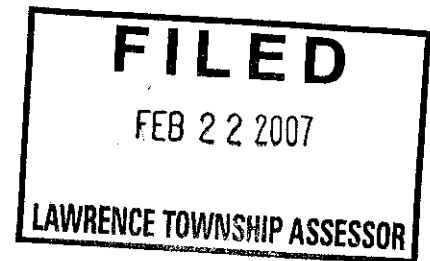
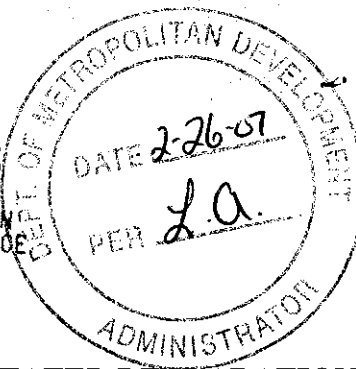


BILLIE J. BREAU
MARION COUNTY AUDITOR

671405 FEB 26 5

DULY ENTERED FOR TAXATION
SUBJECT TO FINAL ACCEPTANCE
FOR TRANSFER



Cross Reference: 1987-43409

**AMENDED AND RESTATED DECLARATION OF COVENANTS AND
RESTRICTIONS FOR CHESAPEAKE**

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS AND RESTRICTIONS FOR CHESAPEAKE ("Declaration") was executed as of the date set forth hereafter.

WITNESS THAT the following facts are true:

The Chesapeake subdivision located in Marion County, Indiana was established by a certain "Declaration of Covenants and Restrictions for Chesapeake" which was recorded on or about April 22, 1987, as **Instrument No. 1987-43409** in the Office of the Recorder of Marion County, Indiana, said Declaration together with all amendments and/or supplements thereto being hereafter referred to as the "Original Declaration"; and

Plats filed with the Office of the Recorder of Marion County, Indiana established a total of one hundred eighty-four (184) residential and Lots, and Common Area, comprising the Chesapeake subdivision in accordance with the Declaration; and

Article VIII, Section 3 of the Original Declaration states that its covenants, conditions and restrictions may be amended upon approval by the Owners of at least two-thirds (2/3) of the Lots; and

No Mortgagees requested notice of such action; and

A Special Meeting of the Owners and the Chesapeake Homeowners' Association, Inc. ("Association") was held on December 6, 2006, and reconvened on January 10, 2007; and

The purpose of said Special Meeting as stated in the notice for the meeting was for the Association's members to discuss and approve the following Amended and Restated Declaration; and

At said Special Meeting, the Owners of one hundred thirty (130) Lots, in person or by proxy, voted to approve this Amended and Restated Declaration pursuant to the terms below; and

The Owners of said Lots desire to amend certain provisions of the Original Declaration and to restate the same for the convenience of the Owners such that this Amended and Restated Declaration of Covenants and Restrictions for Chesapeake in no way nullifies or changes the Original Declaration or the effective date of the Original Declaration. However, upon the date of recording of this Amended and Restated Declaration with the Marion County Recorder's Office, the Original Declaration shall no longer be in effect and shall be replaced by the following.

The Original Declaration contained exhibits. For historical purposes, these various exhibits may be referred to from time to time, and therefore, for cross-reference purposes, one should refer to them as they were filed with the Marion County Recorder. Those exhibits, however, are not exhibits to this Amended and Restated Declaration. Except as to any exhibits to the Original Declaration that may remain relevant, all other provisions of the Original Declaration are hereby modified in their entirety, and superceded by this Amended and Restated Declaration.

NOW, THEREFORE, the Owners of more than two-thirds (2/3) of the total number of Lots in Chesapeake hereby amend and restate the Original Declaration such that all of the platted dwellings, Lots and lands located within Chesapeake as they have been platted are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved, subject to the following restrictions, all of which were and are declared and agreed to be in furtherance of a plan for the improvement and sale of said dwellings, Lots and lands in Chesapeake. Such restrictions below were and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of the development as a whole and of each of said dwellings and Lots situated therein. All of the restrictions shall run with the land and shall be binding upon the Owners and upon the parties having or acquiring any right, title or interest, legal or equitable, in and to the real property or any part or parts thereof subject to such restrictions, and shall inure to the benefit of all successors in title to any real estate in the development. Now, therefore, the Original Declaration which is applicable to all Owners and residents within Chesapeake is hereby amended and restated as follows:

ARTICLE I General Purpose Of This Declaration

The Real Estate is hereby subjected to the Covenants herein declared to preserve the value of the Real Estate, to ensure proper use and appropriate improvement of the Real Estate, to encourage the construction of attractive buildings and other attractive improvements at appropriate locations on the Real Estate, to prevent haphazard development thereof which may be inharmonious with other improvements on the Real Estate or within Chesapeake, to preserve and maintain proper setbacks from streets and adequate free space between structures, to provide for adequate and proper maintenance of the Real Estate so as to ensure a high quality appearance and condition of the Real Estate, all for the purpose of preserving the values of all lots within Chesapeake and to ensure desired high standards of maintenance of the Real Estate, to the benefit of all owners within Chesapeake.

ARTICLE II
Definitions For All Purposes Of This Declaration

The following terms, whenever used in this Declaration, shall have the meanings assigned to them by this Article II:

Section 2.1. Assessment. "Assessment" means the share of the Common Expenses imposed upon each Lot, as determined and levied pursuant to the provisions of Article VII.

Section 2.2. Association. "Association" means Chesapeake Homeowners' Association, Inc., an Indiana not-for-profit corporation, formed for the purpose of determining and collecting the Assessments and overseeing and enforcing the terms of this Declaration.

Section 2.3. Chesapeake. The term "Chesapeake" means and includes all portions of the Real Estate and other real property as were platted and recorded in accordance with the provisions of this Declaration.

