

DECLARATION OF
HORIZONTAL PROPERTY OWNERSHIP

WOODMARK CONDOMINIUM ASSOCIATION, INC.

HORIZONTAL PROPERTY REGIME

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DECLARATION OF HORIZONTAL
PROPERTY OWNERSHIP

WOODMARK CONDOMINIUM
HORIZONTAL PROPERTY REGIME

This Declaration, made this 24th day of October, 1972, by
HALLCO, INC., an Indiana Corporation (the "Declarant").

W I T N E S S E T H:

WHEREAS, the following facts are true:

A. Declarant is the sole owner of the fee simple title to
the following described real estate, located in Allen County, Indiana,
to wit:

See Exhibit "A" attached hereto and made a part hereof.

B. Declarant, by execution of this Declaration, hereby creates
a Horizontal Property Regime upon the Tract, to be known as "Woodmark Condo-
minium" subject to the provisions of the Horizontal Property Act of the State
of Indiana and the terms and conditions of this Declaration.

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

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

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

(b) "Additional Tract I" or "Tract I" means the real estate described in paragraph 18 which may be annexed to and included within WOODMARK CONDOMINIUM in accordance with paragraph 18.

(c) "Additional Tract II" or "Tract II" means the real estate described in paragraph 19 which may be annexed to and included within WOODMARK CONDOMINIUM in accordance with paragraph 19.

(d) "Home" means one of the living units constituting WOODMARK CONDOMINIUM. Each individual unit shall be a separate freehold estate as provided in the Act consisting of the space bounded by such unit and being more particularly described and identified on the Plans and in paragraphs 4 and 5 of this Declaration. For purposes of the application of the Act to this Horizontal Property Regime, the term "Home" as used in this Declaration and all attending documents shall be deemed to be synonymous with the term "Apartment" as used in the Act. Wherever the term "Apartment" is used in the Act, the same shall be deemed to apply to the term "Home" as used in the documents of this Horizontal Property Regime.

(e) "Association" means the unincorporated association of Co-owners of WOODMARK CONDOMINIUM, more particularly described in Paragraph 13.

(f) "Board of Managers" or "Board of Directors" means the governing body of the Association elected by the Co-owners in accordance with the By-Laws. The term "Board of Managers", as used herein and in the By-Laws, shall be synonymous with the term "Board of Directors" as used in the Act.

(g) "Building" means one of the structures on the Tract in which Homes are located. The Buildings are more particularly described and

identified in the Plans and in paragraph 3 of this Declaration.

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

(i) "Common Areas" means the common areas and facilities appurtenant to the Property as defined in paragraph 6 of this Declaration.

(j) "Common Expenses" means expenses of administration of the Association and expenses for the upkeep, maintenance, repair and replacement of the Common Areas and Limited Areas and all sums lawfully assessed against the Owners by the Association or as declared by the Act, this Declaration or the By-Laws, including but not limited to that amount which the Owners must pay to the Corporation to enable the Corporation to own, operate and maintain the Recreational Area.

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

(l) "Corporation" means the not-for-profit corporation, WOODMARK CONDOMINIUM RECREATIONAL AREA, INC., more fully described in paragraph 14, formed for the purpose of owning, operating and maintaining the Recreational Area for the benefit of the Residents.

(m) WOODMARK CONDOMINIUM means the name by which the Property and Horizontal Property Regime shall be known.

(n) "Limited Areas" or "Limited Common Areas" mean the limited common areas and facilities as defined in paragraph 7 of this Declaration.

(o) "Mortgagee" means the holder of a first mortgage lien on a Home.

(p) "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who owns the fee simple title to a Home and the Condominium Interest inherent therein.

(q) "Percentage Interest" means the percentage of undivided interest in the fee simple title to the Common Areas and Limited Areas appurtenant to each Home as determined in accordance with paragraph 8 of this Declaration.

(r) "Percentage Vote" means that percentage of the total vote accruing to all of the Homes which is appurtenant to each particular Home and accrues to the Owner thereof. The Percentage Vote to which each Owner shall be entitled on any matter upon which the Co-owners are entitled to vote shall be the same percentage as the Percentage Interest appurtenant to such Owner's Home.

(s) "Plans" means the floor and building plans of Buildings and Homes on the Tract prepared by Merrill A. Jones & Associates, Inc., registered architects, and a plot plan and grading plan of the Tract prepared by John R. Donovan, a registered land surveyor and engineer, all as attached hereto and incorporated herein by reference.

(t) "Property" means the Tract and appurtenant easements, including therein any annexations or additions thereto, the Homes, the Buildings, garages, improvements, and property of every kind and nature whatsoever, real, personal and mixed, located upon the Tract and used in connection with the operation, use and enjoyment of WOODMARK CONDOMINIUM. The term "Project" shall mean the condominium project known as the WOODMARK CONDOMINIUM HORIZONTAL PROPERTY REGIME, including therein all "Property" making up the same, as said term has been defined in this paragraph.

(u) "Recreational Area" means the real estate described in paragraph 15, and any recreational facilities that are built thereon.

(v) "Resident" means any Owner or any person who resides on any portion of the Additional Tract I if such portion of Additional Tract I is not annexed to WOODMARK CONDOMINIUM, or any portion of Additional Tract II if such portion of Additional Tract II is not annexed to WOODMARK CONDOMINIUM; (see paragraph 18 and 19 for definition of Additional Tract I and Additional Tract II.)

(w) "Tract" means the real estate described in paragraph A above and that portion of Additional Tract I or Additional Tract II when and if annexed. The term "Phase I" as used in this Declaration shall refer to the Tract as set forth and described in paragraph A above and submitted herewith prior to any annexations or additions thereto.

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

1. Fee simple title to a Home.
2. An undivided interest as tenants in common, together with all other Owners, in the Common Area and Limited Common Area of the Tract.
3. An exclusive right to use the areas described in the Declaration, plans and accompanying documents, as "Limited Common Areas" and restricted to the use of the Owner's respective Home.
4. A membership in the Association, as hereinafter defined, subject to this Declaration, the By-Laws and all governing documents of said Association.
5. A membership in the not-for-profit corporation known as WOODMARK CONDOMINIUM RECREATIONAL AREAS INC., as hereinafter defined, subject to this Declaration, the By-laws and all governing documents of said Corporation.

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

3. Description of Buildings. There are 5 Buildings containing 4 Homes each on the Tract or in Phase I, as shown on the Plans. The Buildings are identified and referred to in the Plans and in this Declaration as Buildings 21, 20, 19, 18, and 17. The Buildings in Subsequent Phases of Additional Tract I or Additional Tract II, if annexed, shall be identified and referred to in Supplemental Declarations. Each Building in Phase I has two (2) stories and will contain four (4) separate Homes and a garage with capacity for four (4) automobiles.

