

BYLAWS
OF
MILL NO. 9 LOFTS II CONDOMINIUM
AND OF
MILL NO. 9 LOFTS II OWNERS ASSOCIATION, INC.

TABLE OF CONTENTS

ARTICLE I Identification and Applicability	1
<u>Section 1.01. Identification and Adoption</u>	1
<u>Section 1.02. Name Principal Office and Resident Agent</u>	1
<u>Section 1.03. Individual Application</u>	1
ARTICLE II Meetings of Corporation	1
<u>Section 2.01. Purpose of Meetings</u>	1
<u>Section 2.02. Annual Meetings</u>	1
<u>Section 2.03. Special Meeting</u>	2
<u>Section 2.04. Notice and Place of Meetings</u>	2
<u>Section 2.05. Waiver of Notice</u>	2
<u>Section 2.06. Voting and Conduct of Meetings</u>	2
<u>Section 2.07. Action by Written Consent</u>	5
<u>Section 2.08. Action by Written Ballot</u>	5
<u>Section 2.09. Means of Communication</u>	5
ARTICLE III Board of Directors	5
<u>Section 3.01. Management</u>	5
<u>Section 3.02. Initial Board of Directors</u>	6
<u>Section 3.03. Additional Qualifications</u>	6
<u>Section 3.04. Term of Office and Vacancy</u>	6
<u>Section 3.05. Removal of Directors</u>	7
<u>Section 3.06. Duties of the Board of Directors</u>	7
<u>Section 3.07. Powers of the Board of Directors</u>	8
<u>Section 3.08. Limitation on Board Action</u>	9
<u>Section 3.09. Compensation</u>	9
<u>Section 3.10. Meetings</u>	9

<u>Section 3.11. Waiver of Notice</u>	9
<u>Section 3.12. Quorum and Voting</u>	9
<u>Section 3.13. Means of Communication</u>	10
<u>Section 3.14. Action By Written Consent</u>	10
<u>Section 3.15. Bonds</u>	10
<u>Section 3.16. Interest of Directors in Contracts</u>	10
ARTICLE IV <u>Officers</u>	11
<u>Section 4.01. Officers of the Corporation</u>	11
<u>Section 4.02. Election of Officers</u>	11
<u>Section 4.03. The President</u>	11
<u>Section 4.04. The Vice President</u>	11
<u>Section 4.05. The Secretary</u>	11
<u>Section 4.06. The Treasurer</u>	11
<u>Section 4.07. Assistant Officers</u>	12
ARTICLE V <u>Assessments</u>	12
<u>Section 5.01. Annual Accounting</u>	12
<u>Section 5.02. Proposed Annual Budget</u>	12
<u>Section 5.03. Regular Assessments</u>	12
<u>Section 5.04. Special Assessments</u>	13
<u>Section 5.05. Failure of Owner to Pay Assessments</u>	14
<u>Section 5.06. Payment of Regular Assessments</u>	15
<u>Section 5.07. Maintenance and Repairs</u>	15
ARTICLE VI <u>Restrictions, Entry and Rules and Regulations</u>	16
<u>Section 6.01. Restrictions on Use</u>	16
<u>Section 6.02. Compliance with Covenants Conditions and Restrictions</u>	18
<u>Section 6.03. Right of Entry</u>	19

<u>Section 6.04. Right of Board to Adopt Rules and Regulations</u>	20
ARTICLE VII Amendment to By-Laws.....	20
<u>Section 7.01. Amendment to By-Laws</u>	20
ARTICLE VIII Mortgages.....	20
<u>Section 8.01. Notice to Corporation</u>	20
<u>Section 8.02. Notice of Unpaid Assessments</u>	21
ARTICLE IX Miscellaneous.....	21
<u>Section 9.01. Fiscal Year</u>	21
<u>Section 9.03. Member Compensation</u>	21
<u>Section 9.04. Contracts, Checks, Notes, Etc</u>	21
<u>Section 9.05. Financial Statement</u>	21
<u>Section 9.05. Severability Clause</u>	21

**BYLAWS
OF
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AND
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**ARTICLE I
Identification and Applicability**

Section 1.01. Identification and Adoption. These Bylaws are adopted simultaneously with the execution of a certain Declaration creating Mill No. 9 Lofts II Condominium (hereinafter sometimes referred to as "Mill No. 9 Lofts II Condominium") to which these Bylaws are attached and made a part thereof. The Declaration is incorporated herein by reference, and all of the covenants, rights, restrictions and liabilities therein contained shall apply to and govern the interpretation of these Bylaws. The definitions and terms as defined and used in the Declaration shall have the same meaning in these Bylaws and reference is specifically made to Paragraph 1 of the Declaration containing definitions of terms. The provisions of these Bylaws shall apply to the Property and the administration and conduct of the affairs of the Corporation. These Bylaws shall also constitute the Bylaws of the Corporation.

Section 1.02. Name, Principal Office, and Resident Agent. The name of the Corporation is Mill No. 9 Lofts II Owners Association, Inc. (hereinafter referred to as the "Corporation"). The initial post office address of the principal office of the Corporation is 6930 Atrium Boardwalk South, Suite 100, Indianapolis Indiana 46250-2028; and the name of its initial Resident Agent in charge of such office is Brian K. Cranor. The location of the principal office of the Corporation or the designation of its Resident Agent, or both, may be changed at any time or from time to time when authorized by the Board of Directors.