Section 2.4. Committee. "Committee" shall mean the Chesapeake Development Control Committee, composed of three (3) or more members appointed by the Association's Board of Directors, who shall be subject to removal by the Board at any time with or without cause. Any vacancies shall be filled by appointment of the Board. In lieu of a separate Committee, the Board may serve as the same.

Section 2.5. Common Areas. "Common Areas" means certain areas designated as Common Areas on the plat or plats of Chesapeake, and which are intended for the common benefit of all Lots.

Section 2.6. Common Expense. "Common Expense" means the actual and estimated cost to the Association for maintenance, management, operation, repair, improvement, and replacement of Common Property, and any other cost or expense incurred by the Association for the benefit of the Common Property.

Section 2.7. Common Property. "Common Property" means all real and personal property which is in the nature of common or public improvements or areas, and which is located in, upon, or under the Common Areas, Easements, or Streets within Chesapeake. To the extent Common Property is not publicly dedicated, Common Property includes, but is not limited to, all Streets, curbs, water mains, fire hydrants, the Drainage System, the Sewage System, street lights and signs upon the Streets, public sidewalks, landscaping, lakes, parks, and open spaces.

Section 2.8. Drainage System. "Drainage System" means the storm sewers, subsurface drainage tiles, pipes and structures, and other structures, fixtures, properties, equipment and facilities located in, upon, or under the Common Areas, Easements, or Streets and designed for the purpose of expediting the drainage of surface and subsurface waters from, over, and across Chesapeake.

Section 2.9. Easements. "Easements" refer to those areas reserved as easements on the plat or plats of Chesapeake.

Section 2.10. Lot. "Lot" means any of the separate parcels numbered and identified on the plat or plats of Chesapeake.

Section 2.11. Mortgagee. The term "Mortgagee" means any holder, insurer, or guarantor of any first mortgage on any Lot.

Section 2.12. Owner. "Owner" means any person or persons who acquire legal and/or equitable title to any Lot; provided, however, that "Owner" shall not include any holder of any mortgage of all or any part of any Lot, so long as such holder does not hold both legal and equitable title thereto.

Section 2.13. Sewage System. "Sewage System" means any sanitary sewer lines, lift stations, equipment, or facilities located in, upon, or under the Common Areas, Easements, or Streets and designed to provide for the discharge of sanitary sewage from any or all Lots, as the same are or may be constructed at any time, and any replacement thereof or substitute therefor.

Section 2.14. Streets. "Streets" means all of the public and private roadways to the respective right-of-way lines thereof, as shown on the plat or plats of Chesapeake, which have been constructed for the purpose of providing common access for Owners, occupants and their guests and invitees, to any or all Lots.

ARTICLE III Use Restrictions

Section 3.1. General. Unless otherwise provided in these restrictions or on the recorded plat, no dwellings or above-grade structure shall be constructed or placed on any Lot except as provided herein.

Section 3.2. Type of Structure. Every Lot in Chesapeake shall be used exclusively for single family residential purposes.

Section 3.3. Lot and Dwelling. All Lots shall be not less than five thousand (5,000) square feet in size. All dwellings will have two (2), three (3) or four (4) bedrooms, a two-car garage and a minimum living area of one thousand two hundred (1,200) square feet.

Section 3.4. Accessory or Temporary Buildings. No temporary house, trailer, tent, or temporary garage shall be placed or erected on any Lot. No accessory building or outbuilding, including mini-barns, shall be placed or erected on any Lot.

Section 3.5. Setback Lines. Front yards, side yards and rear yards setback lines shall be located as set forth upon the plats of Chesapeake.

Section 3.6. Manner of Use. Each Owner shall use and occupy his respective Lot and all Easements and rights-of-way appertaining thereto, in a careful, safe, and proper manner and keep his Lot in a clean and safe condition in accordance with this Declaration, applicable zoning ordinances, all health, fire, and police requirements and regulations, state statutes, local ordinances, and the lawful directions of proper public officials. No Owner shall conduct, or permit any person to permit, any unlawful activity in Chesapeake.

Section 3.7. Outside Grounds. No basketball goals (permanent or portable) are permitted. In order to preserve the natural quality and aesthetic appearance of the existing geographic areas within Chesapeake, any fence, light fixture, or similar structure must be approved by the Committee as to size, color, location, height and composition before it may be installed. A standard mailbox and post will be adopted for Chesapeake by the Board of Directors or Committee and adequately repaired and replaced by each Owner as necessary.

Section 3.8. Exterior Construction. Each driveway in Chesapeake will be of concrete material and will not exceed in width the side boundaries of the garage associated therewith. No additional parking will be permitted on a Lot other than in the existing driveway. Each dwelling will have a continuance concrete sidewalk from the driveway to the front porch. All metal windows in Chesapeake will be factory painted, no raw aluminum windows will be permitted, and all windows will have an approved thermal break. All gutters and downspouts in Chesapeake will be painted on a colored material other than gray galvanized. All garage doors within the development will be of a masonite, wood, or such other material as approved by the Committee. All roofing in Chesapeake will be of a shingle-type material with weight no less than two hundred twenty (220) pounds and rating of Class A. The 3-Tab (Weatherwood) or Dimensional shingles are approved shingles when replacing roofs in the Chesapeake Addition. All roofs that are being replaced are to be approved by the Board as to the color. The color should be compatible with the color "Weatherwood" to maintain uniformity in the Chesapeake Addition. All roof pitches will be four to twelve (4:12) or greater. Plumbing vent stacks shall be placed in inconspicuous locations. No two dwellings with the same facade will be placed side by side. No awnings or patio covers that are made of metal (except for copper or metal roofs over box or bay windows), fiberglass or similar type material, will be permitted in Chesapeake. No above-ground or in-ground swimming pools will be permitted on any Lot in Chesapeake. The finished exterior of every building constructed on any Lot shall be of cedar or resemble cedar and must look like materials other than aluminum siding or any other similar artificial material.