4. Identification of Homes. Each Home is identified by two numbers on the Plans. The plot plan of the Tract submitted herewith sets forth the Buildings placed upon the tract as described in Paragraph 3 above, sets forth the relation of the Buildings to lot lines, establishes the placement of the respective Buildings upon the Tract, and further designates the Buildings respectively as Buildings 21, 20, 19, 18, and 17. Superimposed upon the Buildings as described and outlined in said plot plan, are the numbers 1, 2, 3 and 4 corresponding to the designation of the Homes placed in those Buildings. Said designations further establish the location of those Homes in the respective Buildings. The numbers 1, 2, 3 and 4 designating the Homes within each Building are also set forth on the floor plans of the Buildings submitted herewith, and said floor plans further designate the dimensions, layout, and location of the respective Homes.

The legal description for each Home shall consist first of the identifying number of the Building in which the Home is located and second the number designation of the particular Home in that Building. The numbers shall be separated by a dash (-) and the first number shall always refer to the Building, while the second number shall always refer to the Home. By way of example: Home 1 in Building 21 shall be formally referred to as Home 21-1 of WOODMARK CONDOMINIUM, and the deed to said Home

5. Description of Homes.

(a) Appurtenances. Each Home shall consist of all space within the boundaries thereof as hereinafter defined and all portion of the Building situated within such boundaries, including but not limited to all fixtures, facilities, utilities, equipment, appliances, and structural components designed and intended solely and exclusively for the enjoyment, use and benefit of the Home wherein the same are located, or to which they are attached, but excluding therefrom that designed or intended for the use, benefit, support, safety, or enjoyment of any other Home or which may be necessary for the safety, support, maintenance, use and operation of any of the Buildings of which are normally designed for common use; provided, however, that all fixtures, equipment and appliances designed or intended for the exclusive enjoyment, use and benefit of a Home shall constitute a part of such Home, whether or not the same are located within or partly within the boundaries of such Home. The interior surface of all doors and windows (excluding frames), in the perimeter walls of a Home, whether or not located within or partly within the boundaries of a Home, and all interior walls within the boundaries of a Home, are considered part of the Home. All air conditioning units and air conditioning facilities exclusively serving a given Home shall be deemed a part of that Home and shall be the exclusive property, responsibility and expense of such Home, whether said units and facilities are located within, partially within or outside the perimeters and boundaries of the Home being served.

(b) Boundaries. The boundaries of each Home shall be as shown on the Plans without regard to the existing construction measured between the interior unfinished surface of the floors, ceilings and perimeter walls of each Home. In the event any horizontal or vertical boundary line as shown on the Plans does not coincide with the actual location of the respective wall, floor or ceiling surface of the Home because of inexactness of construction settling after construction, or for any other reasons, the boundary lines of each Home shall be deemed to be and treated for purposes of occupancy,

possession, maintenance, decoration, use and enjoyment, as in accordance with the actual existing construction. In such case, permanent easements for exclusive use shall exist in favor of the Owner of each Home in and to such space lying outside of the actual boundary line of the Home, but within the appropriate wall, floor or ceiling surface of the Home.

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

6. Common Areas and Facilities. Common Areas means and includes all portions of the Tract and improvements thereon, except Homes and any other portion of the Tract conveyed or to be conveyed in fee simple to fewer than all of the Owners, or to the Association or to the Corporation or to any public, quasi-public or governmental body, all as provided for and/or effected in accordance with the Declaration, the By-laws of the Association, and the Plans of WOODMARK CONDOMINIUM.

7. Limited Common Areas and Facilities. Limited Common Areas and Facilities shall mean any portion of the Common Areas and Facilities for which the use or enjoyment thereof is restricted to less than all of the Owners. Limited areas and those Homes to which use thereof is limited are as follows:

(a) Garage Parking Spaces. Each Building contains a garage area which contains space for four (4) automobiles and accompanying storage space for home accessories. Such garage and storage space shall be limited to the use of the Home to which the respective garage is assigned and designated on the Plans. The exclusive use of such garage parking space shall pass with title to the Home for which the garage parking space is designated, even though not expressly mentioned in the document passing title.

The garage parking space and use thereof shall be subject to such rules and regulations as the Board of Managers may deem appropriate and adopt. An Owner may grant a license to any other Owner to use his garage parking space, provided such license shall expire when the Owner granting license ceases to be an Owner of the Home for which the garage parking space is

designated. Any such license agreement shall be in writing and an executed copy thereof furnished to the Board of Managers and the licensee shall be bound by and subject to all the obligations of the Owner with respect to such parking space; provided, however, the Owner granting such license shall not be relieved thereby from any of his obligations regarding such parking space.

(b) Doors and Windows. Doors and windows and all portions thereof serving a particular Home shall be deemed to be limited to the exclusive use of the Home to which they adjoin and appertain.

(c) Porches and Entranceways. Porches and entranceways through which access to the Home is obtained shall be limited to the use of the Home or Homes served by such entranceways and porches as shown on the Plans.

(d) Buildings. Each Building and all portions thereof except those portions which have been conveyed or designated as portions of a Home as set forth and described in paragraph 5 above, and except those portions which have been designated as limited common areas for the use of particular Homes or Home Owners as set forth in paragraphs 7 (a), (b) and (c) above, and except for exterior surfaces of each Building, shall be deemed to be limited to the use of the four Homes contained in such Building. For purposes of this paragraph the term "exterior surfaces" shall be deemed to include all exterior portions of the Buildings which can be seen by the naked eye and therefore can be deemed to affect the aesthetic quality and integrity of the Project. Such "exterior surfaces" of the Buildings shall be expressly understood to be Common Areas and shall include all exterior trim and siding of whatsoever nature, whether wood, aluminium, vinyl, brick or otherwise; all coverings, surface protections and decorations upon such exterior trim and siding; all gutters, downspouts and rain conduits; and all surface coverings on roofs, expressly including therein asbestos shingles or any other covering constituting the exterior surface portion of any roof; and generally any covering or material constituting an exterior surface of a Building. For purposes of this

paragraph, the portions of the buildings not excluded above and deemed to be limited common areas for the use of the Homes contained in each respective Building shall be deemed to include not only all materials and structures making up those portions of the Building, but also all utilities, facilities or improvements of any kind or nature whatsoever included in and made a part of such Building.

