeting of corporation members. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished to each corporation member concerned.

#### Section 3. -- Commencement of Assessments

Assessments against lot and unit owners shall commence, in the first instance, at the sole discretion of the Developer, upon thirty (30) days notice to the corporation members.

#### Section 4. -- Deposits

All funds of the Association otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select. Withdrawal of monies from such account shall be only by check signed by such persons as are authorized by the Directors.

#### Section 5. -- Audit

An audit of the accounts of the Association shall be made annually by an accountant, to be selected annually by the Board of Directors, and a copy of the report shall be furnished to each member not later than April 1st of the year following the year for which report is made.

#### Section 6. -- Bond

Fidelity bonds may be required by the Board of Directors from all officers and employees of the Association and from any contractor responsible for Association funds. The amount of such bonds shall be determined by the Directors by shall be at least the amount of the total annual assessment against members for account expenses. The premiums on such bond shall be paid by the Association.

### VII.

#### MEMBERSHIP CERTIFICATES AND TRANSFER

##### Section 1. -- Membership Certificates

Certificates representing membership in the Association shall

be such form as shall be determined by the Board of Directors. Such certificate shall be signed by the President or Vice-President and by the Secretary or an assistant secretary and sealed with the corporate seal or a facsimile thereof. The signatures of such officers upon the certificate may be facsimiles if the certificate is manually signed on behalf of a transfer agent or registrar other than the corporation or one of its employees. Each certificate shall be consecutively numbered or otherwise identified.

#### Section 2. -- Transfer

When a member ceases to be the owner of a lot, such person's membership shall cease, but such person shall remain liable to the corporation for all dues and charges incurred prior to the giving or written notice to the corporation that the person is no longer an owner.

### VIII.

#### PARLIAMENTARY RULES

Robert's Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with Articles of Incorporation and By-Laws of the corporation or with the statute of the State of Indiana, or the Declaration.

### IX.

#### AMENDMENTS

Amendments to the By-Laws shall be proposed and adopted in the following manner:

#### Section 1. -- Notice

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

#### Section 2. -- Approval

The resolution adopting a proposed amendment must receive approval of two-thirds of the votes of the entire membership of the Board of Directors, and a majority of the entire membership of the Association. Directors and members not present at the meeting considering the amendment may express their position in writing and may vote by proxy.

#### Section 3. -- Initiation

The amendment may be proposed by either the Board of Directors or by the membership of the Association.

#### Section 4. -- Effective Date

The amendment when adopted shall become effective only after notice of the amendment, specifically setting forth the amended provisions, has been given to the entire membership, and in addition, has been recorded in the Office of the Recorder of Lake County, Indiana.

#### Section 5. -- Consistency

These By-Laws shall be amended, if necessary, so as to make the same consistent with the provisions of the Declaration.

#### X.

#### BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

The foregoing were adopted as the By-Laws of Chateau Woods Property Owners Association, Inc., a corporation not-for-profit under the laws of the State of Indiana, at the first meeting of the Board of Directors.

## BY-LAWS

of

CHATEAU WOODS PROPERTY OWNERS ASSOCIATION, INC.,  
A Corporation Not-for-Profit under the  
Laws of the State of Indiana

### I.

#### IDENTITY

These are the By-Laws of Chateau Woods Property Owners Association, Inc., a corporation not-for-profit under the laws of the State of Indiana, which are subject to the charter granted by the Secretary of the State and the Declaration affecting the land and all improvements thereon known as the Chateau Woods Addition. The Association has been organized for the purpose of administering lots and common areas upon said real estate in Lake County, Indiana.

1. The office of the Association shall be at

2. The fiscal year of the Association shall be the calendar year.

3. The seal of the corporation shall bear the name of the corporation and the words "CORPORATION NOT-FOR-PROFIT" and the year of incorporation.

4. The Developer herein is Lake County Trust Company, Trust Number 4007.

### II.

#### MEMBERS

##### Section 1. -- Membership

Every person or entity who is the owner of a fee or equitable title in a lot of the development shall be a member of the Association. For the purpose of determining membership, such ownership will be deemed to have vested upon delivery to the Association of a copy of a duly executed deed or other instrument establishing a change of record title to a lot. The legal title retained by a vendor selling under contract shall not qualify the vendor for membership. In such instances, membership shall be limited to the equitable owner.