Section 3.9. Heating Plants. Every dwelling in Chesapeake must contain a heating plant installed in compliance with required codes.

Section 3.10. Damaged Structures. No improvement which has partially or totally been destroyed by fire or otherwise shall be allowed to remain in such state for more than three (3) months from the time of such destruction or damage.

Section 3.11. Used Materials. All structures constructed or placed on any numbered Lot in Chesapeake shall be constructed with substantially all new materials, and no used structures shall be relocated or placed on any such Lot.

Section 3.12. Maintenance of Lots and Improvements. The Owner of any Lot in Chesapeake shall at all times maintain the Lot and any Improvements situated thereon in such a manner as to prevent the Lot or Improvements from becoming unsightly. Owners shall be responsible for the following:

- (a) Mow the Lot at such times as may reasonably be required in order to prevent the unsightly growth of vegetation and noxious weeds.
- (b) Remove all debris or rubbish.
- (c) Prevent the existence of any other condition that reasonably tends to detract from or diminish the aesthetic appearance of the Development.
- (d) Cut down and remove dead trees.
- (e) Keep the exterior of all improvements in such a state of repair or maintenance as to avoid their becoming unsightly.
- (f) Where applicable, prevent debris, grass clippings, and foreign material from entering drainage areas and ponds.
- (g) Each Lot owner on the pond shall be responsible for preventing erosion and protecting the natural environment of the ponds. Methods and materials to be so employed must be approved by the Board prior to commencement of work.

Section 3.13. Failure of Owner to Abide By Section 3.12. If the Owner of any Lot fails to abide by Section 3.12 in a manner reasonably satisfactory to the Board of Directors, after due notification, the Association shall have the right (but not the obligation), through its agents, employees and contractors, to enter upon said Lot and clean, repair, maintain or restore the Lot, as the case may be, and the exterior of the improvements erected thereon. The cost of any such work shall be and constitute a Special Assessment against such Lot and the Owner thereof, and may be collected and enforced in the manner provided in this Declaration for the collection and enforcement of assessments in general. Neither the Association nor any of its agents, employees or contractors shall be liable to the offending Owner for any damage which may result from any maintenance work performed hereunder. The Association's rights herein are in addition to its other remedies as set forth elsewhere in this Declaration.

ARTICLE IV General Restrictions

Section 4.1. Nuisances. No noxious, unlawful or otherwise offensive activity (including objectionable odors) shall be carried out on any Lot or anywhere else in Chesapeake, nor shall anything be done thereon which may be or may become a serious annoyance or nuisance to the neighborhood, including without limiting the generality of the foregoing, noise by the use of any musical instruments, radio, television, loud speakers, electrical equipment, amplifiers or other equipment or machines, or by loud persons.

Section 4.2. Animals. No farm animals, fowls or domestic animals, other than a reasonable number of household pets, shall be permitted in Chesapeake. All such pets must be kept under control by their owners and must not become a nuisance to other residents.

Section 4.3. Boats, Trucks, etc. No camper, motor home, truck (over 1 ton load capacity), trailer, bus, boat, paddle boat, personal watercraft, snowmobile or other recreational vehicle of any kind may be stored on any Lot in open public view or on any street or road within Chesapeake. However, recreational vehicles and boats may be parked in the Owner's driveway for a period not to exceed forty-eight (48) hours for the purpose of cleaning, loading or unloading. No vehicles of any kind may be put up on blocks or jacks on a Lot to accommodate repair unless such repairs are done in the garage. No disabled, junk or derelict vehicle or other vehicle on which current registration plates are not displayed shall be allowed to remain in open public view anywhere within Chesapeake. All watercraft should be out of the water between the months of November through March.

Section 4.4. Clothes Drying Area. No outdoor clothes drying apparatus shall be allowed.

Section 4.5. Site Visibility. No fences, wall, hedge, or shrub planting which obstructs sight lines shall be placed or permitted to remain on any corner lot.

Section 4.6. Fences. All fences shall be kept in good repair and erected so as to enclose the property and decorate the same without hindrance, encroachment, or obstruction to any Easement, Street right-of-way line, or adjoining Lot. No fence shall measure more than six (6) feet tall. No chain linked fences shall be allowed. Prior to erection, the plans for all fences must be approved by the Committee.

Section 4.7. Signs. No billboards or advertising signs of any character shall be exhibited in any way on or above the Real Estate or any part thereof or on any improvement thereon without the written approval of the Committee; provided, however, any Owner may place one sign of not more than six (6) square feet advertising the Lot and Improvements thereon, for sale or rent. Political signs will be permitted in private yards two weeks prior to election and removed forthwith. Political signs are not to be posted on the common ground.

Section 4.8. Oil and Gas Tanks; Air Conditioners. All oil tanks and bottled gas tanks must be placed or stored per applicable law. No above or below storage of gasoline will be allowed. Any stationary air conditioning units must be similarly walled-in, screened or appropriately landscaped. Appropriate screening shall be determined by the Committee.

Section 4.9. Easements for Utilities and Public and Quasi-Public Vehicles. All public and quasi-public vehicles, including, but not limited to police, fire, ambulance and other emergency vehicles, trash and garbage collection, post office vehicles, and privately owned delivery vehicles shall have the right to enter upon the Real Estate and any Lot therein in performance of their duties.

Section 4.10. Utility Easements. The Association, for itself and on behalf of applicable utility companies, reserves unto itself, its successors and assigns for purpose of installing and maintaining municipal and public utility facilities and for such other purposes incidental to the development of Chesapeake, full right and authority to lay, operate and maintain such drainage facilities, sanitary sewer and water lines, gas and electric lines, communication lines (which shall include cable TV), and such other further public service facilities as may be necessary or advisable. Provided, however, the disturbed area shall be restored as nearly as is possible to the condition in which it was found. No permanent structures shall be constructed within an easement area.