8. Ownership of Common Areas and Percentage Interest. Each Owner shall have an undivided interest in the Common Areas and Limited Areas, as tenants in common with all other Owners, equal to his Home's Percentage Interest. Each Home's Percentage Interest is dependent upon and varies according to the amount of the Additional Tract I or Additional Tract II that is annexed and made a part of WOODMARK CONDOMINIUM. Each Home's Percentage Interest in the Common Areas and Limited Areas, if WOODMARK CONDOMINIUM consists only of Phase I, is as set forth in Schedule I of Exhibit "A" attached hereto and made a part hereof. If additional tracts or portions thereof are annexed and made a part of WOODMARK CONDOMINIUM as permitted and contemplated by paragraph 18 and paragraph 19 of this Declaration, the Percentage Interest of each Home in Phase I will automatically be amended and adjusted as provided in each Amended or Supplemental Declaration. It is expressly provided that each Owner's Percentage Interest shall be a determinable interest, and shall exist so long as additional Tracts are not added to an existing Tract as provided for in Paragraphs 18 and 19. At any time that additional Tracts are added to an existing Tract, the Percentage Interest of each Owner shall automatically revert to the Declarant and shall be revested in all Owners of both the prior Tract and the annexed Tract as provided in the Amended Declaration.

The Percentage Interest appertaining to each Home as determined by the appropriate Schedule in Exhibit "A" or as amended or adjusted in any Amended or Supplemental Declaration shall also be the Percentage Vote allocable to the Owner thereof in all matters with respect to WOODMARK CONDOMINIUM and

the Association upon which the Co-owners are entitled to vote, including but not limited to election of the Board of Managers. For purposes of voting, the Declarant shall be deemed to be the Owner of any Home which it has title to and which has not been transferred to third parties, and said Declarant shall be permitted to designate one or more representatives to cast the votes appertaining to the Homes which it holds.

9. Encroachments and Easements for Common Areas. If, by reasons of the location, construction settling, or shifting of a Building, any Common Area or Limited Area now encroaches or shall hereafter encroach upon any Home, then in such event, an easement shall be deemed to exist and run to the Co-owners and the Association for the maintenance, use and enjoyment of such Common Area or Limited Area.

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

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

11. Utilities. Each Owner shall pay for his own utilities which are separately metered. Utilities which are not separately metered shall be

treated as and paid as part of the Common Expenses, unless otherwise agreed by a majority of the Percentage Vote of the Co-owners.

12. Easement for Utilities and Public and Quasi-Public Vehicles.

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

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

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

The Board of Managers shall be the governing body of the Association,

repair, replacement, and upkeep of the Property.

14. The Corporation. In order to provide for the maintenance, repair, replacement, administration, operation, and ownership of the Recreational Area, if developed, there shall be created a not-for-profit corporation, WOODMARK CONDOMINIUM RECREATIONAL AREA, INC., whose membership shall be comprised of and limited to Residents and Owners of the area served; provided, however, Declarant shall be the sole determinant of what area is to be served, which determination shall be made in accordance with paragraph 20 of this Declaration.

The Corporation shall have two classes of members, Class A and Class B. Class A members shall be anyone who owns one or more Dwelling Units including but not limited to Owners, and shall be entitled to one vote for each Dwelling Unit owned. Class B members shall be any Resident who is not an Owner or any officer, director, partner or appointee of a Class A member. Class B members shall not be entitled to any vote but may be a director. Dwelling Unit when used in this Declaration shall mean any Home or any living unit housing one family located in the area served by the Recreational Area.

All members of the Corporation shall abide by the rules and regulations of the Corporation. Membership shall terminate when such person ceases to be a Resident or an Owner of any of the area served. The operation of the Corporation shall be more fully described in its Articles of Incorporation and By-Laws which shall be filed on or before the completion of the improvements to be placed upon and made part of the Recreational Area or within a reasonable time thereafter, but in no event later than October 1, 1974.

15. Recreational Area. Declarant shall construct certain recreational facilities, including a pool and cabana, in the area designated therefore, the legal description being as follows: See Exhibit "B" attached hereto and made a part hereof.

Such area is not included in either the tract or the additional tracts, but Declarant shall, after constructing the recreational facilities, convey the Recreational Area to the Corporation and the Corporation will own, operate and maintain the Recreational Area for the Residents and Owners of the area to be served.

All members of the Corporation shall have the right to use the recreational facilities in accordance with this Declaration, the By-Laws and the rules and regulations adopted by the Board of Directors and all applicable documents and rules and regulations of the Corporation.

Declarant shall make the sole determination as to whether the Additional Tracts if not incorporated into the Tract shall be served by the Recreational Area, which determination shall be made on or before October 1, 1986, in accordance with paragraph 20 of this Declaration.

The cost of owning, operating and maintaining the Recreational Area shall be borne by the Owners of the Dwelling Units entitled to use the recreational facilities, and such cost shall be equally divided among all such Owners.

16. Maintenance, Repairs and Replacements. Each Owner shall, at his expense, be responsible for all the maintenance, repairs, decoration and replacement within his own Home and the maintenance, repairs, decoration and replacement of any portion of his Home which may for any reason protrude or exist beyond the normal and ordinary confines of his Home, except as may otherwise be provided in this Declaration or the By-Laws. Each Owner shall repair any defect occurring in his Home which, if not repaired, might adversely affect any other Condominium Home, Common Area or Limited Area. Maintenance, repairs, replacements and upkeep of the Common Areas and Limited Areas shall be furnished by the Association as part of the Common Expenses.

The Board of Managers shall adopt such rules and regulations concerning maintenance, repairs, assessments with respect to the same and use and enjoyment of the Common Areas and Limited Areas as it deems appropriate.

The Association shall have the duty of determining by estimate or otherwise and collecting the amount of common expenses necessary to maintain, repair and administer WOODMARK CONDOMINIUM and all improvements constituting a part thereof and said duties of the Association shall be more fully set out in the By-Laws thereof consistent with the following general statement of the obligations of said Association. Annually on or before the date of the regular annual meeting of the Association, it shall notify the Owner of each Condominium Interest of the amount of the estimated annual assessment and shall collect the fractional interest of one-twelfth (1/12th) of the amount thereof from each Owner each month. The estimated Common Expenses shall be on a calendar year basis. The Association shall maintain and establish a reserve fund for deferred maintenance, repairs, administration costs, payment of a manager, if necessary, payment of insurance premiums and other matters deemed appropriate.

Common Expenses shall be deemed to include but shall not be limited to the Insurance Premium for all insurable improvements, administration and management expenses, the cost of maintenance of the recreation area, including the maintenance and replacement of hot water heaters, furnaces and other utilities and equipment used in connection therewith. It shall also include all other maintenance, repair and upkeep of the Common Area and the Limited Common Areas unless otherwise excluded. All Owners shall be responsible and liable for a pro rata share of the Common Expenses with the exception of the maintenance, repairs or upkeep of certain Limited Common Areas the expense of which is expressly limited to fewer than all the Owners.