##### Section 2. -- Annual Meeting

The annual meeting of the members shall be held not later than five (5) months after the end of the fiscal year, or at such other time on such other day which shall be fixed by the Board of



Directors upon due notice to the members, for the purpose of electing directors and transacting any other business authorized to be transacted by the members.

### Section 3.-- Special Meetings

Special members' meetings shall be held when ever called by the President or Vice-President or by a majority of the Board of Directors and must be called by such officers upon receipt of a written request from not less than ten percent (10%) of the members entitled to vote. The written request shall set forth the purpose(s) of the special meeting.

### Section 4. -- Place of the Meetings

The Board of Directors may designate any place within Lake County, in the State of Indiana, as a place of meetings for the annual meeting or any special meeting called by the Board of Directors. A waiver of notice signed by all members entitled to vote at the meeting may designate any place within Lake County, in the State of Indiana, as the place for holding the meeting. If no designation is made, the place of meeting shall be the principal office of the corporation in the State of Indiana.

### Section 5. -- Notice of Meeting

Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed not less than ten (10) nor more than sixty (60) days prior to the day of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.

### Section 6. -- Quorum 28

Twenty percent (20%) of members of the corporation entitled to vote represented in person or by proxy, shall constitute a quorum at a meeting of members.

### Section 7. -- Voting

There shall be one vote and one voting member for each lot regardless of the number of persons who may have the ownership interest in a lot or the manner in which title is held by them. The vote of the owners of a lot owned by more than one person shall be cast by the person named in a certificate signed by all the owners of the lot and filed with the Secretary of the Association. Such certificate shall be valid until revoked by a subsequent certificate. If a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum or for any other purpose.

### Section 8. -- Proxies

A vote may be cast in person or by proxy. However, the proxy shall be another member, in good standing, of the Association. Said proxy can only vote one (1) proxy vote plus his own vote. Proxy shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.

#### Section 9. -- Informal Action by Members

Any action required or permitted to be taken at a meeting of the members may be taken without a meeting if a consent in a writing, setting forth the action so taken, shall be signed by all the members entitled to vote with respect to the subject matter thereof.

#### Section 10. -- Order of Business

The order of business at annual members' meetings and, as far as practical, at all other members' meetings, shall be:

1. Election of chairman of the meeting;
2. Calling of the roll and certifying the proxies;
3. Proof of notice of meeting or waiver of notice;
4. Reading and disposal of any unapproved minutes;
5. Reports of officers;
6. Reports of committees;
7. Election of inspectors of election;
8. Election of directors;
9. Unfinished business;
10. New business;
11. Adjournment.

### III.

#### BOARD OF DIRECTORS

##### Section 1. -- Number and Term of Directors

The initial Board of Directors shall consist of three (3) directors. Upon the expiration of their term of the initial Board of Directors, then Board of Directors of the corporation shall consist of nine (9) individuals.

## Section 2. -- Classification of Board of Directors and Terms

Upon the expiration of the terms of the initial Board of Directors, the Board of Directors shall consist of nine (9) individuals who shall be divided into three (3) classes in respect to term of office, each class to contain three (3) individuals, all of whom shall be then elected to office. The first class shall serve until the annual meeting of members of the corporation held three (3) years following their election, the second class shall serve until the annual meeting of the members of the corporation held two (2) years following their election, and the third class shall serve until the annual meeting of the members of the corporation held in the year following their election. Provided, however, that in each case Directors shall serve until their successors shall be elected and shall qualify. At each successive annual meeting of the members of the corporation, one (1) class of Directors shall be elected to serve until the annual meeting of the members of the corporation held three (3) years next following, and until their successors shall be elected and shall qualify.

## Section 3. -- Election of Directors

Election of Directors shall be conducted in the following manner:

1. The first Board of Directors consisting of nine (9) individuals shall be elected at large from the membership of the corporation by a plurality of the votes of the corporation membership with each corporation member casting one (1) vote for each of the nine (9) Director positions. The three (3) nominees with the highest number of votes shall be Directors of the first class (three (3) year terms of office), the three (3) nominees with the fourth, fifth and sixth highest number of votes shall be Directors of the second class (two (2) year terms of office), and the three (3) nominees with the seventh, eighth and ninth highest number of votes shall be Directors of the third class (one (1) year terms of office).

2. At each successive annual meeting of the members of the corporation following the annual meeting at which the first Board of Directors consisting of nine (9) individuals shall have been elected, three (3) Directors shall be elected to fill the vacancies of the class whose terms have expired, which three (3) Directors shall be elected at large from the corporation membership by a plurality of the vote of the membership of the corporation, with each corporation member casting one (1) vote for each of the three (3) Director positions which have expired.