Section 4.11. Landscape Easements. The Landscape Easements, if any, are for the construction, maintenance and improvement of landscaping and earth mounding on certain Lots. Such easements shall be in favor of the Association for improvements and maintenance.

Section 4.12. Utility Lines. All electrical service, telephone and other utility lines shall be placed underground, except where required to be placed above ground by the individual utility supplier or when approved by the Committee. No utility services shall be installed under finished streets except by jacking, drilling, or boring unless specifically approved by the Committee.

Section 4.13. Lot Access. All Lots shall be accessed from the interior streets of this subdivision. No access is permitted from 79th Street or Sunnyside Road.

Section 4.14. Obstruction of Common Property. No Owner shall unreasonably interfere with, damage, or obstruct the use or maintenance of any Common Property.

Section 4.15. Outdoor Lighting. All outdoor lighting on any Lot shall be subject to the approval of the Committee or the Association and all applications for such approval shall be in writing. All outdoor lighting shall be maintained in working order at all times. The outdoor lighting is for aesthetic appearance as well as security purposes.

Section 4.16. Garbage, Trash and Other Refuse. No Owner of a Lot in Chesapeake shall burn or permit the burning out-of-doors of garbage or other refuse, nor shall any such Owner accumulate or permit the accumulation out-of-doors of such refuse on his Lot except as may be permitted in Section 4.17 below. All dwellings built in Chesapeake shall be equipped with a garbage disposal unit.

Section 4.17. Trash Receptacles. Every outdoor receptacle for ashes, trash, rubbish or garbage shall be so placed and kept as not to be visible from any street within Chesapeake at any time, except at the times when refuse collections are being made. Trash shall not be placed along the curb for collection until after 6:00 p.m. or later on the day before collection.

Section 4.18. Ditches and Swales. It shall be the duty of every Owner of every Lot in Chesapeake on which any part of an open storm drainage ditch or swale is situated to keep such portion thereof as may be situated upon his Lot continuously unobstructed and in good repair.

Section 4.19. Wells and Septic Tanks. No water wells shall be drilled on any of the Lots in Chesapeake without the approval of the Committee. No septic tanks shall be installed on any of the Lots.

Section 4.20. Antennas, Satellite Dishes, and Poles. Subject to any lawful restrictions or conditions imposed by law or ordinance and in compliance with the Federal Communications Commission July 1995 Ruling on Over the Air Reception Devices:

Outdoor satellite dishes 39.37 inches in diameter or smaller with companion digital antennas necessary to receive local digital broadcasts shall be permitted. The Homeowner's Association asks that these be as unobtrusive and considerate of the ambiance of Chesapeake as possible.

No poles are allowed, except for flag poles approved by the Committee.

ARTICLE V Development Control Committee

Section 5.1. Powers of Committee.

(a) In General. No dwelling or improvement of any type or kind shall be repainted (unless the color has been pre-approved by the Board of Directors or Committee), altered, constructed or placed on any Lot in Chesapeake, and no existing living trees shall be removed, without the prior approval of the Committee. Such approval shall be obtained only after written application has been made to the Committee by the Owner of the Lot requesting authorization from the Committee. Such written application shall be in the manner and form prescribed from time to time by the Committee, and shall be accompanied by two (2) complete sets of plans and specifications for any such proposed construction or improvement. Such plans shall include plot plans showing the location of all improvements existing upon the Lot and the location of the improvement proposed to be constructed or placed upon the Lot, each properly and clearly designated. Such plans and specifications shall set forth the color and composition of all exterior materials proposed to be used and any proposed landscaping, together with any other material or information which the Committee may require. All plans and drawings required to be submitted to the Committee shall be drawn to a scale of one inch (1") equals ten feet (10'), or to such other scale as the Committee may require. There shall also be submitted, where applicable, the permits or plat plans which shall be prepared by either a registered land surveyor, engineer or architect. Plat plans submitted for Improvement Location Permit shall bear the stamp or signature of the Committee acknowledging the approval thereof.

(b) Power of Disapproval. The Committee may refuse to grant permission to remove trees, repaint, construct, place or make the requested improvement, when:

(1) the plans, specifications, drawings or other material submitted are themselves inadequate or incomplete, or show the proposed improvement to be in violation of these Restrictions;

(2) the design or color scheme of a proposed repainting or improvement is not in harmony with the general surroundings of the Lot or with adjacent buildings or structures;

(3) the proposed improvement, or any part thereof, or proposed tree removal, would, in the opinion of the Committee, be contrary to the interests, welfare or rights of all or any part of other Owners.

Section 5.2. Duties of Committee. The Committee shall approve or disapprove proposed improvements within thirty (30) days after all required information shall have been submitted to it. One copy of submitted materials shall be retained by the Committee for its permanent files. All notifications to applicants shall be in writing, and, in the event that such notification is one of disapproval, it shall specify the reason or reasons for such disapproval.

Section 5.3. Liability of Committee. Neither the Committee nor any agent thereof shall be responsible in any way for any defects in any plans, specifications or other materials submitted to it, nor for any defects in any work done according thereto.

Section 5.4. Inspection. The Committee may inspect work being performed with its permission to assure compliance with these Restrictions and applicable regulations.