Section 1.03. Individual Application. All Owners, tenants, guests, invitees and other persons that might use or occupy a Condominium Unit or any part of the Property, shall be subject to the restrictions, terms and conditions set forth in the Declaration, these Bylaws and the Act, and to any rules and regulations adopted by the Board of Directors as herein provided.

**ARTICLE II
Meetings of Corporation**

Section 2.01. Purpose of Meetings. At least annually, and at such other times as may be necessary, a meeting of the Members shall be held for the purpose of electing the Board of Directors (subject to the provisions of Section 3.02 hereof), presenting the annual budget, and for such other purposes as may be necessary or required by the Declaration, these Bylaws or the Act.

Section 2.02. Annual Meetings. The annual meeting of the Members of the Corporation shall be held on the third (3rd) Tuesday of January in each calendar year. At the annual meeting, the Members shall (subject to the provisions of Section 3.02 hereof) elect the Board of Directors of the Corporation in accordance with the provisions of these Bylaws and transact such other business as may properly come before the meeting.

Section 2.03. Special Meeting. A special meeting of the Members of the Corporation may be called by resolution of the Board of Directors or upon a written petition of Owners who have not less than a majority of the Percentage Vote of all Co-owners (as defined in the Declaration). The resolution or petition shall be presented to the President or Secretary of the Corporation and shall state the purpose for which the meeting is to be called. No business shall be transacted at a special meeting except as stated in the resolution or petition.

Section 2.04. Notice and Place of Meetings. All meetings of the Members of the Corporation shall be held at any suitable place in Marion County, Indiana, as may be designated by the Board of Directors. Written notice stating the date, time and place of any meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed by the Secretary of the Corporation to each Member entitled to vote thereat by first class mail not less than ten (10) days prior to the date of such meeting. The notice shall be mailed or delivered to the Owners at the addresses of their respective Condominium Units and not otherwise. A copy of each such written notice shall also be delivered or mailed simultaneously by the Secretary of the Corporation to each Mortgagee who (a) requests in writing that such notices be delivered to it, and (b) has furnished the Corporation with its name and address in accordance with Section 8.01 of these Bylaws. Such Mortgagee may designate a representative to attend the meeting. Attendance at any meeting in person, by agent or by proxy, shall constitute a waiver of notice of such meeting.

Section 2.05. Waiver of Notice. Notice may be waived in writing, signed by the Member entitled to notice, and filed with the minutes or the corporate records. Attendance at or participation in any meeting (a) waives objection to lack of notice unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting, and (b) waives objection to consideration of a particular matter at the meeting that is not within the purposes described in the meeting notice, unless the Member objects to considering the matter when the matter is presented.

Section 2.06. Voting and Conduct of Meetings.

(a) Number of Votes. On each matter coming before the meeting as to which an Owner is entitled to vote, such Owner shall be entitled to cast a vote equal to the Percentage Interest applicable to such Owner's Condominium Unit.

(b) Multiple Owner. Where the Owner of a Condominium Unit constitutes or consists of more than one person, or is a partnership, there shall be only one voting representative entitled to all of the Percentage Vote allocable to that Condominium Unit. At the time of acquisition of title to a Condominium Unit by more than one person or a partnership, those persons constituting such Owner or the partners in such partnership shall file with the Secretary of the Corporation an irrevocable proxy appointing one (1) of such persons or partners as the voting representative for such Condominium Unit, which proxy shall remain in effect until all of such persons constituting such Owner or the partners in such partnership designate another voting representative in writing, such appointed representative relinquishes such appointment in writing, becomes incompetent, or dies, such appointment is otherwise rescinded by order of a court of competent jurisdiction, or persons constituting such Owner no longer own such Condominium Unit. Such appointed voting representative may grant a

proxy to another to vote in his place at a particular meeting or meetings pursuant to paragraph (d) of this Section 2.06, which proxy shall not constitute a permanent relinquishment of his right to act as voting representative for the Condominium Unit.

(c) Voting by Corporation or Trust. Where a trust, corporation, limited liability company or other entity is an Owner or is otherwise entitled to vote, the trustee may cast the vote on behalf of the trust and the agent or other representative of such corporation, limited liability company, or other entity duly empowered by such entity may cast the vote to which such entity is entitled. The trustee of the trust or the agent or representative of such corporation, limited liability company, or other entity so entitled to vote shall deliver or cause to be delivered prior to the commencement of the meeting a certificate signed by such person to the Secretary or other officer of the Corporation stating who is authorized to vote on behalf of said trust or entity. In the event that the Secretary of the Corporation receives conflicting certificates, neither certificate shall be effective or binding upon the Corporation.

(d) Proxy. An Owner may vote either in person or by his duly authorized and designated attorney-in-fact. Where voting is by proxy, the Owner shall duly designate his attorney-in-fact in writing, delivered to the Secretary or other officer of the Corporation prior to the commencement of the meeting.

(e) Quorum. Except where otherwise expressly provided in the Declaration, these Bylaws, the Act or the Indiana Nonprofit Corporation Act of 1991, as amended (hereinafter referred to as the "Statute"), the Owners representing twenty-five percent (25%) of the Percentage Vote of all Co-owners shall constitute a quorum at all meetings. The term "25% of Owners" or "25% of the Percentage Vote," as used in these Bylaws, shall mean the Owners entitled to at least twenty-five percent (25%) of the Percentage Vote of all Co-owners in accordance with the applicable percentages set forth in the Declaration, as such may be amended from time to time.