Notwithstanding anything hereinabove or hereinafter set forth, it is expressly provided herewith that the expense of maintenance, repair and upkeep of the Limited Common Areas of each Building as described and set forth in Paragraphs 7 (a), (b), (c), and (d) of this Declaration shall be borne exclusively by the Owners of the Homes located in such Building, and such expenses

shall attach in equal portion (1/4 each) to each of the Homes in the Building in which the expense is incurred. It shall be the duty of the Association to provide all such maintenance, repair and upkeep of the Limited Common Area described in Paragraph 7, and the Association shall have the further responsibility of collecting the expenses and costs from Home Owners in the respective Buildings. The Association may establish uniform reserves with respect to each Building. It shall be understood, however, that any damage caused by an Owner, tenant of an Owner, or guest or invitee of an Owner through said party's negligence, wear or tear, or by his willful acts, shall be the responsibility of the Owner and a lien hereinafter provided shall exist with respect to any such damage.

The Board of Managers or their designated agent shall have the right at reasonable times and upon reasonable prior notice (except in cases of emergency in which case no notice shall be required), to enter into each individual Home for the purposes of inspection of the Home, the Building in which the Home is located, Common Areas, and Limited Areas appurtenant thereto and for the further purpose of replacement, repair, and maintenance of the same.

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

17. Alterations, Additions and Improvements. No Owner shall make any alterations or additions to any Building, to the Common Areas or Limited Areas without the prior written approval of the Board of Managers, nor shall any Owner make any alterations to his respective Home and within the boundaries thereof which would affect the safety of structural integrity of the Building in which the Home is located.

18. Annexation of the Additional Tract I. The Declarant contemplates the development of the Additional Tract I in a manner compatible with the Tract. The Additional Tract I bears the following legal description.

See Exhibit "C" attached hereto and made a part hereof.

The Declarant reserves the right from time to time, within eight (8) years of the date of the recording of this Declaration, to annex and add to the Tract and thereby add to the condominium created by this Declaration, all or any portion of the real property described in Tract I. Providing, however, that under no circumstances shall any property annexed to the prior Tract have a density when fully developed in excess of sixteen (16) Homes per acre. Said annexation, if it occurs, may take place in one or more phases. No rights of any character whatever within the said Tract I attach to any Owner except as to that portion described in any recorded Amended Declaration annexing and adding such portion to this Declaration as part of the condominium created by this Declaration, or except as may otherwise have been expressly provided for in this Declaration.

In furtherance of the foregoing, a power coupled with an interest is hereby granted to the Declarant, HALLCO, INC., Charles N. Hall and each of them singly, or their respective successor or successors in interest, as attorney-in-fact, to shift the percentages of ownership in the Common Elements appurtenant to each Home to the percentages set forth in such recorded Amended Declaration.

Each Owner of a Home by acceptance of a deed thereto, further acknowledges, consents and agrees, as to each such Amended Declaration that is recorded, as follows:

(a) The portion of the Tract I described in each such Amended Declaration shall be governed in all respects by the provisions of this Declaration unless otherwise expressly provided for in said Amended Declaration

(b) The percentage of ownership in the Common Elements appurtenant to each Home shall automatically be shifted and reallocated to the extent set forth in each such recorded Amended Declaration and upon the recording of each such Amended Declaration, the amount by which such percentage appurtenant to a Home is reduced, as set forth in each such recorded Amended Declaration, shall thereby be and be deemed to be released and divested from such Home Owner and reconveyed and reallocated among the other Home Owners as set forth in each such recorded Amended Declaration.

(c) Each deed, mortgage or other instrument affecting a Home shall be deemed given subject to the conditional limitations that the percentage of ownership in the Common Elements appurtenant to each Home shall, upon the recording of each Amended Declaration, be divested pro tanto to the reduced or amended percentage set forth in such Amended Declaration and vested among the other Owners, mortgagees and others owning an interest in the other Homes in accordance with the terms and percentages of each such recorded Amended Declaration.

(d) A right of revocation is hereby reserved by the grantor in each such deed, mortgage or other instrument of a Home to so amend and reallocate the percentages of ownership in the Common Elements appurtenant to each Home.

(e) The percentage of ownership in the Common Elements appurtenant to each Home shall include and be deemed to include any additional Common Elements annexed hereto by a recorded Amended Declaration and each deed, mortgage or other instrument affecting a Unit shall be deemed to include such additional Common Elements and the ownership of any such Home and lien of any such mortgage shall automatically include and attach to such additional Common Elements as such Amended Declaration are recorded.

(f) Each Owner shall have a perpetual easement, appurtenant to his Home, for the use of any additional Common Elements annexed thereto by and described in any recorded Amended Declaration, for the purposes therein set forth, except as to any portion the use of which is limited by exclusive easements granted to the Owners of specific Homes as may be provided in any such Amended Declaration.

(g) The recording of each such Amended Declaration shall not alter the amount of the lien for expenses assessed to a Home prior to such recording.

(h) Each Owner by acceptance of the deed conveying his Home, agrees for himself and all those claim under him, including mortgagees, that this Declaration and each Amended Declaration is and shall be deemed to be in accordance with the Act and for purposes of this Declaration and the Act, any changes in the respective percentages of ownership in the Common Elements as set forth in each such Declaration shall be deemed to be made by agreement of all Home Owners.

(i) The Declarant reserves the right to amend this Declaration in such manner, and each Owner agrees to execute and deliver such documents necessary or desirable to cause the provisions of this Article XIX to comply with the Act as it may be amended from time to time.

(j) The foregoing provisions of this Declaration and the deeds and mortgages of the Homes and Common Elements contain and will contain clauses designed to accomplish a shifting of the Common Elements. None of said provisions shall invalidate the other, but each shall be deemed supplementary to the other, toward the end that a valid shifting of the Common Elements can be accomplished.

In the event Declarant does not annex to WOODMARK CONDOMINIUM the Additional Tract I or any particular portion thereof, as permitted by this paragraph 18 Declarant shall file a Supplemental Declaration which shall permanently remove that part of the Additional Tract that has not been annexed from any right to be made part of WOODMARK CONDOMINIUM; provided, however, any portion of the said Additional Tract I for which a Supplemental Declaration has not been filed by October 1, 1980, shall be automatically removed from the possibility of becoming a part of WOODMARK CONDOMINIUM.

In the event all or any part of the Additional Tract I is not annexed to WOODMARK CONDOMINIUM, the owners of that part of the Additional Tract I not annexed, their guests, invitees, lessees, and agents, and all public and quasi-public vehicles, including but not limited to police, fire, and emergency vehicles, trash and garbage collection, post office vehicles and privately owned delivery vehicles, shall have the right and easement to enter upon the streets and Common Areas of WOODMARK CONDOMINIUM, to provide ingress and egress to the Additional Tract I as is necessary.

19. Annexation of the Additional Tract II. The Declarant

contemplates the development of the Additional Tract II in a manner compatible with the Tract. The Additional Tract II bears the following legal description.

See Exhibit "D" attached hereto and made a part hereof.