3. Voting shall not be cumulative.

4. Vacancies in the Board of Directors may be filled by a majority vote of all remaining Directors, and the individual filling such vacancy shall serve until the expiration of the term of the class in which the vacancy existed.

5. Anything herein contained to the contrary notwithstanding, the Developer shall have the right to elect a majority of the Directors for so long as the Developer owns any lot, unit or any of the properties which are subject to the Declaration or may become subject thereto by future expansion as provided in said Declaration, which Directors need not be owners of any lot or unit within the properties.

#### Section 4. -- Organizational Meeting

An organizational meeting of the Board of Directors shall be held within ten (10) days of the election of new individuals to the Board, at such time as shall be fixed by the Directors, and no further notice of the organizational meeting shall be necessary providing a quorum shall be present. The purpose of the organizational meeting shall be for the election of officers and such other business as may come before the meeting.

#### Section 5. -- Regular Meetings

Regular meetings of the Board Of Directors may be held at such time and place within Lake County, State of Indiana as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting unless such notice is waived.

#### Section 6. -- Special Meetings

Special meetings of the Board of Directors may be called by the President and must be called by the Secretary at the written request of two (2) members of the Board. Not less than three (3) days' notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

#### Section 7. -- Waiver of Notice

Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

#### Section 8. -- Quorum

A quorum at Directors' meetings shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The actions of the Board approved by a majority of votes present at the meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as specifically otherwise provided in the Declaration as may be required by the statutes of the State of Indiana. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may



adjourn the meeting from time to time until a quorum is present. At an adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

#### Section 9. -- Action Without a Meeting

Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the Directors.

#### Section 10. -- Compensation

Directors' fees, if any, shall be determined by the members of the corporation.

#### Section 11. -- Presiding Officer of Directors' Meetings Shall be the President

The presiding officer at the Directors' meetings shall be the President. In the absence of the presiding officer, the Vice-President shall preside.

### IV.

#### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All the powers and duties of the Association shall be exercised by the Board of Directors including those existing under the common law and statutes, the Articles of Incorporation of the Association, the Declaration and the Rules and Regulations of the Association. Such powers and duties of the Directors shall be exercised according to the provisions of the Declaration which govern the use of the land, and shall include but shall not be limited to the following:

1. To make and collect assessments against members to defray the cost of the common areas and to carry into effect the obligations created under the Declaration of Covenants, Conditions and Restrictions;
2. To use the proceeds of assessments in the exercise of its powers and duties in the payment of the expenses of the Association;
3. To provide for the maintenance, repair, replacement and operation of the common areas;
4. To provide for the reconstruction of improvements after casualty and further improvement of the property;

5. To make and amend these by-laws and regulations respecting the use of the common area;
6. To enforce by equitable or legal means the provisions of the Declaration, the Articles of Incorporation, the By-Laws of the Association and the regulations for the use of the common area; except that any lien which arises out of such proceeding shall be subordinate to the lien of the first mortgage;
7. To contract for management of the common areas and facilities and the functions, services, programs and activities adopted by the Board of Directors, and to delegate to such contractor all powers and duties of the Association, except such as are specifically required by the Declaration to have the approval of the Board of Directors or the membership of the Association;
8. To pay taxes or assessments which are levied against any part of the common area;
9. To carry insurance for the protection of employees, officers, Directors and members of the Association, and of the Association itself against casualties and liabilities;
10. To pay the cost of all power, water, sewer, and other utility services which services are deemed to be common expenses of the Association;
11. To employ personnel for reasonable compensation to perform the services required for proper administration for the purposes of the Association;
12. To appoint an architectural committee to examine any proposed improvements, or changes in the properties by any owner, and to approve or reject any such change.

## V.

### OFFICERS

#### Section 1. -- Number

The executive officers of the corporation shall be a president, who shall be a Director, a vice-president, who shall be a Director, a treasurer, a secretary and an assistant secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by the Board of Directors at any meeting. Any two or more offices may be held by the same person, except the offices of president and secretary, president and assistant secretary, vice-president and secretary, and vice-president and assistant secretary. The Board of Directors shall

from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

#### Section 2. -- President

The President shall be the chief executive officer of the Association. He shall have all the powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association.