(f) Official Action. Except where otherwise expressly provided in the Declaration, these Bylaws, the Act or the Statute, action of the Members is not official unless it is authorized by the Owners representing fifty-one percent (51%) of the Percentage Vote of all Co-owners. The term "fifty-one percent (51%) of the Percentage Vote," as used in these Bylaws, shall mean the Owners entitled to at least fifty-one percent (51%) of the Percentage Vote of all Co-owners in accordance with the applicable percentages set forth in the Declaration, as such may be amended from time to time.

(g) Conduct of Annual Meeting. The President of the Corporation shall act as the Chairman of all annual meetings of the Corporation if he is present. If the President of the Corporation is not present, then the Secretary of the Corporation shall act as Chairman of the annual meeting, or in the absence of both the President and Secretary, then the Members present shall designate a representative to act as Chairman over the annual meeting at issue. At all annual meetings, the Chairman shall call the meeting to order at the duly designated time and business will be conducted in the following order:

(1) Reading of Minutes. The Secretary shall read the minutes of the last annual meeting and the minutes of any special meeting held subsequent thereto, unless such reading is waived by a majority of the Percentage Vote present at a meeting at which a quorum is present or such minutes have been previously approved.

(2) Treasurer's Report. The Treasurer shall report to the Owners concerning the financial condition of the Corporation and answer relevant questions of the Owners concerning the Common Expenses and financial report for the prior year and the proposed budget for the current year.

(3) Budget. The budget for the current fiscal year shall be presented to the Owners.

(4) Election of Board of Directors. Nominations for the Board of Directors may be made by any Owner from those persons eligible to serve. Such nominations must be in writing and presented to the Secretary of the Corporation at least seven (7) days prior to the date of the annual meeting. Voting for the Board of Directors will be by paper ballot. The ballot shall contain the name of each person nominated to serve as a Director. Each Owner may cast the Percentage Vote to which he is entitled for each of the Board positions as are to be filled; however, he shall not be entitled to cumulate his votes. Those persons receiving the highest number of votes shall be elected. Each voting Owner shall sign his ballot and identify his Condominium Unit. The foregoing provisions are subject to the provisions of Sections 3.02 and 3.05 hereof.

(5) Other Business. Other business may be brought before the meeting only upon a written request submitted to the Secretary of the Corporation at least seven (7) days prior to the date of the meeting; provided, however, that such written request may be waived at the meeting if agreed to by a majority of the Percentage Vote present at a meeting at which a quorum is present.

(6) Adjournment.

(h) Conduct of Special Meeting. The President of the Corporation shall act as Chairman of any special meetings of the Corporation if he is present. If the President of the Corporation is not present, then the Secretary of the Corporation shall act as Chairman of any special meetings, or in the absence of both the President and Secretary, then the Members present shall designate a representative to act as Chairman over the special meeting at issue by a vote of a majority of the Percentage Vote present. The Chairman shall call the meeting to order at the duly designated time, and the only business to be considered at

such meeting shall be the consideration of the matters for which such meeting was called, as set forth in the notice of such special meeting.

Section 2.07. Action by Written Consent. Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting of the Members if the action is approved by Members holding at least eighty percent (80%) of the Percentage Vote of all Co-owners entitled to be cast on the action. The action must be evidenced by at least one (1) written consent describing the action taken that meets the following conditions:

- (a) is signed by the Members representing at least eighty percent (80%) of the Percentage Vote of all Co-owners entitled to be cast on the action; and
- (b) is filed with the Corporation's minutes.

Requests for written consents must be delivered to all Members.

Section 2.08. Action by Written Ballot. Any action that may be taken at an annual, regular, or special meeting of the Members may be taken without a meeting if the Corporation delivers a written ballot to every Member. A written ballot must set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot is valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. A solicitation for votes by written ballot must (a) indicate the number of responses needed to meet the quorum requirements, (b) state the percentage of approvals necessary to approve each matter other than the election of directors, and (c) specify the time by which a ballot must be received by the Corporation to be counted. A written ballot may not be revoked.

Section 2.09 Means of Communication. The Corporation and the Board of Directors may (a) permit a Member to participate in an annual, a regular, or a special meeting by or (b) conduct an annual, a regular, or a special meeting through the use of any means of communication by which all Members participating may simultaneously hear each other during the meeting. A Member participating in a meeting by such means shall be considered present in person at the meeting.

ARTICLE III **Board of Directors**

Section 3.01. Management. The affairs of the Corporation and Mill No. 9 Lofts II Condominium shall be governed and managed by the Board of Directors (herein also collectively called "Board" or "Directors" and individually called "Director"). The Board of Directors shall be composed of three persons. No person shall be eligible to serve as a Director unless he is, or is deemed in accordance with the Declaration to be, an Owner, including a person appointed by Declarant as provided in Section 3.02 hereof.