The Declarant reserves the right from time to time, within twelve (12) years of the date of the recording of this Declaration, to annex and add to the Tract and thereby add to the condominium created by this Declaration, all or any portion of the real property described in Tract II. Providing, however, that under no circumstances shall any property annexed to any prior Tract have a density when fully developed in excess of sixteen (16) Homes per acre. Said annexation, if it occurs, may take place in one or more phases. No rights of any character whatever within the said Tract II attaches to any Owner except as to that portion described in any recorded Amended Declaration annexing and adding such portion to this Declaration as part of the condominium created by this Declaration, or except as may otherwise have been expressly provided for in this Declaration.

In furtherance of the foregoing, a power coupled with an interest is hereby granted to the Declarant, HALLOO Inc., Charles N. Hall and each of them singly, and their respective successor or successors in interest, as attorney-in-fact, to shift the percentages of ownership in the Common Elements appurtenant to each Home to the percentages set forth in such recorded Amended Declaration.

Each Owner of a Home by acceptance of a deed thereto, further acknowledges, consents and agrees, as to each such Amended Declaration that is recorded, as follows:

(a) The portion of the Tract II described in each such Amended Declaration shall be governed in all respects by the provisions of this Declaration unless otherwise expressly provided for in said Amended Declaration.

(b) The percentage of ownership in the Common Elements appurtenant to each Home shall automatically be shifted and reallocated to the extent set forth in each such recorded Amended Declaration and upon the recording of each such Amended Declaration, the amount by which such percentage appurtenant to a Home is reduced, as set forth in each such recorded Amended Declaration, shall thereby be and be deemed to be released and divested from such Home Owner and reconveyed and reallocated among the other Home Owners as set forth in each such recorded Amended Declaration.

(c) Each deed, mortgage or other instrument affecting a Home shall be deemed given subject to the conditional limitations that the percentage of ownership in the Common Elements appurtenant to each Home shall, upon the recording of each Amended Declaration, be divested pro tanto to the reduced percentage set forth in such Amended Declaration and vested among the other Owners, mortgagees and others owning an interest in the other Homes in accordance with the terms and percentages of each such recorded Amended Declaration.

(d) A right of revocation is hereby reserved by the grantor in each such deed, mortgage or other instrument of a Home to so amend and reallocate the percentages of ownership in the Common Elements appurtenant to each Home.

(e) The percentage of ownership in the Common Elements appurtenant to each Home shall include and be deemed to include any additional Common Elements annexed hereto by a recorded Amended Declaration and each deed, mortgage or other instrument affecting a Home shall be deemed to include such additional Common Elements and the ownership of any such Home and lien of any such mortgage shall automatically include and attach to such additional Common Elements as such Amended Declaration are recorded.

(f) Each Owner shall have a perpetual easement, appurtenant to his Home, for the use of any additional Common Elements annexed thereto by and described in any recorded Amended Declaration, for the purposes therein set forth, except as to any portion the use of which is limited by exclusive easements granted to the Owners of specific Homes as may be provided in any such Amended Declaration.

(g) The recording of each such Amended Declaration shall not alter the amount of the lien for expenses assessed to a Home prior to such recording.

(h) Each Owner by acceptance of the deed conveying his Home, agrees for himself and all those claiming under him, including mortgagees, that this Declaration and each Amended Declaration is and shall be deemed to be in accordance with the Act and for purposes of this Declaration and the Act, any changes in the respective percentages of ownership in the Common Elements as set forth in each such Amended Declaration shall be deemed to be made by agreement of all Home Owners.

(i) The Declarant reserves the right to amend this Declaration in such manner, and each Owner agrees to execute and deliver such documents

necessary or desirable to cause the provisions of this Article XIX to comply with the Act as it may be amended from time to time.

(j) The foregoing provisions of this Declaration and the deeds and mortgages of the Homes and Common Elements contain and will contain clauses designed to accomplish a shifting of the Common Elements. None of said provisions shall invalidate the other, but each shall be deemed supplementary to the other, toward the end that a valid shifting of the Common Elements can be accomplished.

In the event Declarant does not annex to WOODMARK CONDOMINIUM the Additional Tract II or any particular portion thereof, as permitted by this paragraph 19, Declarant shall file a Supplemental Declaration which shall permanently remove that part of the Additional Tract that has not been annexed from any right to be made a part of WOODMARK CONDOMINIUM; provided, however, any portion of the said Additional Tract II for which a Supplemental Declaration has not been filed by October 1, 1986, shall be automatically removed from the possibility of becoming a part of WOODMARK CONDOMINIUM.

In the event all or any part of the Additional Tract II is not annexed to WOODMARK CONDOMINIUM, the owners of that part of the Additional Tract not annexed, their guests, invitees, lessees, and agents, and all public and quasi-public vehicles, including but not limited to police, fire, and emergency vehicles, trash and garbage collection, post office vehicles and privately owned delivery vehicles, shall have the right and easement to enter upon the streets and Common Areas of WOODMARK CONDOMINIUM, to provide ingress and egress to the Additional Tract II as is necessary.

20. Resident's Rights to Recreation Areas. If any portion of the Additional Tract I or Additional Tract II shall not be developed and incorporated into the Tract as a part of WOODMARK CONDOMINIUM, but shall be developed for residential use by Declarant, the Residents of such lands shall be permitted to use the recreational facilities and Recreational Area in accordance with the rules and regulations of the Corporation and the right and easement to enter upon the streets and Common Areas of WOODMARK CONDOMINIUM and of Additional Tract I and Additional Tract II, if not annexed, as may be necessary to go to and from the Recreational Area,

unless on or before October 1, 1986, Declarant records a document stating that the Recreational Area shall not be for the residents of Additional Tract I or Additional Tract II not incorporated into the Condominium, in which event the residents of such unincorporated area shall have no right to use the Recreational Area or any interest in the Corporation.

21. Insurance. The Association, acting through its Board of Managers, shall obtain fire and extended coverage insurance insuring the Property in an amount equal to the full replacement cost thereof as determined by a qualified appraiser, the amount determined and the insurance renewed annually. The cost of any appraisal shall be a Common Expense. Such insurance shall (1) provide that notwithstanding any provision thereof giving the insurer an election to restore damage in lieu of a cash settlement, such option shall not be exercisable in the event the Owners do not elect to restore pursuant to paragraph 22, (2) contain a "Replacement Cost Endorsement", and (3) provide full coverage for replacement of any Home regardless of what damage, if any, is sustained by any other Home. Such insurance coverage shall be for the benefit of each Owner in accordance with the replacement costs established for each respective Home, and, if applicable, the Owner's Mortgagee. The proceeds shall be payable to the Association or the Board of Managers, who shall hold such proceeds as trustee for the individual Owners and Mortgagees.

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

The premiums for all such insurance shall be paid by the

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

Each Owner shall have the right to purchase any additional insurance he may deem necessary, and each Owner shall be solely responsible for insurance on the contents of his own Home, including all floor and wall coverings, and fixtures and betterments installed by the Owner, and his personal property stored elsewhere on the Property.