#### Section 3. -- Vice-President

The Vice-President shall in the absence or disability of the President exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

#### Section 4. -- Secretary

The Secretary shall: (a) keep the minutes of the proceedings of the members and of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized; (d) keep a register of the post office address of each member which shall be furnished to the Secretary by such members; (e) keep a register of the name and post office address of the Lender of a mortgage or other secured interest on each lot or unit, and (f) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

#### Section 5. -- Treasurer

The Treasurer shall: (a) have charge and custody of and be responsible for all funds of the corporation; (b) receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VI of these By-Laws; (c) in general, perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

#### Section 6. -- Compensation

Compensation of all employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as employee of the Association nor preclude the contracting with a Director for the management of the Association. Compensation of all officers of the corporation shall be fixed by the members of the corporation.

## VI.

### FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration and Articles of Incorporation shall be supplemented by the following provisions:

#### Section 1. -- Assessment Roll

The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each of the lots and units. Such an account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the date and amount in which the assessments come due, the amounts paid upon the account and the balance due upon assessments.

#### Section 2. -- Budget

1. The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association, including but not limited to the following items:

##### a. Ordinary Expense Budget.

- (1) Maintenance and operation of common areas and facilities, and the functions, services, programs and activities adopted by the Association;
- (2) Utility services;
- (3) Casualty insurance;
- (4) Liability insurance;
- (5) Administration;
- (6) Taxes;
- (7) Security, and
- (8) Professional Services.

##### b. Capital Expense Budget:



- (1) Alteration and improvement;
- (2) Reconstruction and repair;
- (3) Emergency.

2. Copies of the proposed budget and proposed assessment shall be transmitted to each member of the corporation on or before the 10th day prior to the date set for the annual meeting of corporation members. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished to each corporation member concerned.

### Section 3. -- Commencement of Assessments

Assessments against lot and unit owners shall commence, in the first instance, at the sole discretion of the Developer, upon thirty (30) days notice to the corporation members.

### Section 4. -- Deposits

All funds of the Association otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select. Withdrawal of monies from such account shall be only by check signed by such persons as are authorized by the Directors.

### Section 5. -- Audit

An audit of the accounts of the Association shall be made annually by an accountant, to be selected annually by the Board of Directors, and a copy of the report shall be furnished to each member not later than April 1st of the year following the year for which report is made.

### Section 6. -- Bond

Fidelity bonds may be required by the Board of Directors from all officers and employees of the Association and from any contractor responsible for Association funds. The amount of such bonds shall be determined by the Directors by shall be at least the amount of the total annual assessment against members for account expenses. The premiums on such bond shall be paid by the Association.

## VII.

### MEMBERSHIP CERTIFICATES AND TRANSFER

#### Section 1. -- Membership Certificates

Certificates representing membership in the Association shall

be such form as shall be determined by the Board of Directors. Such certificate shall be signed by the President or Vice-President and by the Secretary or an assistant secretary and sealed with the corporate seal or a facsimile thereof. The signatures of such officers upon the certificate may be facsimiles if the certificate is manually signed on behalf of a transfer agent or registrar other than the corporation or one of its employees. Each certificate shall be consecutively numbered or otherwise identified.

## Section 2. -- Transfer

When a member ceases to be the owner of a lot, such person's membership shall cease, but such person shall remain liable to the corporation for all dues and charges incurred prior to the giving or written notice to the corporation that the person is no longer an owner.

## VIII.

### PARLIAMENTARY RULES

Robert's Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with Articles of Incorporation and By-Laws of the corporation or with the statute of the State of Indiana, or the Declaration.

## IX.

### AMENDMENTS

Amendments to the By-Laws shall be proposed and adopted in the following manner:

#### Section 1. -- Notice

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

#### Section 2. -- Approval

The resolution adopting a proposed amendment must receive approval of two-thirds of the votes of the entire membership of the Board of Directors, and a majority of the entire membership of the Association. Directors and members not present at the meeting considering the amendment may express their position in writing and may vote by proxy.

#### Section 3. -- Initiation

The amendment may be proposed by either the Board of Directors or by the membership of the Association.

#### Section 4. -- Effective Date

The amendment when adopted shall become effective only after notice of the amendment, specifically setting forth the amended provisions, has been given to the entire membership, and in addition, has been recorded in the Office of the Recorder of Lake County, Indiana.

#### Section 5. -- Consistency

These By-Laws shall be amended, if necessary, so as to make the same consistent with the provisions of the Declaration.