Section 3.02. Initial Board of Directors. The initial Board of Directors shall be Brian F. Knapp, Brian K. Cranor and James E. Thomas, Jr. (herein referred to as the "Initial Board"), all of whom have been or shall be appointed by Declarant. Notwithstanding anything to the contrary contained in, or any other provisions of, these Bylaws or the Declaration or the Act or elsewhere: (a) the Initial Board shall hold office until the earlier of (i) December 31, 2010, (ii) one hundred twenty (120) days after the date on which seventy-five percent (75%) of the Condominium Units have been conveyed by Declarant, or (iii) the date Declarant files for record in the Office of the Recorder of Marion County, Indiana, an instrument waiving or releasing its right to appoint the Initial Board (such date when the Initial Board shall no longer hold office being herein referred to as the "Applicable Date"); and (b) in the event of any vacancy or vacancies occurring in the Initial Board for any reason or cause whatsoever, prior to the Applicable Date determined as provided above, every such vacancy shall be filled by a person appointed by Declarant, who shall thereafter be deemed a member of the Initial Board. Each Owner, by acceptance of a deed to a Condominium Unit or by acquisition of any interest in a Condominium Unit, shall be deemed to have appointed Declarant as such Owner's agent, attorney-in-fact and proxy, which shall be deemed coupled with an interest and irrevocable until the Applicable Date determined as provided above, to exercise all of said Owner's right to vote and to vote as Declarant determines on all matters as to which Members are entitled to vote under the Declaration, these Bylaws, the Act, or otherwise. This appointment of Declarant as such Owner's agent, attorney-in-fact and proxy shall not be affected by incompetence of the Owner granting the same.

Section 3.03. Additional Qualifications. Where an Owner consists of more than one person or is a partnership, corporation, trust or other legal entity, then one of the persons constituting the Owner (or a partner, officer, or trustee of such Owner), shall be eligible to serve on the Board of Directors, except that no single Condominium Unit may be represented on the Board of Directors by more than one person at a time.

Section 3.04. Term of Office and Vacancy. Subject to the provisions of Section 3.02 hereof, one (1) Member of the Board of Directors shall be elected at each annual meeting of the Corporation. The Initial Board shall be deemed to be elected and re-elected as the Board of Directors at each annual meeting until the Applicable Date provided in Section 3.02 hereof. After the Applicable Date, each Member of the Board of Directors shall be elected for a term of three (3) years, except that at the first election after the Applicable Date one (1) Member of the Board of Directors shall be elected for a three (3) year term, one (1) Member for a two (2) year term, and one (1) Member for a one (1) year term, so that the terms of at least one-third (1/3) of the Directors shall expire annually. There shall be separate nominations for the office of each Director to be elected at the first meeting after the Applicable Date. Each Director elected shall hold office throughout the term of his election and until his successor is elected and qualified. Subject to the provisions of Section 3.02 hereof as to the Initial Board, any vacancy or vacancies occurring in the Board shall be filled by a vote of a majority of the remaining Directors or by vote of the Owners, if a Director is removed in accordance with Section 3.05 of this Article III, such vote to occur at a special meeting of the Members of the Corporation to be called in accordance with the provisions of these Bylaws for the designated purpose of electing such person or persons to fill any vacancy and to serve until such time as the next annual meeting, wherein Directors are elected or re-elected, as the case may be. The Director so filling a vacancy shall serve until the next annual meeting of the Members of the Corporation and until his successor is elected and qualified. At the first annual meeting following any such vacancy, a Director shall be elected for the balance of the term of the Director so removed or with respect to whom there has otherwise been a vacancy.

Section 3.05. Removal of Directors. A Director or Directors, except the Members of the Initial Board, may be removed with or without cause by vote of a majority of the Percentage Vote of all Co-owners at a special meeting of the Members duly called and constituted for such purpose. In such case, his successor shall be elected at the same meeting from eligible Owners nominated at the meeting. A Director so elected shall serve until the next annual meeting of the Owners and until his successor is duly elected and qualified. At the first annual meeting following any such vacancy, a Director shall be elected for the balance of the term of the Director so removed or with respect to whom there has otherwise been a vacancy.

Section 3.06. Duties of the Board of Directors. The Board of Directors shall provide for the administration of Mill No. 9 Lofts II Condominium, the maintenance, upkeep and replacement of the Common Areas (unless the same are otherwise the responsibility or duty of any Owner of a Condominium Unit), the establishment of a budget and the collection and disbursement of the Common Expenses. Subject to the terms and conditions of the Declaration, the Board may, on behalf of the Corporation, employ a reputable and recognized professional property management agent (herein called the "Managing Agent") upon such terms as the Board shall find, in its discretion, reasonable and customary. The Managing Agent shall assist the Board in carrying out its duties, which include but shall not be limited to:

- (a) protection and replacement of the Common Areas, unless the same are otherwise the responsibility or duty of an Owner,
- (b) procuring of utilities used in connection with Mill No. 9 Lofts II Condominium, removal of garbage and waste, and snow removal from the Common Areas and Limited Areas, as applicable;
- (c) landscaping, painting, decorating, furnishing, maintenance and upkeep of the Common Areas and, where applicable, the Limited Areas;
- (d) surfacing, paving and maintaining private streets, parking areas and sidewalks to the extent the same are part of the Common Areas or Limited Areas;
- (e) collection of the Regular and Special Assessments from each Owner;
- (f) preparation of the proposed annual budget; a copy of which shall be mailed or delivered to each Owner at the same time as the notice of annual meeting is mailed or delivered;
- (g) preparing and delivering annually to the Owners a full accounting of all receipts and expenses incurred in the prior year, such accounting to be delivered to each Owner simultaneously with delivery of the proposed annual budget for the current year;
- (h) procuring and maintaining for the benefit of the Owners, the Corporation and the Board the insurance coverages required under the Declaration and such other insurance coverages as the Board, in its sole discretion, may deem necessary or advisable.