22. Casualty and Restoration. In the event of damage or destruction of the Property by fire or other casualty, the following provisions shall be applicable:

(a) Partial Destruction. In the event that less than two-thirds (2/3) of the Homes are destroyed by the occurrence of fire or other casualty, then the Association shall cause the Property to be

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

(b) Restoration in the Event of Two-Thirds Destruction.

In the event that more than two-thirds (2/3) of the Homes are destroyed by fire or other casualty, then restoration of the Homes must be approved within one hundred twenty (120) days from the date of damage or destruction by no less than fifty-one per cent (51%) in the aggregate of the total Percentage Vote.

If within one hundred twenty (120) days fifty-one per cent (51%) in the aggregate of the total Percentage Vote shall not have approved

the restoration of the Homes, then any alternate plan which shall have been approved by three-fourths (3/4) of the Owners shall be binding upon all Owners and shall be implemented and enforced forthwith. If neither fifty-one per cent (51%) of the Percentage Vote shall have approved the restoration of the Homes, nor three-fourths (3/4) of the required Owners shall have adopted an alternate plan, then and in that event, one hundred per cent (100%) of the Owners shall be deemed to have consented to, accepted and approved a plan for resolution of their interests in the Project and their respective Homes, which plan shall be as follows:

(i) Sufficient restoration of all damaged areas shall be effected to the extent necessary to avoid unreasonable risk of liability from injuries caused by the damaged property to persons in or about the premises or in the vicinity of the same. The restoration required for this purpose shall be determined by the Board.

(ii) Restoration of the damaged areas shall be effected to the extent necessary to maximize the net proceeds of the same upon sale or lease of the said areas, giving full consideration to the monies obtainable from the sale or lease of the said premises without restoration in whole or in part, the monies obtainable from the sale or lease of the premises with whole or partial restoration, and the costs of whole or partial restoration. The restoration required for this purpose shall be determined by the Board.

(iii) The property shall be deemed to be owned in common by the Home Owners.

(iv) The undivided interest in the property owned in common which shall appertain to each Home for purposes of this agreed settlement shall be that percentage of said total interest which the value of each said Home prior to the occurrence or occurrences of destruction bears to the value of all Homes prior to the occurrence or occurrences of destruction. If a replacement cost shall have been established for

purposes of the insurance policy required in Paragraph 21 above, said replacement cost shall be binding for purposes of determining the value of the respective Homes prior to the occurrence or occurrences of destruction.

(v) Such percentage interests as herein defined and provided for shall further be deemed to be the percentage of undivided interest previously owned by each Owner in the common areas and facilities for all purposes of this agreed settlement and the application of any provisions of the Act hereto.

(vi) Any liens affecting any of the Homes shall be deemed to be transferred in accordance with the existing priorities to the percentage of the undivided interest of the Home Owner in the property as provided herein.

(vii) The property shall be subject to an action for partition at the suit of any Home Owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the Home Owners in a percentage equal to the percentage of undivided interest owned by each Owner in the property, as herein provided for, after first paying out of the respective share of the Home Owners, to the extent sufficient to the purposes, all liens on the undivided interest in the property owned by each Home Owner.

(viii) Each Owner by acceptance of a deed and/or interest in and to a Home agrees for himself and all those claiming under him, including Mortgagees, to accept the terms of this Paragraph and any and all effects which the same shall at any time have upon the Percentage Interest appertaining to his Home, and further agrees to the resolution of all matters of insurance proceeds and property interest arising out of damages to the property in full and complete accordance with the terms of this paragraph where the same are applicable.

(c) Restoration, for purposes of Subparagraphs (a) and (b) above, shall mean construction or rebuilding of the Homes to the same condition as they existed immediately prior to the destruction and with the same type of architecture.

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

24. Sale or Lease of Home by Owner. For the purpose of maintaining the congenial and residential character of WOODMARK CONDOMINIUM and for the protection of the Co-owners with regard to financially responsible residents, sale or lease of a Home by an Owner other than Declarant shall be subject to the following conditions and restrictions:

(a) Lease. It is in the best interest of all the Owners that those persons residing in WOODMARK CONDOMINIUM have similar proprietary interests in their Homes and be Owners. Accordingly, no Owner shall lease his Home or enter into any other rental or letting arrangement for his Home without the prior written consent of the Board of Managers. Such consent shall not be unreasonably withheld. No lease for a term longer than one year, however, shall be approved. Any Owner desiring to enter into a lease for his Home shall make written application to the Board of Managers which

application shall state the reasons why the applicant wishes to lease the home, the name of the proposed tenant, and financial references of the proposed tenant. Within ten (10) days following the receipt of the application, the Board of Managers shall issue its written approval or disapproval to the Owner. In the event the Board fails to issue written approval or disapproval within such period, the application shall for all purposes be deemed approved.

(b) Sale. The Association shall have the right of first refusal to purchase any Home which an Owner wishes to sell. Any Owner wishing to sell who receives a bona fide offer to purchase shall promptly give written notice to the Board of Managers of his desire to sell, together with the name and address of the intended purchaser, and the terms and conditions of such offer. Within seven (7) days after the receipt of such notice, the Board of Managers shall determine if it should recommend exercise of the right to purchase. In the event the Board of Managers elects to waive the right to purchase, a certificate in recordable form, executed by the President or Secretary of the Association, certifying that the Association, through its Board of Managers, has waived its right to purchase, shall be delivered to the Owner, who may then proceed to sell and convey his Home to that person and upon the same terms and conditions as set forth in the Owner's notice to the Board of Managers. In the event the sale is not completed within ninety (90) days following the date of such certificate, then the Home shall again become subject to the Association's right of first refusal as herein provided.

In the event the Board of Managers deems it advisable to exercise the Association's right to purchase the Home, then it shall give written notice thereof to the Owner and shall, within fourteen (14) days following the receipt of such notice from the Owner wishing to sell, call a meeting of all the Co-owners for the purpose of voting upon the proposed purchase.

If the recommendation of the Board of Managers to purchase such Home is approved by not less than seventy-five percent (75%) in the aggregate of the total Percentage Vote, then the Association shall proceed to purchase the offered Home from the offering Owner upon the same terms and conditions contained in the offer. The purchase price for the Home shall be considered to be a Common Expense and borne by the remaining Co-owners; provided, however that the Owner who has made the offer to sell his Home shall not be assessed for or required to pay his pro rata share of the expense incurred in the purchase of the Home.

Legal title to the Home shall be conveyed to the Association as an entity or to those persons then serving as Board of Managers, as Trustees for the benefit of the Co-owners, whichever the Board of Managers, in their sole discretion, deem appropriate.

In the event that the proposed purchase is not approved by the required percentage of the Co-owners as set out above, then the Board of Managers, through the President or Secretary of the Association, shall promptly deliver a certificate in recordable form to the offering Owner who may proceed to sell his Home under the same terms and conditions as if the Board of Managers had not elected to recommend the exercise of the right of the Association to purchase.

