

DECLARATION OF AMENDMENT OF RESTRICTIVE COVENANTS
FOR LAKE DALECARLIA SUBDIVISION,
AN ADDITION TO LAKE COUNTY, INDIANA

This Amendment of Declaration of Covenants, Restrictions and Easements is made this _
16th day of _June_, 2003, by Property Owners (hereafter "Declarants") of the Real
Estate platted as LAKE DALECARLIA SUBDIVISION, (hereafter "Real Estate"), an Addition to
Lake County, Indiana.

RECITALS

1. The Declarants are property owners of Real Estate, in what is commonly known as
the Lake Dalecarlia Subdivision, and more particularly such property owners are described as
follows:

Owning by right of purchase, or inheriting, a plot of land of not less than 2,000 square feet,
lying within the following boundaries: Beginning at the NE corner of the SE 1/4 of Sect. 1, Twp.
33N, R. 9W of the 2nd P.M.; thence W. on the center line of said section, which is the N. line of the
SE 1/4 of said section, to the NW. Cor. of the SW 1/4 of said section; thence S. along the W. line
of section 1-33-9 to the SW cor. of said section, which is coincidental with the NW cor. of Sec. 12-
33-9 and continue S. to the SW cor. of the NW 1/4 of Section 12-33-9; then E. along the S. line of
the N 1/4 of Sec. 12-33-9 to the SE cor. of the NE 1/4 of said section; thence N. along the E. line of
the NE 1/4 of Sec 12-33-9 and continue N. on the E. line of the SE 1/4 of Sec. 1-33-9 to the point
of beginning all this being the S 1/2 of Sec. 1-33-9 and the N 1/2 of Sec. 12-33-9; containing 640
acres, more or less, all in Lake County.

2. The Declarants are amending the Restrictive Covenants of Lake Dalecarlia
Subdivision.

3. The Declarants seek to place upon the Real Estate these Restrictions of Record to
preserve the characteristics and value of the Real Estate, and to promote consistent and uniform
standards in LAKE DALECARLIA SUBDIVISION.

4. The Declarants seek to place upon the Real Estate these Amended Restrictions of
Record in a recordable fashion pertaining to the development and improvement requirements
concerning the Real Estate.

5. The Declarants intend by this Amended Declaration to impose upon the Real Estate,
as defined herein, mutually beneficial restrictions for the benefit of all Owners of Parcels of Property
within the Real Estate and Subdivision known as LAKE DALECARLIA SUBDIVISION.

6. The Declarants are further amending these Restrictions of Record to avoid all
confusion and establish clearly the intent to restrict the Real Estate for the benefit of the Owners in
the present and future, as well as their Heirs, Personal Representatives, Successors and Assigns.

COVENANTS

NOW, THEREFORE, the Declarants declare that all of the Real Estate described hereinabove is held, and shall be held, subject to the provisions of this Amended Declaration, as covenants running with the land for the mutual benefit of the Owners of the Real Estate, their Heirs, Personal Representatives, Successors and Assigns.

1. Property Owners Association. The Lake Dalecarlia Property Owners Association, Inc., (hereinafter referred to as the "LDPOA") is comprised of the Property Owners of the Lake Dalecarlia Subdivision (hereinafter referred as the "Subdivision"), as described hereinabove. Every record owner of a fee simple interest in the lots in the Subdivision, except for lots owned by LDPOA itself, shall become and be a member of the LDPOA and each lot shall be treated as an assessable lot, and each such member shall be entitled to one (1) vote for each assessable lot owned by him/her on each matter submitted to a vote of Members, provided, however, that where title to an assessable lot is in more than one (1) person, such co-owners acting jointly, shall be entitled to but one (1) vote. Each platted lot in the Subdivision shall be deemed to be a separate and assessable lot, entitling the owner thereof to one (1) vote for each such full assessable lot owned, except as provided in section 5 A. (1) and (2) hereinbelow.

2. Powers and Duties of the Board of Directors of the LDPOA. The LDPOA, by and through its Board of Directors, shall have the following powers and duties with respect to this Subdivision:

- A. To the extent such services are not provided for by any governmental body:
 - (1) Collect funds due the LDPOA;
 - (2) Protect all assets and property of the LDPOA and protect the rights of all its members property owners;
 - (3) Protect the conservation of the lake and surrounding areas;
 - (4) Oversee the operation of the LDPOA Community Buildings, grounds, dam, spillway and other equipment;
 - (5) Recommend rules and regulations governing the usage of LDPOA property and interests and By-Law changes annually at the March Board of Directors meeting;
 - (6) Receive all LDPOA Committee reports and make recommendations to the General Membership meeting, of expenditures for Committee projects or action to be taken;
 - (7) Recommend a budget for operation of the LDPOA at the annual September Board of Directors meeting;
 - (8) Enforce rules and regulations established by the General Membership;
 - (9) Promote social activities in the Subdivision community;
 - (10) Publish the LDPOA Newsletter on a regular basis;