(i) The maintenance, repair, upkeep and replacement of the Common Areas (except as is otherwise the obligation of an Owner), including but not limited to the maintenance, repair, upkeep and replacement of the following (if located in the Common Areas): (1) street furniture; (2) signage; (3) walls, interior fences and gates; (4) flowers, plant material, grass and other landscaping; (5) irrigation system; and (6) lighting.

(j) Taking such action or performing such tasks as are, in the Board's discretion, beneficial to the Owners.

Section 3.07. Powers of the Board of Directors. The Board of Directors shall have such powers as are reasonable and necessary to accomplish the performance of their duties. These powers include, but are not limited to, the power:

(a) to employ a Managing Agent to assist the Board of Directors in performing its duties, including keeping a record and minutes of all meetings; provided, however, except as otherwise provided in Paragraph 25 of the Declaration, that any management agreement shall be terminable by the Corporation for cause upon thirty (30) days written notice and any such agreement may not exceed one (1) year, renewable by agreement of the parties for successive one (1) year periods.

(b) to purchase, lease or otherwise obtain for the benefit of the Owners or for the Corporation to perform its duties such parking facilities, equipment, materials, labor and services as may be necessary in the judgment of the Board of Directors;

(c) to employ legal counsel, architects, contractors, accountants and others as in the judgment of the Board of Directors may be necessary or desirable in connection with the business and affairs of Mill No. 9 Lofts II Condominium and of the Corporation;

(d) to employ, designate, discharge and remove such personnel as in the judgment of the Board of Directors may be necessary for the maintenance, upkeep, repair and replacement of the Common Areas and, where applicable, the Limited Areas and as otherwise necessary for the Board of Directors to perform its duties;

(e) to include the costs of all of the above and foregoing as Common Expenses and to pay all of such costs therefrom;

(f) to open and maintain a bank account or accounts in the name of the Corporation;

(g) to promulgate, adopt, revise, amend and alter from time to time such additional rules and regulations with respect to use, occupancy, operation and enjoyment of the Property, including, without limitation, the Common Areas (in addition to those set forth in this Declaration) as the Board, in its discretion, deems necessary or advisable; provided, however, that copies of any such

additional rules and regulations so adopted by the Board of Directors shall be promptly delivered or mailed to all Owners, and further provided that such rules and regulations are not in conflict with any terms and provisions of the Declaration;

(h) to adopt an annual budget for each fiscal year for the purpose of estimating the total amount of Common Expenses for such fiscal year; and

(i) to appoint committees of the Members.

Section 3.08. Limitation on Board Action. After the Applicable Date, the authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than Five Thousand Dollars (\$5,000.00) in any twelve (12) consecutive calendar month period without the approval of a majority of the Percentage Vote present at a meeting at which a quorum is present.

Section 3.09. Compensation. No Director shall receive any compensation for his services as such except to such extent as may be expressly authorized by a majority of the Percentage Vote present at a meeting at which a quorum is present. The Managing Agent shall be entitled to reasonable compensation for its services, the cost of which shall be a Common Expense.

Section 3.10. Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors.

Special meetings of the Board of Directors may be called by the President or any two (2) Members of the Board of Directors. The person or persons calling such meeting shall give written notice thereof to the Secretary who shall either personally or by mail, and at least two (2) days prior to the date of such special meeting, give notice to all of the Board Members. The notice of the meeting shall contain a statement of the purpose for which the meeting is called. Such meeting shall be held at such place and at such time within Marion County, Indiana, or any of the contiguous counties, as shall be designated in the notice.

Section 3.11. Waiver of Notice. Before any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. The presence of any Director at a meeting or his subsequent consent to the actions taken thereat, unless the Director at the beginning of the meeting or promptly upon the Director's arrival objects to holding the meeting and does not vote or assent to the action taken at the meeting, shall, as to such Director, constitute a waiver of notice of the time, place and purpose thereof. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 3.12. Quorum and Voting. Except for the Initial Board of Directors for which all of the Directors must be present to constitute a quorum, at all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of the majority of the Directors present at a meeting at which a quorum is present shall be the decision of the Board of Directors.

Section 3.13. Means of Communication. The Board of Directors, or a committee thereof, may (a) permit a director or a committee Member to participate in a meeting by or (b) conduct a meeting through the use of any means of communication by which all directors or committee Members participating may simultaneously hear each other during the meeting. A director or a committee Member participating in a meeting by such means shall be considered present in person at the meeting.

Section 3.14. Action By Written Consent. Any action required or permitted to be taken at any meeting of the Board of Directors, or any committee thereof, may be taken without a meeting if a written consent describing such action is signed by each director or committee Member and such written consent is included in the minutes or filed with the corporate records reflecting the action taken. Action taken by written consent shall be effective when the last director or committee Member signs the consent, unless the consent specifies a prior or subsequent effective date. A consent signed as described in this Section 3.14 shall have the effect of a meeting vote and may be described as such in any document.

Section 3.15. Bonds. The Board of Directors may require the Managing Agent, Treasurer, employees, officers and agents handling or responsible for funds of or administered on behalf of the Corporation to have surety bonds indemnifying the Corporation against larceny, theft, embezzlement, forgery, misappropriation, willful misapplication and other acts of fraud or dishonesty in a total amount not less than the estimated maximum amount of funds, including reserve funds, in the custody of the Corporation or the Managing Agent, as the case may be, at any given time, but in no event less than a sum equal to three (3) months aggregate assessments on all Condominium Units, plus reserve funds. Such bonds shall also specifically include protection for any insurance proceeds received for any reason by the Board of Directors.