Section 5.5. Non-Compliance with Covenants and Restrictions; Remedies of Association:

If the homeowners, or their heirs or assigns shall violate or attempt to violate any of these covenants, restrictions, provisions or conditions herein, it shall be lawful for the Board, or any other person owning any real property situated in this subdivision, to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, restriction, provision or condition, either to prevent him from doing so, or to recover damages or other dues for such violation, or to require the removal of structures erected in violation hereof. The prevailing parties shall have the right to recover legal expenses, including reasonable attorney's fees. Notwithstanding the foregoing, in enforcing the covenants, restrictions, provisions or conditions herein, prior to resorting to litigation or the courts, the Board, or any other person owning any real property situated in this subdivision, shall first contact the owner of the lot within the subdivision wherein the violation of said covenants, restrictions, provisions or conditions is alleged in order to provide said offending lot owner the ability to cure said violation. In the event of a failure to so notify the offending lot owner, the Board, or any other person owning any real property situated in this subdivision, will not be entitled to recovery of legal expenses or attorney's fees although otherwise entitled to recover same as a prevailing party.

ARTICLE VI Property Rights

Section 6.1. Rights to Common Property. Title to all Common Property shall be held by the Association and each Owner shall have, as non-exclusive, reciprocal easements appurtenant to his Lot; a right of access to his Lot over all streets; the right of access to and use of the drainage system, the sewage system, and all utility lines and mains abutting or adjacent to his Lot; the right to use of all Common Areas for their intended purposes; provided, however, that no Owner's use of any Common Property shall materially interfere with any other Owner's use thereof.

Section 6.2. Owner's Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any Assessment against his Lot remains unpaid;

(b) the right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members.

Section 6.3. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws of the Association, his right of enjoyment to the Common Areas and facilities of the Association to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 6.4. Limited Common Area. There is hereby reserved for the benefit of the Owner of any Lot, a limited common area for the purpose of entering and encroaching upon an adjoining Lot as designated on the plat hereof. Said limited common area is reserved for the limited purpose of performing maintenance and repair work on the dwelling benefited by such easement, and for the encroachment, if any, of the roofs, gutters, overhangs or other improvements resulting from the original construction of the adjacent dwelling. The owner of any house built within three (3) feet of a side-yard property line, shall have an express right of access and use for the limited purposes described above, in the limited common area as measured from the side-yard property line. Said easement area shall be five (5) feet in width as measured from said side-yard property line and as designated on the plat hereof. Any persons entering upon an adjacent Lot under the rights granted hereunder shall be responsible for repair of any damage resulting from the use of such area.

ARTICLE VII Covenants For Maintenance Assessments

Section 7.1. Purpose of the Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of preserving the values of the Lots within Chesapeake

and promoting the health, safety, and welfare of the Owners, users, and occupants of Chesapeake and, in particular, for the improvement, repairing, operating, and maintenance of the Common Property, including, but not limited to, the payment of taxes and insurance thereon and for the cost of labor, equipment, material, and management furnished with respect to the Common Property; provided that the Association shall not be responsible for the replacement, repair or maintenance of any Common Property which is or hereafter may be dedicated to the public. Each Owner hereby covenants and agrees to pay to the Association:

(a) A Pro-rata Share (as hereinafter defined) of the Annual Assessments fixed, established, and determined from time to time, as hereinafter provided.

(b) A Pro-rata Share (as hereinafter defined) of any Special Assessments fixed, established, and determined from time to time, as hereinafter provided.

Section 7.2. Liability for Assessment. Each Assessment, together with any late charges thereon and any costs of collection thereof, including attorneys' fees, shall be a charge on each Lot and shall constitute a lien from and after the due date thereof in favor of the Association upon each Lot. Each such Assessment, together with any late charges thereon and any costs of collection thereof, including attorneys' fees, shall also be the personal obligation of the Owner of each Lot at the time when the Assessment is due. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such Assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof, nor shall any sale or transfer relieve any Owner of the personal liability hereby imposed. The personal obligation for delinquent Assessments shall not pass to any successor in title unless such obligation is expressly assumed by such successor.

Section 7.3. Pro-rata Share. The Pro-rata Share of each Owner for purposes of this Article VII shall be the percentage obtained by dividing one of the total number of Lots shown on the plat or plats of Chesapeake ("Pro-rata Share"). Thus, Annual and Special Assessments shall be uniform for all Lots.

Section 7.4. Basis of Annual Assessments. The Board of Directors of the Association shall establish an annual budget prior to the beginning of each fiscal year, setting forth estimates of all Common Expenses for the coming fiscal year, together with a reasonable allowance for contingencies and reserves of the Association. A copy of this budget shall be delivered to each Owner prior to the beginning of each fiscal year of the Association.

Section 7.5. Basis of Special Assessments. Should the Board of Directors of the Association at any time during the fiscal year determine that the Assessment levied with respect to such year are insufficient to pay the Common Expenses for such year, the Board of Directors of the Association may, at any time, and from time to time levy such special Assessments as it may deem necessary for meeting the Common Expenses. In addition, the Board of Directors of the Association shall have the right to levy at any time, and from time to time, one or more

special Assessments for the purpose of defraying, in whole, or in part, any unanticipated Common Expense not provided for by the Annual Assessments.

Section 7.6. Fiscal Year; Date of Commencement of Assessments; Due Dates. The fiscal year of the Association shall be established by the Association and may be changed from time to time by action of the Association. The Annual Assessment shall be due and payable on the first day of each fiscal year of the Association, except that the Association may from time to time by resolution authorize the payment of such Assessment in installments.

Section 7.7. Duties of the Association.

(a) The Board of Directors of the Association shall keep proper books and records of the levy and collection of each annual and special Assessment, including a roster setting forth the identification of each and every Lot and each Assessment applicable thereto, which books and records shall be kept by the Association shall be available for the inspection and copying by each Owner (or duly authorized representative of any Owner) at all reasonable times during regular business hours of the Association. The Board of Directors of the Association shall cause written notice of all Assessments levied by the Association upon the Lots and upon the Owners to be mailed to the Owners or their designated representatives as promptly as practicable and in any event not less than thirty (30) days prior to the due date of such Assessment or any installment thereof. In the event such notice is mailed less than thirty (30) days prior to the due date of the Assessment to which such notice pertains, payment of such Assessment shall not be deemed past due for any purpose if paid by the Owner within thirty (30) days after the date of actual mailing of such notice.