- (11) Recommend the amount to be paid as the annual assessment at the annual September General Membership meeting; and
- (12) Deliver to succeeding Board Directors, all records of the LDPOA;
- (13) Notwithstanding each member's easement for use and enjoyment of their property, the Board of Directors of the Property Owners LDPOA shall have the right to suspend the voting rights (if any) and the right to use of the common areas, lakes, parks, amenities, and other recreational facilities of the LDPOA of any member.
 - (a) for a period during which any LDPOA Assessment (including fines) owed by the member remains overdue and outstanding; and
 - (b) during the period of any continuing violation of the restrictive covenants, By-Laws, rules or regulations of the LDPOA, after the existence of the violation shall have been declared by the Board of Directors of the LDPOA; and

B. To create and manage financial reserves to provide for the foregoing duties.

4. Fines: The LDPOA may assess fines against any person violating any of the rules or regulations promulgated pursuant to the LDPOA powers. A schedule of regulations and the associated fine for the violation of each regulation, shall be established in the same manner as an annual general fund established pursuant to this Amended Declaration of Restrictive Covenants. This schedule shall be made available by the LDPOA upon request. The LDPOA shall send notice to a person violating any regulation by First Class Mail stating therein the violation and the associated fine. If no response is received within fourteen (14) days, the LDPOA shall send a copy of the notice of violation and fine by Certified Mail, Return Receipt Requested. If no response is received again within thirty (30) days of the delivery date, or last attempted delivery of the Certified Mail notice of Violation, then the LDPOA may, at its discretion, follow the procedure for a lien as set forth herein below in section 5.B.

5. Method of Providing General Funds for the LDPOA.

A. General Fund. For the purpose of providing a General Fund to enable the LDPOA to exercise the powers, make and maintain the LDPOA improvements and render the services herein provided for, the Board of Directors of the LDPOA shall determine and recommend for each year, the total amount of money required for such year. Said recommended amount may include a value which takes into account estimated uncollectible debts, including but not limited to, unpaid assessments and fines, and the charges of collection. If such amount is approved by majority number of votes cast at the November General Membership meeting, then the LDPOA may levy an annual assessment for the assessable lots over which it has jurisdiction. Each owner of an assessable lot, except for lots owned by the LDPOA itself and as provided hereinbelow shall be assessed an equal amount. Such amount shall be determined by dividing the total amount needed by the number of assessable lots, except for lots owned by LDPOA itself, within the Subdivision, and such amount shall be assessed against each property owner of each assessable lot.

Assessable Lot Exceptions:

(1) Non-Profit Businesses. The Board of Directors of the LDPOA shall have the power to exclude from payment of the annual assessment those assessable lots which are used solely on a Non-Profit basis for the benefit of the Lake Dalecarlia Subdivision community. Said Non-Profit lots shall not be entitled to any voting rights while said annual assessments are waived.

(2) Two (2) or More Contiguous or Non-Contiguous Lots Treated as One (1) Assessable Lot; Unusable or Unbuildable lots. Whenever two (2) or more contiguous or non-contiguous lots in the subdivision shall be owned by the same person(s), and such person(s) shall desire to use two (2) or more of the lots as a site for a single dwelling house, the owner(s) shall apply in writing to the Board of Directors of the LDPOA for permission to be treated as one (1) assessable lot for the purpose of applying these rules, charging assessments, and applying voting rights to said lots. Each assessable lot, as defined herein, shall be entitled to only one (1) vote.

Such permission shall be granted if the person meets the requirements of this section, owes no assessments or fines and is not in violation of any restrictive covenants or LDPOA regulations. Whenever written permission of such a use shall be granted, the lots constituting the site for such single dwelling house shall be treated as a single assessable lot for the purposes of applying these rules to the lots, so long as the lots remain improved with only a single dwelling house. If any lot is severed from the single site designation, prorated annual charges for the current year as to that lot shall become due and payable.

The above rules shall also apply to Unusable or Unbuildable lots. Lots which are given unusable or unbuildable status shall not be entitled to any voting rights or privileges.

(a) Typical examples of lots which will qualify as an exception:

1. Two or more lots either adjoining one another or separated by a road with no house constructed;
2. Two or more lots either adjoining one another or separated by a road with one house constructed;
3. Two or more lots, whether or not adjoining, where there is sufficient evidence to find that said properties constitute one dwelling unit, so long as there is not more than one house constructed.
4. Unbuildable or unuseable lots.