Any bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of employees or similar terms or expressions. The expense of any such bonds, except those maintained by the Managing Agent, shall be a Common Expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days prior written notice to the Corporation and to all Mortgagees.

Section 3.16. Interest of Directors in Contracts. Any contract or other transaction between the Corporation and one or more of its directors, or between the Corporation and any firm of which one or more of its directors are Members or employees, or in which they are interested, or between the Corporation and any corporation, partnership, or association of which one or more of its directors are shareholders, Members, directors, officers or employees, or in which they are interested, or in which the Corporation is a Member, shareholder, or otherwise interested, shall be valid for all purposes, notwithstanding the presence of such director or directors at the meeting of the Board of Directors of the Corporation which acts upon, or in reference to, such contract or transaction and notwithstanding his or their participation in such action, if the fact of such interest shall be disclosed or known to the Board of Directors and the Board of Directors shall, nevertheless, authorize, approve or ratify such contract or transaction, by a vote of a majority of the disinterested directors present, notwithstanding the fact that such majority of the disinterested directors present may not constitute a quorum, a majority of the Board of Directors, or a majority of the directors present at the meeting at which the contract or transaction is considered. This section shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the common and statutory law applicable thereto.

ARTICLE IV
Officers

Section 4.01. Officers of the Corporation. The principal officers of the Corporation shall be the President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board of Directors. The Directors may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary. Any two (2) or more offices may be held by the same person, except that the duties of the President and Secretary shall not be performed by the same person.

Section 4.02. Election of Officers. The officers of the Corporation shall be elected annually by the Board of Directors at the initial meeting of each new Board of Directors. Upon an affirmative vote of a majority of all Members of the Board of Directors, any officer may be removed either with or without cause and his successor elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose. Any vacancy or vacancies occurring in the offices of the Corporation shall be filled by a vote of a majority of the Board of Directors at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose.

Section 4.03. The President. The President shall be elected from among the Directors and shall be the chief executive officer of the Corporation. He shall preside at all meetings of the Corporation and of the Board of Directors, shall have and discharge all the general powers and duties usually vested in the office of president or chief executive officer of an association organized under the laws of Indiana, and to perform such other duties as the Board of Directors may from time to time prescribe.

Section 4.04. The Vice President. The Vice President shall be elected from among the Directors and shall perform all duties incumbent upon the President during the absence or disability of the President. The Vice President shall also perform such other duties as these Bylaws may prescribe or as shall, from time to time, be imposed upon him by the Board of Directors or by the President.

Section 4.05. The Secretary. The Secretary shall be elected from among the Directors. The Secretary shall attend all meetings of the Corporation, the Members and of the Board of Directors, shall keep or cause to be kept a true and complete record of the proceedings of such meetings, and shall perform all other duties as from time to time may be prescribed by the Board of Directors. The Secretary shall specifically see that all notices of the Corporation or the Board of Directors are duly given, mailed or delivered, in accordance with the provisions of these Bylaws.

Section 4.06. The Treasurer. The Board of Directors shall elect from among the Directors a Treasurer who shall maintain a correct and complete record of account showing accurately at all times the financial condition of the Corporation and who shall perform such other duties incident to the office of Treasurer. He shall be the legal custodian of all monies, notes, securities and other valuables which may from time to time come into possession of the Corporation. He shall immediately deposit all funds of the Corporation coming into his hands in some reliable bank or other depository to be designated by the Board of Directors and shall keep such bank account or accounts in the name of the Corporation. The Treasurer may permit

the Managing Agent to handle and account for monies and other assets of the Corporation to the extent appropriate as part of its duties.

Section 4.07. Assistant Officers. The Board of Directors may, from time to time, designate and elect from among the Owners an Assistant Secretary and an Assistant Treasurer who shall have such powers and duties as the officers whom they are elected to assist shall delegate to them and such other powers and duties as these Bylaws or the Board of Directors may prescribe.

ARTICLE V Assessments

Section 5.01. Annual Accounting. Annually, after the close of each fiscal year of the Corporation, the Board of Directors shall cause to be prepared and furnished to each Owner a financial statement prepared by a certified public accountant or firm of certified public accountants, which statement shall show all receipts and expenses received, incurred and paid during the preceding fiscal year.

Section 5.02. Proposed Annual Budget. Annually, on or before the end of each fiscal year, the Board of Directors shall adopt an annual budget for the next fiscal year estimating the total amount of the Common Expenses for the next fiscal year. Such budget may not increase by more than twenty percent (20%) of the previous annual budget without the approval of a majority of the Percentage Vote present at a meeting at which a quorum is present. A copy of such budget shall be furnished to each Owner at or prior to December 15 of each year. The annual budget as presented to the Owners at the annual meeting of the Corporation shall be the basis for the Regular Assessment (hereinafter defined) during such fiscal year. The annual budget, the Regular Assessment and all sums assessed by the Corporation shall be established by using generally accepted accounting principles applied on a consistent basis. The annual budget and the Regular Assessment shall, in addition, be established to include the establishment and maintenance of an adequate replacement reserve fund for capital expenditures and replacement and repair of the Common Areas, which replacement reserve fund shall be used for those purposes and not for usual and ordinary repair expenses of the Common Areas. Such replacement reserve fund for capital expenditures and replacement and repair of the Common Areas shall be maintained by the Corporation in a separate interest bearing account or accounts with one or more banks or savings and loan associations authorized to conduct business in Marion County, Indiana, selected from time to time by the Board of Directors. The failure or delay of the Board of Directors to prepare an annual budget and to furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner of the obligations of the Owners to pay the Common Expenses as herein provided, whenever determined.