(b) The Association shall promptly furnish to any Owner or Mortgagee upon request a certificate in writing signed by an officer of the Association, setting forth the extent to which Assessments have been levied and paid with respect to such requesting Owner's or Mortgagee's Lot. As to any person relying thereon, such certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

(c) The Association shall notify any Mortgagee from which it has received a request for notice of any default in the performance by any Owner of any obligation under the By-Laws or this Declaration which is not cured within sixty (60) days.

Section 7.8. Non-payment of Assessments; Remedies of Association.

(a) If any Assessment is not paid on the date when due, then such Assessment shall be deemed delinquent and shall, together with any late charges thereon and any cost of collection thereof, including attorneys' fees, become a continuing lien on the Lot against which such Assessment was made, and such lien shall be binding upon and enforceable as a personal liability of the Owner of such Lot as of the date of levy of such Assessment, and shall be enforceable against the interest of such Owner and all future successors and assignees of such Owner in such Lot; provided, however, that such lien shall be subordinate to any mortgage on such Lot recorded prior to the date on which such Assessment becomes due.

(b) Upon the failure of an Owner to make payments of any Annual or Special Assessments within thirty (30) days of the due date, the Board, in its discretion, may impose a late charge, which will be considered an addition to the assessment, in an amount to be determined by the Board of up to twenty-five percent (25%) of the amount of the unpaid assessment. Thereafter, the Association may bring an action in any court having jurisdiction against the delinquent Owner to enforce payment of the same and/or to foreclose the lien against said Owner's Lot, and there shall be added to the amount of such Assessment all costs of such action, including the Association's attorneys fees (regardless of whether litigation is instituted), and in the event a judgment is obtained, such judgment shall include such late charges, costs, and attorneys' fees.

Section 7.9. Adjustments. In the event that the amounts actually expended by the Association for Common Expenses in any fiscal year exceed the amounts budgeted and assessed for Common Expenses for that fiscal year, the amount of such deficit shall be carried over and become an additional basis for Assessments for the following fiscal year. Such deficit may be recouped either by inclusion in the budget for Annual Assessments or by the making of one or more Special Assessments for such purpose, at the option of the Association. In the event that the amounts budgeted and assessed for Common Expenses in any fiscal year exceed the amount actually expended by the Association for Common Expenses for that fiscal year, a Pro-rata Share of such excess shall be a credit against the Assessment due from each Owner for the next fiscal year.

ARTICLE VIII

Organization and Duties of Association

Section 8.1. Organization of Association. The Association shall be organized as a not-for-profit corporation under the laws of the State of Indiana, to be operated in accordance with the Association's Articles of Incorporation as filed with the Indiana Secretary of State. The membership of the Association shall consist of one class of voting members, with each member having equal voting rights. The members of the Association shall consist of the Owners of Lots in Chesapeake. However, if a Lot is owned by more than one person, partnership, trust, corporation, or other entity, they shall be treated collectively as one member for voting purposes, so that as to any matter being considered by the Association, there is only one vote per Lot.

Section 8.2. General Duties of the Association. The Association is hereby authorized to act and shall act on behalf of, and in the name, place, and stead of, the individual Owners in all matters pertaining to the maintenance, repair, and replacement, of the Common Property, the determination of Common Expenses, the collection of annual and special Assessments, and the granting of any approvals whenever and to the extent called for by this Declaration. The Association shall also have the right, but not the obligation to act on behalf of any Owner or Owners in seeking enforcement of the terms, covenants, conditions and restrictions contained in this Declaration. Neither the Association nor its officers or authorized agents shall have any liability whatsoever to any Owner for any action taken under color of authority of this Declaration, or for any failure to take any action called for by this Declaration, unless such act or failure to act is in the nature of a willful or reckless disregard of the rights of the Owners or in the nature of willful, intentional, fraudulent, or reckless misconduct.

Section 8.3. Amendment of Declaration. The Association shall have the right to amend this Declaration at any time, and from time to time, upon the recommendation of an amendment to the Association by its Board of Directors, and the subsequent approval of such amendment by both the Owners of at least two-thirds of the Lots and the Mortgagees of at least two-thirds of the Mortgagees requesting notice of such action. Each such amendment must be evidenced by a written instrument, signed and acknowledged by duly authorized officers of the Association, setting forth facts sufficient to indicate compliance with this paragraph, including as an exhibit of addendum thereto a certified copy of the minutes of the Association meeting at which the necessary actions were taken, and such amendment shall not be effective until recorded in the Office of the Recorder of Marion County.

Section 8.4. Insurance. The Association shall maintain in force adequate public liability insurance protecting the Association against liability for property damage and personal injury. The Association shall also maintain in force adequate officers and directors insurance covering the officers and directors of the Association. If appropriate, the Association shall also maintain in force adequate fire and extended coverage insurance, insuring all Common Property against fire, windstorm, vandalism, and such other hazards as may be insurable under standard "extended coverage" provisions, in an amount equal to the full insurable value of such Common Property. The Association shall notify all Mortgagees which have requested notice of any lapse, cancellation, or material modification of any insurance policy. All policies of insurance shall contain an endorsement or clause whereby the insurer waives any right to be subrogated to any claim against the Association, its officers, Board members, any property manager, their respective employees and agents, the Lot Owners and occupants, and also waives any defenses based on co-insurance or on invalidity arising from acts of the insured, and shall cover claims of one or more parties against other insured parties.