X.

#### BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

The foregoing were adopted as the By-Laws of Chateau Woods Property Owners Association, Inc., a corporation not-for-profit under the laws of the State of Indiana, at the first meeting of the Board of Directors.

RULES AND REGULATIONS OF  
CHATEAU WOODS PROPERTY OWNERS ASSOCIATION, INC.

1. Every owner, occupant or guest of an owner or occupant of a residence located within Chateau Woods Additions shall comply with all instructions and directions posted by the Association for the proper and orderly use of common areas and facilities; such posting shall be at or near the area, facility or equipment for which the instruction or direction is to apply.

2. Every owner, occupant or guest of an owner or occupant shall comply with all personally conveyed instructions or directions from any Association director or officer, or any employee or agent whose duty it is to supervise or maintain any common area or facility, as to the proper orderly use of said common area or facility.

3. Every owner, occupant or guest of an owner or occupant shall comply with each and every provision of the Declaration of Covenants, Conditions and Restrictions for Chateau Woods Additions, the Articles of Incorporation and By-Laws of Chateau Woods Property Owners Association, Inc., these Rules and Regulations, and all the ordinances of the Town of Dyer governing or controlling the use or occupancy of real estate located within Chateau Woods Additions.

4. Each residence shall be occupied solely by one (1) family. No other person or persons shall reside therein for any period long than sixty (60) days within a one (1) year period. For purposes of this paragraph, "family" shall be defined only as persons who are related by blood or marriage.

5. Each residence located within Chateau Woods Additions shall be occupied for residential purposes only, and no residence or unit may be divided or subdivided into a smaller residence or unit, nor any room or portion thereof sold, transferred or leased. Nothing herein shall prohibit the owner of a residence from leasing the entire residence by written lease of no less than three (3) months duration in which the lessee expressly covenants to comply with the provisions of the Declaration of Covenants, Conditions and Restrictions, the Articles of Incorporation and By-Laws of Chateau Woods Property Owners Association, Inc., and these Rules and Regulations. All such leases, and lessees, shall be subject to approval by the Association upon written application for same from the owner of the residence involved, and the failure of the Association to act upon said application within fifteen (15) days, shall be deemed an approval of said lease and lessee by the Association.

6. No business of any kind shall be conducted from any residence located within Chateau Woods Additions. This provision shall not prohibit the use of telephone for business purposes of a nature incident to a business located outside of Chateau Woods Addition, or for the entertainment of or consultation with any



business guest for any portion of a particular day. All other business activities, or whatever nature, kind, duration, or extent are prohibited.

7. Signs or advertising for any reason whatsoever are prohibited, except for "For Sale" or "For Rent" signs in good taste erected in accordance with the Declaration of Covenants, Conditions and Restrictions, except for such signs as are placed by the Association for information or directional purposes, and except as may be employed by the developer/declarant during the term of development, sale and control by him of any of the properties located within Chateau Woods Addition.

8. All lawns, landscaping, the surfaces of driveways and walkways, and the exteriors of all residences and appurtenant buildings shall be maintained and repaired on a regular basis so as to provide an attractive appearance conducive with the surrounding community environment. Weed control shall be the responsibility of lot owners, who shall bear the expense for same and same shall be accomplished in the manner and in accordance with instructions of the Board of Directors. Upon written notice of a violation of this rule by the Association, the owner or occupant of said residence shall have thirty (30) days within which to correct any violation, or reach an agreement with the Association as to the correction of said violation.

9. No building, wall improvement or other structure shall be commenced, erected or maintained on the property and no exterior addition, change or alteration shall be made until the plans and specifications, plot lay-out, exterior elevations and landscaping which shall show the nature, kind, shape, height, materials and location of the improvement to be made shall have been submitted to and approved in writing as to the harmony of external design and location in relationship to the surrounding structures, topography, and lot lines by the Architectural Control Committee appointed by the Board of Directors of the Association. This provision shall not apply to any construction or improvement made by the Developer in connection with the development of the property. In the event that said Committee has not acted upon the submission within thirty (30) days, the submission will be deemed to have been denied.

10. Garbage and trash receptacles shall not be visible from the street at any time, except as may be necessary for the orderly collection of garbage or refuse.

11. All residences located within Chateau Woods Addition shall have an address street number clearly visible from the street.

12. Recreational vehicles, campers, boats, trailers, trucks or other commercial vehicles shall not be stored or parked within the properties, including the streets and common area unless specific areas for such purposes are designated by the Association.