Section 5.03. Regular Assessments. The annual budget as adopted by the Board of Directors shall, based on the estimated cash requirement for the Common Expenses in the current fiscal year as set forth in said budget, contain an assessment against each Condominium Unit and the Percentage Interest appurtenant thereto. Immediately following the adoption of the annual budget, each Owner shall be given written notice of the assessment against his respective Condominium Unit and the Percentage Interest appurtenant thereto (herein called the "Regular Assessment"). The aggregate amount of the Regular Assessment shall be equal to the total amount of expenses provided and included in the final annual budget,

including reserve funds as hereinabove provided. The Regular Assessment against each Condominium Unit and the Percentage Interest appurtenant thereto shall be paid in advance in twelve (12) equal monthly installments, commencing on the first day of the first month of each fiscal year and monthly thereafter through and including the first day of the last month of each fiscal year. In the event that the Board of Directors has not adopted an annual budget and provided the Owners with notice of the current Regular Assessment prior to the first day of the first month of any fiscal year, then the current Regular Assessment shall be the amount of the Regular Assessment for the prior fiscal year until such time as the Board of Directors approves the annual budget for the current fiscal year and provides the Owners with notice of the current Regular Assessment. Payment of the monthly installments of the Regular Assessment shall be made to the Board of Directors or the Managing Agent, as directed by the Board of Directors; provided, however, Owners may elect to pay monthly assessments quarterly, semi-annually or annually, in advance. The Regular Assessment for the current fiscal year of the Corporation shall become a lien on each separate Condominium Unit and the Percentage Interest appurtenant thereto as of the first day of each fiscal year of the Corporation, even though the final determination of the amount of such Regular Assessment may not have been made by that date. The fact that an Owner has paid his Regular Assessment for the current fiscal year in whole or in part based upon a previous budget and thereafter, before the annual budget and Regular Assessment for the current fiscal year are finally determined and approved, sells, conveys or transfers his Condominium Unit and Percentage Interest appurtenant thereto or any interest therein, shall not relieve or release such Owner or his successor as owner of such Condominium Unit and the Percentage Interest appurtenant thereto from payment of the Regular Assessment for such Condominium Unit and the Percentage Interest appurtenant thereto as finally determined, and such Owner and his successor as owner of such Condominium Unit and Percentage Interest appurtenant thereto shall be jointly and severally liable for the Regular Assessment as finally determined. Any statement of unpaid assessments furnished by the Corporation pursuant to Section 8.02 hereof prior to the final determination and adoption of the annual budget and Regular Assessment for the fiscal year in which such statement is made need not state that the matters set forth therein are subject to adjustment upon determination and adoption of the final budget and Regular Assessment for such fiscal year, and all parties to whom any such statement may be delivered or who may rely thereon shall be bound by such final determinations. Monthly installments of Regular Assessments shall be due automatically on their respective due dates without any notice from the Board of Directors or the Corporation, and neither the Board of Directors nor the Corporation shall be responsible for providing any notice or statements to Owners for the same.

Section 5.04. Special Assessments. From time to time Common Expenses of an unusual or extraordinary nature or not otherwise anticipated or budgeted for may arise. At such time and without the approval of the Owners, unless otherwise provided in these Bylaws, the Declaration or the Act, the Board of Directors shall have the full right, power and authority to make special assessments which, upon resolution of the Board of Directors, shall become a lien on each Condominium Unit and the Percentage Interest appurtenant thereto, prorated in accordance with the Percentage Interest of each Condominium Unit (herein called "Special Assessment"). Without limiting the generality of the foregoing provisions, Special Assessments may be made by the Board of Directors from time to time to pay for capital expenditures, or to pay for the cost of any repair or reconstruction of damage caused by fire or other casualty or disaster to the extent insurance proceeds are insufficient therefor under the circumstances described in the Declaration.

Section 5.05. Failure of Owner to Pay Assessments.

(a) No Owner may exempt himself from paying Regular Assessments and Special Assessments, or from contributing toward the expenses of administration and of maintenance and repair of the Common Areas and, in the proper case, of the Limited Areas, of the Building, and toward any other expense lawfully agreed upon, by waiver of the use or enjoyment of the Common Areas or by abandonment of the Condominium Unit belonging to him. Each Owner shall be personally liable for the payment of all Regular Assessments and Special Assessments which become due and payable during the period in which such Owner holds title to a Condominium Unit. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several. If any Owner shall fail, refuse or neglect to make any payment of any Regular Assessment or Special Assessment when due, the lien for such Assessment on the Owner's Condominium Unit may be filed and foreclosed by the Board of Directors for and on behalf of the Association as provided by law. Upon the failure of an Owner to make payments of any Regular Assessment and/or Special Assessment, within ten (10) days after any such Regular Assessment and/or Special Assessment (as applicable) is due (with such due dates being set forth in accordance with Sections 5.03 and 5.04 herein and Section 13 of the Bylaws), the Board of Directors, in its discretion, may (1) impose a late fee as provided in the Declaration, (2) accelerate the entire balance of the budgeted and unpaid Regular Assessments and/or Special Assessments, and any and all fines, charges and late fees, applicable to the current full calendar year and all previous calendar years and declare the same immediately due and payable, notwithstanding any other provisions hereof to the contrary, and (3) eliminate such Owner's right to vote. In any action to foreclose the lien for any Assessments, the Owner and any occupant of the Condominium Unit shall be jointly and severally liable for the payment to the Corporation of reasonable rental for such Condominium Unit, and the Board of Directors shall be entitled to the appointment of a receiver for the purpose of preserving the Condominium Unit and to collect the rentals and other profits therefrom for the benefit of the Corporation to be applied to the unpaid Regular Assessments or Special Assessments. The Board of Directors may, at its option, bring a suit to recover a money judgment for any unpaid Regular Assessment or Special Assessment without foreclosing or waiving the lien securing the same. In any action to recover a Regular Assessment or Special Assessment, whether by foreclosure or otherwise, the Board of Directors, for and on behalf of the Corporation, shall be entitled to recover costs and expenses of such action incurred, including but not limited to reasonable attorneys' fees, from the Owner of the respective Condominium Unit.