The Association shall maintain a fidelity bond indemnifying the Association, the Board of Directors and the Lot Owners for loss of funds resulting from fraudulent or dishonest acts of any director, officer, employee or anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The fidelity bond should cover the maximum amount of funds which will be in the custody of the Association or its management agent at any time, but in no event shall such fidelity bond coverage be less than the sum of three (3) months' assessments on all Lots in Chesapeake, plus the Association's reserve funds.

The Association shall cause all insurance policies and fidelity bonds to provide at least ten (10) days written notice to the Association and all Mortgagees who have requested such notice, before the insurance policies or fidelity bonds can be cancelled or substantially modified for any reason.

Section 8.5. Condemnation; Destruction. In the event that any of the Common Property shall be condemned or taken by any competent public authority, or in the event the same shall be damaged or destroyed by any cause whatsoever, the Association shall represent the interests of the Owners in any proceedings, negotiations, insurance adjustments, settlements, or agreements in connection with such condemnation, damage, or destruction. Any sums recovered

by the Association shall be applied, first, to the restoration and repair of any Common Property condemned, damaged, or destroyed, to the extent such restoration or repair is practicable, and the balance of such sums shall either be held as a reserve for future maintenance of the Common Property or turned over to the Owners in proportion to their Pro-rata Shares, whichever may be determined by a majority vote of the members of the Association. Each Owner shall be responsible for pursuing his own action for damages to his Lot, either by reason of direct damage thereto or by reason of an impairment of value due to damage to the Common Property. The Association shall notify all Mortgagees of which it has notice of any condemnation, damage, or destruction of any Common Property.

Section 8.6. Mortgagees' Rights. The Mortgagees shall have the right, at their option, jointly or severally, to pay taxes or other charges which are in default or which may or have become a charge against the Common Property and to pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for the Common Property, and Mortgagees making such payment shall be owed immediate reimbursement therefor from the Association. In addition, neither the Owners nor the Association shall materially impair the rights of any Mortgagee holding, insuring, or guaranteeing any mortgage on all or any portion of the Real Estate.

ARTICLE IX

Term

This Declaration shall be effective until January 1, 2017, and shall automatically renew for terms of ten (10) years each, in perpetuity, unless as of the end of any term the Owners of two-thirds (2/3) of the Lots vote to terminate this Declaration, in which case this Declaration shall terminate as of the end of the term during such vote was taken.

ARTICLE X

General Provisions

Section 10.1. Covenants Run With the Land. The Covenants created by this Declaration shall attach to and run with the Real Estate and shall be binding upon every person who may hereafter come into ownership, occupancy, or possession of any portion of the Real Estate.

Section 10.2. Scope of Covenants. Each Owner of any Lot by acceptance of a deed therefor whether or not it shall be so expressed in such deed, is deemed to have agreed to each and every one of the various terms, Covenants and conditions, contained in this Declaration, and the same shall be of mutual and reciprocal benefit to the Association and each Owner of a Lot. The Association and each Owner shall be entitled to enforce this Declaration against any Owner to the full extent permitted herein under applicable law; provided, that the Association shall not be liable for damages of any kind to any person for failing to abide by, enforce or carry out any of the rights or remedies set forth herein. Each Owner shall be liable for any failure to fully comply with all of the terms, Covenants, and conditions, contained in this Declaration only so long as each such Owner shall have any interest in any Lot; provided, however, that the relinquishing of all of such interest shall not operate to release any Owner from liability for a failure to comply with this Declaration which occurred while said Owner had such interest.

Section 10.3. Failure to Enforce Not a Waiver of Rights. The failure of the Association or any Owner to enforce any term, Covenant, or condition, herein contained shall in no event be deemed to be a waiver of the right to do so thereafter, nor of the right to enforce any other such term, covenant, or condition.

Section 10.4. Effect of Invalidation. If any provision of this Declaration is held to be invalid by any court, the invalidity of such provision shall not affect the validity of the remaining provisions hereof.

Section 10.5. Section Headings. Section headings used herein are used for convenience only and are not intended to be a part of this Declaration or in any way to define, limit, or describe the scope and intent of the particular sections to which they refer.

Section 10.6. Notices. All notices in connection with this Declaration shall be made in writing and shall be deemed delivered (a) upon personal delivery to the individual person, or (b) seventy-two hours after the deposit thereof in any United States main or branch post office, first class postage prepaid, properly addressed to the individual person.

Section 10.7. Enforcement. Any Owner or the Association shall have the right to enforce, by a proceeding at law or inequity, all restrictions, condition, or Covenants, imposed by this Declaration, but the Association shall not be liable for damages of any kind to any person for failure to either to abide by, enforce or carry out any of the Covenants or Restrictions.

Section 10.8. Controlling Document. If there is any conflict between the provisions of this Declaration and any Plat of a part of Chesapeake, the terms and provisions of this Declaration shall be controlling. If there is any conflict between the provisions of this Declaration and Articles of Incorporation or By-Laws of the Association, the terms and provisions of this Declaration shall be controlling. Conflict, as used herein, shall mean a situation where the application of the language in one document contradicts the language in another document. Conflict does not occur where language in one document is simply more restrictive than language in another document.

The undersigned persons hereby represent and certify that all requirements for and conditions precedent for the effectiveness of this Amended and Restated Declaration of Covenants and Restrictions have been fulfilled and satisfied. Attached hereto and incorporated herein are the certified minutes of the Special Meeting at which this Amended and Restated Declaration was approved.

[The remainder of this page left blank intentionally]

Executed this 22nd day of February, 2007.

Chesapeake Homeowners' Association, Inc., by:

Marianne Rhinesmith, President
Marianne Rhinesmith, President

Attest:

L. Kay Cook
L. Kay Cook, Secretary

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a notary public, in and for said County and State, personally appeared Marianne Rhinesmith and L. Kay Cook, the President and Secretary, respectively, of Chesapeake Homeowners' Association, Inc., an Indiana nonprofit corporation, who acknowledged execution of the within and foregoing for and on behalf of said corporation and its members and who, being duly sworn, stated that the certifications and representations made therein are true. Witness my hand and notarial seal this 22nd day of February, 2007.