If, for any reason, either the Board of Managers or the Co-owners shall fail to act on the Association's right of first refusal within the time periods herein provided, then the Association's right of first refusal shall be deemed to have been effectively waived.

If the Association shall purchase a Home in accordance with this paragraph 24, the Board of Managers shall have the authority at any time thereafter to sell or lease the Home upon the terms and conditions as the Board of Managers shall, in their sole discretion, deem desirable, without

application to or approval of the Co-owners. The proceeds of any such sale shall be returned to the Co-owners in the same percentage as they had contributed to the purchase. In the event the Board of Managers select to lease such Home, then the lease rental payments shall be applied against the Common Expenses.

The above provisions with respect to the Association's right to approve a lease of a Home or the right to purchase a Home shall remain in full force and effect until the Property is removed from the provisions of the Act or until the expiration of twenty (20) years from the date of this Declaration, whichever first occurs.

Any sale or attempted sale, or any lease or attempted lease by an Owner of his Home, except in accordance with the provisions of this paragraph 24, shall be void, provided, however, that any certificate waiving the Association's right to purchase executed by this paragraph may be relied upon by any Purchaser or Mortgagee and shall, with respect to such Purchaser or Mortgagee, be absolutely binding upon the Association and the Co-owners unless such Purchaser or Mortgagee has actual knowledge that the certificate was procured fraudulently or by reason of misrepresentation of a material fact.

(c) Limitations to Mortgagee. With respect to a Mortgagee that is a bank, life insurance company or savings and loan association, the provisions of subparagraphs (a) and (b) of this paragraph 24 shall be limited in their application as follows:

- (i) The provisions of subparagraph (b) shall not be applicable to a conveyance of a Home to such Mortgagee as a result of a foreclosure of its mortgage or a conveyance in lieu thereof or to the conveyance of a Home to any person at a public sale in the manner provided by law with respect to mortgage foreclosures. The provisions of subparagraph (b) shall be applicable to and binding upon such Mortgagee or other person so obtaining title to a Home with respect to any subsequent transfer or conveyance of the Home.

- (ii) The provisions of subparagraph (a) shall not be applicable to such Mortgagee if such Mortgagee acquires possession of a Home during the period while a foreclosure proceeding is pending or to such Mortgagee who obtains title to a Home as a result of foreclosure of its mortgage or a conveyance in lieu thereof. The provisions of subparagraph (a) shall be binding upon any other person obtaining title to the Home from such Mortgagee or at any foreclosure or other judicial sale.

The provisions of this subparagraph (c) may not be amended without the consent of all of such Mortgagees.

25. Amendment of Declaration. Except as otherwise provided in this Declaration and/or Paragraphs 18 and 19 relating to annexation of the Additional Tract, amendments to this Declaration shall be proposed and adopted in the following manner:

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

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

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

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

(e) Special Amendments. No amendment to this Declaration shall

be adopted which changes (1) the Percentage Interest with respect to any Home or the applicable share of an Owner's liability for the Common Expenses, without the approval of one hundred percent (100%) of the Co-owners, except as otherwise provided in this Declaration and/or as provided in those paragraphs thereof affecting the annexation of the Additional Tract I or Additional Tract II or the provisions of this Declaration affecting adjustment and resolution of interests of the Owners in the event of fire or casualty.

(f) Recording. Each amendment to the Declaration shall be executed by the President and Secretary of the Association and shall be recorded in the office of the Recorder of Allen County, Indiana, and such amendment shall not become effective until so recorded.

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

Declaration, the Act, the By-Laws, and the rules and regulations applicable thereto as each may be amended from time to time.

27. Negligence. Each Owner shall be liable for the expenses of any maintenance, repair or replacement rendered necessary by his negligence, wrongful acts, misuse of property or neglect, or by that of any member of his family or his or their guests, employees, agents or lessees, to the extent that such expense is not covered by the proceeds of insurance carried by the Association. An Owner shall pay the amount of any increase in insurance premiums occasioned by his use, misuse, occupancy or abandonment of his Home or its appurtenances or of the Common Areas or Limited Areas.

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

29. Waiver. No Owner may exempt himself from liability for his contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Areas or Limited Areas or the Recreational Area or by Abandonment of his Home.

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

31. Floor Plans. The Plans setting forth the layout, location, identification, and dimensions of all of the Homes upon the Tract are incorporated into this Declaration by reference, and have been filed in the

office of the Recorder of Allen County, Indiana, in Horizontal Property Plan
File No. _____, as of _____, 197____, as Instrument
Number _____.

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

HALLOO INC.

By

Charles N. Hall, President

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, a Notary Public in and for said County and State, personally appeared Charles N. Hall, by me known, and by me known to be a partner of HALCO INC., who acknowledged the execution of the above and foregoing Declaration of Horizontal Property Ownership for and on behalf of said partnership.

Witness my hand and Notarial Seal this 24th day of October,

Antia L. Baker
Notary Public

My Commission Expires:

October 1, 1975

This instrument prepared by Thomas M. Shoaff, Attorney at Law.

RESOLUTION FOR AMENDMENT OF DECLARATION OF WOODMARK
CONDOMINIUM

Whereas, it is the decision of the Board of Managers of Woodmark Condominium to permanently exclude and to remove the right of Hallco, Inc., Charles N. Hall, and each of them singly, or jointly, or their respective successor or successors in interests, as attorney-n-fact, or their assigns, grantees, or transferees, to further develop or enlarge Woodmark Condominium beyond its present size, as of the date of this proposed resolution, and it is further the decision of the Board of Managers to remove the right of the declarant of Woodmark Condominium, Charles N. Hall, Hallco, Inc., and each of them singly or jointly, or their respective successor or successors in interest, as attorney-n-fact, or their assignees, grantees, or transferees to annex and add to Woodmark Condominium, to shift the percentage of ownership in the common elements appurtenant to each homeowner in Woodmark Condominium, or to remove any part of Woodmark Condominium as it is presently constituted; and it is further the decision of the Board of Managers to remove any right and authority of Charles N. Hall, the original declarant, Hallco, Inc., and each of them singly or jointly, or their respective successor or successors in interests, as attorney-n-fact, or their assignees, grantees, or transferees to have any legal authority whatsoever in reference to Woodmark Condominium


RESOLUTION FOR AMENDMENT OF DECLARATION OF WOODMARK
CONDOMINIUM

Resolved that the Board of Managers of Woodmark Condominium recommends to the owners and mortgagees of Woodmark Condominium that the declaration of Woodmark Condominium be amended, by striking out all of clause 25(d) of such declaration, which now reads as follows:

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

and inserting in place thereof:

25(d) Adoption. Any proposed amendment to this Declaration must be approved by a vote of not less than fifty-one percent (51%) in the aggregate of the Percentage Vote. In the event any Home is subject to a first mortgage, the Mortgagee shall be notified of the meeting and the proposed amendment in the same manner as an Owner if the Mortgagee has given prior notice of its same mortgage interest to the Board of Managers in accordance with the provisions of the By-Laws.