B. The LDPOA shall send notice of the current years assessment per assessable lot to each property owner by First Class Mail by January 1st of the year for which the assessment is made. The assessment payment is due by January 31st, and thereafter, is deemed and considered to be delinquent. For uncollected assessments after January 31st, the LDPOA shall send a copy of the notice of assessment via Certified Mail, Return Receipt Requested. Such notice shall include an additional one-time charge of 5%, due March 1st. After April 30th of the current year any unpaid assessments are subject to the filing of a property lien against the Property Owner plus all costs associated with the collection of the assessment, plus interest at the rate applicable to judgments.

When delinquent, payment of the above may thereafter be enforced against the owner personally, and/or as a lien against said real estate. The LDPOA may, at its discretion, file a lien for said unpaid assessments in the Office of the Recorder of Lake County, Indiana, whenever any such assessments or fines are delinquent. For each certificate so filed, in addition to all other sums due it, the LDPOA shall be entitled to collect from the owner or owners of the real estate described therein, a fee of Twenty Five Dollars (\$25.00), which fee is hereby declared to be a lien upon the real estate so described in said certificate. Such fee shall be collectable in the same manner as provided for herein for the original assessments, and are in addition to the principal and interest due on such original assessments. Any such lien shall be collectable in any manner as provided for by law, including the right to file suit to collect same, and the right to foreclose on an assessable lot in the event that three (3) years of annual assessments are delinquent and remain outstanding or unpaid. The release of each said lien shall be subject to a lien release attorney fee not to exceed Two-Hundred Fifty Dollars (\$250.00). In addition, any expenses, costs, or fees for foreclosure, bankruptcy, and/or other legal proceeding, including reasonable attorney fees, incurred by the LDPOA in enforcing the obligation of the owner to pay any such assessment and fees, shall be assessed against such owner and may be recovered from him/her in the same manner as provided for in the original assessments. No lien for assessments shall be enforceable against a bona fide purchaser for value, without notice of assessment against the property, unless a notice thereof has been recorded with the Recorder of Lake County, Indiana, before such purchaser acquires an interest in the assessed property. Every person who shall become the owner of the title (legal or equitable) to a lot in the Subdivision by any means is hereby notified by the act of acquiring such title, such person will be conclusively held to have covenanted to pay the LDPOA all assessments and charges that the LDPOA shall make pursuant to this Amendment. The lien of the assessments and charges provided for herein shall be subordinate to the lien or any mortgage or mortgages. Sale or transfer of any lot shall not affect such lien for charges.

C. Such lien shall continue for a period of ten (10) years from the date of delinquency and no longer, unless within such time suit shall have been filed against the property for the collection of the assessment, in which case, the lien shall continue until the termination of the suit and until the sale of the property under execution of the judgment in such suit. In no circumstance shall a suit to foreclose any such lien be commenced prior to three (3) years from the recording date of the original lien.

6. Expenditures Limited. The LDPOA shall not expend more money within any one (1) year than the total amount of income for that particular year, plus any reserves which it may have on hand.

A. Exception for Emergency. Pursuant to the LDPOA By-laws, the LDPOA may, by and through its Board of Directors, holding an affirmative vote of at least Two-Thirds (2/3) of the total members of the Board of Directors, declare an emergency, and shall thereafter have the right to seek funding by whatever means available for the sole purpose of securing a remedy to said emergency.

7. Term. These covenants are to run with the land and shall be binding upon all lots, the owners thereof, and all persons claiming under them for a period of ten (10) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of five (5) years, unless an instrument signed by Two-Thirds (2/3) of the then-owners of the lots has been recorded, agreeing to change said covenants in whole or in part, provided, however, that such agreement shall only be effective if made and recorded one (1) year prior to the effective date of such change.

8. Enforcement. In addition to any other legal rights, the owner or owners, present or future, of any land or lot included in the Subdivision, shall have the right to sue for and obtain a prohibitive or mandatory injunction to prevent the breach of, or to enforce the observance of the Amended Restrictive Covenants set forth herein, or any of them, in addition to the right to bring an ordinary legal action for damages. A party breaching these restrictive covenants shall be liable for any and all legal or attorney fees expended in the pursuit of the legal rights contained herein. In no event shall the failure to enforce any violation of the Covenants set forth herein be deemed to be a waiver of the right to do so as to any similar or other violation hereof.

9. Severability. Invalidation of any one (1) of these covenants by Judgment or Court Order shall in no way affect any of the other provisions that shall remain in full force and effect.

10. Throughout this document, the masculine gender shall be deemed to include the feminine and/or the neuter, the singular and the plural, and vice versa, wherever required by the context.