Dianne M. Colquitt
Notary Public - Signature

Dianne M. Colquitt
Printed
Residence County: Marion

My Commission Expires:
12-10-09

"I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security Number in this document, unless required by law." P. Thomas Murray, Jr., Esq.

This instrument prepared by, and should be returned to, P. Thomas Murray, Jr., EADS MURRAY & PUGH, P.C., Attorneys at Law, 9515 E. 59th Street, Suite B, Indianapolis, IN 46216. Telephone (317) 536-2565.

SPECIAL MEETING
December 6, 2006
Reconvened January 10, 2007

Minutes of December 6, 2006 Chesapeake Homeowners Association Special Meeting

The Special Meeting of the Chesapeake Homeowners Association (CHOA) was called to order at 7:00 p.m. on December 6, 2006, at the Indian Lake Country Club. The Chesapeake Board of Directors – Marianne Rhinesmith, Kay Cook, Dave Snow, Paul Rogers and Julie Petty – were in attendance. Approximately 40 Chesapeake residents were in attendance in person. Other residents had previously responded by proxy.

Marianne Rhinesmith called the meeting to order and then turned the meeting over to Kay Cook. Kay Cook then explained that two-thirds (2/3) of the Chesapeake homeowners would have to approve the Amended and Restated Declaration of Covenants and Restrictions for Chesapeake. If a homeowner could not attend the meeting, then a Proxy had been provided to all homeowners. Kay Cook then explained that a Ballot would be available for homeowners who attended the meeting.

A question and answer period then began. Discussion began regarding the last sentence in Section 3.8 – Exterior Construction. It was decided by consensus that this last sentence should be amended to read, "The finished exterior of every building constructed on any Lot shall be of cedar or resemble cedar and must look like materials other than aluminum siding or any other similar artificial material."

Another homeowner noted that he does not live on the ponds and does not want to have to pay for the upkeep of property on the ponds. In Section 3.12 (g) – Maintenance of Lots and Improvements – Homeowner suggested that it read "Each Lot owner on the pond shall be responsible to prevent erosion and protect the natural environment of the ponds." Another homeowner that had submitted their proxy suggested that the following sentence also be added: "Methods and materials to be so employed must be approved by the Board prior to commencement of work." It was decided by consensus to modify the proposed amendments accordingly.

Many homeowners questioned the wording in Section 3.13 regarding the Board's responsibility to go onto any Chesapeake property to complete needed work. It was agreed that the amended covenants include the additional phrase, "After due notification..."

Another homeowner questioned the definition of the term "reasonable number" of household pets. It was decided that 2 dogs and 2 cats would be a reasonable number, but that no change would be made to the proposed amended covenants.

It was suggested that 3:00 p.m. and not 6:00 p.m. should be the earliest time that Trash could be put out. A Board member mentioned that the Chesapeake Board only responds to homeowner complaints. We must have Chesapeake homeowners complaining about

this or this would not be in the Amended Covenants. It was noted by another Board member that since the Chesapeake Trash collection takes place on Monday morning, we should not have our trash out while homeowners are having family members in for Sunday dinner, etc. However, there was no agreement to change the proposed amended covenants.

One homeowner thought that (30) days to approve or disapprove proposed improvements was too long. A Board member mentioned that since the Board meets only once a month and if a Board member were to be going on a two-week vacation, the Board would need extra time to evaluate the requests. It was noted that most normal paint requests and roofing requests are presently being taken care of in less than one week. Thus, there was no agreement to change the proposed amended covenants.

Various homeowners commented that they may not agree with every change, but it would be difficult to find all homeowners who would agree to every change suggested. All in all, several homeowners indicated that it was necessary to make the changes.

The ballots were passed out and then collected. Kay Cook noted that there were numerous proxies turned in at her home on the afternoon of December 6 and she had not yet had an opportunity to tally them. It was also noted that Chesapeake has numerous homeowners spending the winter in Florida and with the Chesapeake Homeowners' Assessments being due December 31, 2006, many homeowners indicated they were sending in their proxies with their assessments. At the end of the meeting, it was determined that a final account would take place after the Board had a chance to hear from as many homeowners as possible. The meeting was adjourned at 9:00 p.m.

Minutes of January 10, 2007 Reconvened Special Meeting

The Special Meeting of the Chesapeake Homeowners Association (CHOA) was reconvened at 7:00 p.m. on January 10, 2007, at the home of Kay Cook. The Chesapeake Board of Directors – Marianne Rhinesmith, Kay Cook, Dave Snow, Paul Rogers and Julie Petty – were in attendance. The Board prepared a final tabulation of all votes that had been cast in person and by proxy. Per that final tally, the owners of 130 lots voted in favor of the Amended and Restated Declaration of Covenants and Restrictions, while 18 owners voted against. The Board noted that the owners of 124 lots were needed to approve the Amended and Restated Declaration, so that document was officially approved. The Board will contact the Association's attorney so that it can be prepared for filing with the Lawrence Twp. Assessor, the Department of Metropolitan Development, the County Auditor and the County Recorder. The meeting was adjourned at 8:30 p.m.



Marianne Rhinesmith
President, Chesapeake Homeowners' Association

CERTIFICATION OF MINUTES

The undersigned, being the duly elected and appointed Secretary of Chesapeake Homeowners Association, Inc. ("Association"), hereby certifies that the attached is a true and correct copy of the minutes of the special meeting of the Association held on December 6, 2006 and reconvened on January 10, 2007.

Dated: Feb 22, 2007.


L. Kay Cook, Secretary