PRESIDENT OF WOODMARK CONDOMINIUM
ASSOCIATION



SECRETARY OF WOODMARK CONDOMINIUM
ASSOCIATION

or to do any act whatsoever as originally set forth in the declaration and any amendments thereto of Woodmark Condominium; and whereas it is the decision of the Board of Managers that only the owners in Woodmark Condominium as presently constituted and the owners in Woodmark Subdivision Phase II as presently constituted, shall have any right to use the recreational area and recreational facilities, or to be members of Woodmark Recreational Area, Inc., or to use the pool and pool facilities or the right to enter upon the streets and common areas of Woodmark Condominium and Woodmark Subdivision Phase II, as may be necessary to go to and from their recreational area; and whereas it is the decision of the Board of Managers that no further development of any land by the original declarant or any successor in title shall give any right to any other person other than those who are present owners of Woodmark Condominium and Woodmark Subdivision Phase II, to use the pool, recreational facilities or recreational area as presently established and set forth in the original declaration of Woodmark Condominium.

NOW THEREFORE, the Board of Managers hereby **recommends** that the Declaration of Woodmark Condominium be amended by striking out and deleting therefrom sections 18, 19 and 20 of such declaration.

Mabel E. Taylor

PRESIDENT OF BOARD OF MANAGERS OF
WOODMARK CONDOMINIUM ASSOCIATION

Betty J. MacLaren

SECRETARY OF BOARD OF MANAGERS OF
WOODMARK CONDOMINIUM ASSOCIATION

ADDITIONAL AMENDMENT TO DECLARATION OF
HORIZONTAL PROPERTY OWNERSHIP AND EASEMENTS,
RESTRICTIONS AND COVENANTS FOR WOODMARK CONDOMINIUM

THIS DECLARATION, made this 21st day of April, 1986, by Woodmark Community Association, Inc., an Indiana corporation, as "Declarant":

W I T N E S S E T H:

WHEREAS, by the Declaration of Horizontal Property Ownership recorded in the Office of the Recorder of Deeds of Allen County, Indiana, as Document No. 72-24732, the Declarant Hallco, Inc. submitted certain real estate to the Horizontal Property Act of the State of Indiana (the Act), said condominium being known as WOODMARK CONDOMINIUM (the "Condominium"); and

WHEREAS, Woodmark Condominium Association, Inc., an Indiana corporation, has succeeded to the rights of the Condominium and its owners are composed of all the owners of the real estate that is the subject of the Declaration of Horizontal Property Regime aforesaid, and

WHEREAS, under paragraph 25 of the Declaration it is further provided that the Declaration may be amended by a specified procedure, and

WHEREAS, at a duly called special meeting of the property owners of Woodmark Condominium Association, Inc., on April 21, 1986, the proper procedure of notice, resolution and adoption was followed by an affirmative vote of 21 members with no

negative votes, but one abstention at which meeting a quorum was present; and

WHEREAS, each amendment to the Declaration shall be executed by the president and secretary of the Association and shall be recorded in the Office of the Recorder of Allen county, Indiana, and such amendments shall then become effective on the date of recordation,

NOW THEREFORE, in consideration of all of the above and in compliance with the terms and conditions of paragraph 25 of the Declaration of WOODMARK CONDOMINIUM, the Declarant does now permanently amend the Declaration of Horizontal Property Ownership as follows:

I.

Lines 4 and 5 of page 6, are hereby stricken, which now reads as follows:

3. Description of Buildings. There are 5 buildings containing 4 Homes each on the Tract or in Phase I, as shown on the Plans. The Buildings are. . .

and inserting in place thereof:

3. Description of Buildings. There are 10 buildings containing 4 Homes each on the Tract or in Phase I, as shown on the Plans. The Buildings are. . .

II.

Lines 28 and 29 of page 8 are hereby stricken, which stricken sentence contained in paragraph 7(a) reads as follows:

The garage parking space and use thereof shall be subject to such rules and regulations as the Board of Managers may deem appropriate and adopt.

III.

Line 14 in page 12 shall have the following words added:

. . .subject to Item 32 of this amended Declaration.

so that said line 14 of page 12 shall read as follows:

. . .Declarant or as thereafter may be approved by the Board of Directors, subject to Item 32 of this Amended Declaration. By. . .

IV.

Line 28, page 14 shall have the following words added:

. . .subject to Item 32 of this amended Declaration.

so that said line 28 of page 14 shall read as follows:

The Board of Managers, subject to Item 32 of this Amended Declaration, shall adopt such rules and regulations. . .

V.

Line 17 of page 16 shall have the following words added:

. . .subject to Item 32 of this amended Declaration.

so that line 17 of page 16 shall read as follows:

The Board of Managers, subject to Item 32 of this Amended Declaration, shall have the sole and exclusive power,. . .

VI.

Line 3 of page 17 shall have the following words added:

. . .subject to Item 32 of this amended Declaration

so that line 3 of page 17 shall read as follows:

. . .Areas without the prior written approval of the Board of Managers, subject to Item 32 of this amended Declaration, nor shall. . .

VII.

Lines 9 and 10 of page 31 are to be changed from "twenty (20) to "fifty (50)", to read as follows:

. . .of the Act or until the expiration of fifty (50) years from the date of. . .

VIII.

The following paragraph is added to said Declaration of Horizontal Property Ownership:

32. Dispute Determination. To effect a final determination in case of any dispute under Items 12 and 17 of those portions of Item 16 specifically referring to the applicability of this Section 32, a negative vote from the Board of Directors shall make this matter moot and final. However, in case of an affirmative vote from the Board of Directors, the matter shall then be brought before all co-owners whose majority vote shall be the final determination on this disputed matter.

IN WITNESS WHEREOF, the undersigned has caused this additional amendment to Declaration of Horizontal Property Ownership to be executed the day and year first above written.

WOODMARK CONDOMINIUM ASSOCIATION, INC.

By Larry Pepple
Larry Pepple, president

By Carolyn Bailey
Carolyn Bailey, secretary

STATE OF INDIANA)
) SS
COUNTY OF ALLEN)

Before me, a Notary Public in and for said County and State, personally appeared Woodmark Condominium Association, Inc. by Larry Pepple, president and Carolyn Bailey, secretary, and acknowledged the execution of the above and foregoing Additional Amendment to Declaration of Horizontal Property Ownership for and on behalf of said corporation. Witness my hand and notarial seal this 15th day of May, 1986.

James L. Larson, Notary Public
Resident of Allen County

My commission expires

November 13, 1987