13. No horses, cattle, or any other livestock shall be kept or

maintained on any of the properties which are subject to the Declaration of Covenants, Conditions, or Restrictions. No other animal shall be allowed in any common area, except on a leash or lead. The owner shall be responsible for removing all offal immediately.

14. No owner or occupant of a residence shall keep any other animal on the resident's premises that:

- a. Cannot be continuously kept and maintained within the residence or the boundaries of the lot on which said residence is maintained, by leash or otherwise, or
- b. Occasions any noise, odor or noxious effect beyond the confines of said residence, or
- c. Are, or are kept unsanitary, or
- d. Are potentially dangerous or unsafe by nature or kept condition, or
- e. Are prohibited by Town ordinance, State law or otherwise.

15. No material, equipment or device may be placed or used in any residence or lot on which a residence is located that:

- a. Occasions loud noise, strong odor or noxious effect, or
- b. Is, or is kept, unsanitary, or
- c. Is dangerous or kept in a dangerous condition.

16. Every owner, occupant or guest of an owner or occupant shall comply with all speed limits and other traffic regulation signs posted by the Association, and shall stop at all points of entrance and exit to Chateau Woods Addition and provide personal identification upon request of security personnel.

17. Every owner or occupant desiring private use of any of the common areas or facilities for themselves or with guests shall obtain a permit for same from the Association prior thereto, upon application for same thirty (30) days prior to the date of intended use. The Association shall grant or deny such applications for permits on or prior to fifteen (15) days before the date of the intended use, provided, however, that the Association's failure to act upon such application by said date shall be deemed a denial of the application. The Association shall issue permits only for uses which are permitted by the Declaration of Covenants, Conditions and Restrictions, the Articles of Incorporation, By-Laws and these Rules and Regulations, and shall, at its discretion, deny any application which otherwise is not in the best interest of the

## Association or Chateau Woods Addition.

18. The Association shall have the right to enforce these Rules and Regulations by special assessment against any member found to be in violation hereof, which shall be collected in the manner, and to the same extent, provided for collection and enforcement of special assessments pursuant to the provisions of Article IV of the Declaration of Covenants, Conditions and Restrictions. Furthermore, the Association, or any owner, shall have the additional, nonexclusive right, to enforce any provision of these Rules and Regulations in the manner, and to the same extent as provided for enforcement of the provisions of the Declaration of Covenants, Conditions and Restrictions under the provisions of Article XII.B. thereof.

19. No common area may be used for partisan political purposes, or for the proselytizing of secretarian religious or philosophical causes. Provided, however, that persons engaged in civic and nonpartisan political activities such as registration of voters may be invited upon said common areas by the Association upon application for a permit for such purposes by a member of the Association, subject to paragraph 17 above.

20. No person may enter upon any common area for purposes of solicitation, commercial, political or religious activity, except upon the express authorization or invitation of the Association, upon application for a permit for such purposes by a member of the Association, subject to paragraph 17 above, provided, however, that this rule shall not prohibit the use of said areas by the declarant/developer for purposes of advertising, solicitation and sale of any of the properties within Chateau Woods Addition, so long as the declarant/developer owns any properties therein.

21. No fences other than rail fencing less than three (3) feet in height shall be permitted on any residential lot except such fences as may be required by statute or ordinances around swimming pools. Required fencing for swimming pools shall be erected so as to encompass the pool area only and shall not intrude on any easements located either adjacent to or on the home owner's property. Stockade-type, solid wood, brick or stone fences shall not be permitted. Privacy screening of hot tubs and whirlpools may be permitted if confined to an area immediately adjacent to such facility and limited so as to accomplish the purpose intended. The Architectural Control Committee may vary the terms of this rule only if the granting of such variance will be compatible to the use being made of adjoining property and is aesthetically pleasing.





## Notes on By-Laws and Rules and Regulations of the Chateau Woods Property Owners Association

- Section 5 (Audit) of Part VI (Fiscal Management) of the By-Laws of the Chateau Woods Property Owners Association was eliminated by the Board of Directors in 1994. The provision for an annual audit of accounts by an accountant was determined to be an unnecessary expense.
- Item 21 of the Rules and Regulations of the Chateau Woods Property Owners Association was eliminated by the Board of Directors in 1996. Residents must still comply with Town of Dyer ordinances related to fencing and pool enclosures.