(b) Notwithstanding anything contained in this Section or elsewhere in the Declaration and these Bylaws, the lien for any Regular Assessment or Special Assessment shall be subordinate to the lien of any Mortgage if and to the extent the Mortgage was recorded prior to the due date of any Regular Assessment or Special Assessment, and any sale or transfer of a Condominium Unit to a Mortgagee pursuant to a foreclosure on its Mortgage or conveyance in lieu thereof, or a conveyance to any person at a public sale in a manner provided by law with respect to mortgage foreclosures, shall extinguish the lien of any

unpaid installment of any Regular Assessment or Special Assessment as to such installments which became due after the recordation of such Mortgage; provided, however, that the extinguishment of such lien shall not relieve the prior owner from personal liability therefor. No such sale, transfer or conveyance shall relieve the Condominium Unit, or the purchaser at such foreclosure sale, or grantee in the event of conveyance in lieu thereof, from liability for any installments of Regular Assessments or Special Assessments thereafter becoming due or from the lien therefor. Such unpaid share of any Regular Assessments or Special Assessments, the lien for which has been divested as aforesaid, shall be deemed to be a Common Expense, collectible from all Owners (including the party acquiring the subject Condominium Unit from which it arose), as provided in the Act.

Section 5.06. Payment of Regular Assessments. Payment of the Regular Assessments prior to the Applicable Date with respect to each Condominium Unit and the Percentage Interest appurtenant thereto that has been subjected to the Declaration (excluding any unoccupied Condominium Unit(s) offered for the first time for sale and owned by Declarant) shall commence on the dates set forth in Paragraph 13 of the Declaration. In addition, at the initial closing of each Condominium Unit and the Percentage Interest appurtenant thereto, the purchaser or new Owner is required to pay a sum equal to one-sixth (1/6) of the full Regular Assessment applicable to such Condominium Unit and the Percentage Interest appurtenant as his initial contribution to the working capital of the Corporation. Such amounts shall be used by the Corporation for Common Expenses, is not an advance payment of Regular Assessments and will not be held in any trust or reserve account. Additionally, at each closing, the purchaser of a Condominium Unit shall pay his pro rata share of the Regular Assessment due in the month of closing. Thereafter, payment of the Regular Assessment shall be made on the first day of each calendar month.

Section 5.07. Maintenance and Repairs. Every Owner shall promptly perform all maintenance and repair within his own Condominium Unit which, if neglected, would affect the value of the Property. In addition, each Owner shall furnish, and shall be responsible at his own expense for, the maintenance, repairs and replacements of his Condominium Unit and all equipment serving the same. Such maintenance, repairs and replacements which each Owner is responsible to make personally and at his own expense include, but are not necessarily limited to, water lines, gas lines, plumbing and electric lines which service the Owner's Condominium Unit only and are located within exterior walls of the Condominium Unit, including any lines in the area from below the floor to above the roof if they are within an extension of the exterior walls of the Condominium Unit; all partitions and interior walls, ceilings and floors; appliances, to include garbage disposals, dishwashers, stoves, ranges, refrigerators, telephones, air conditioning and heating equipment (whether located wholly or partially inside or outside the Condominium Unit); doors, screens and windows (including exterior and interior of all glass and screen surfaces); lamps; interior and exterior grouting and/or caulking; and all other accessories appurtenant to the Condominium Unit or belonging to the Owner thereof.

If, due to the willful, intentional or negligent acts or omissions of an Owner, of a Member of his family, of a guest, tenant or other occupant or visitor of such Owner, or of an Owner's pet or automobile, damage shall be caused to the Common Areas or to a Condominium Unit or Limited Area owned by or reserved for the use of others, or if maintenance, repairs or replacements shall be required thereby which would otherwise be a Common Expense, then such Owner shall pay for such damage and such maintenance, repairs and replacements as

may be determined by the Corporation, unless such loss is covered by the Corporation's insurance with such policy having a waiver of subrogation clause. If not paid by such Owner upon demand by the Corporation, the cost of repairing such damage shall be added to and become a part of the Assessment to which such Owner's Condominium Unit is subject. Maintenance, repairs and replacements to the Common Areas or the Condominium Units or Limited Areas shall be subject to the rules and regulations adopted from time to time by the Board of Directors.

To the extent that equipment, facilities and fixtures within any Condominium Unit shall be connected to similar equipment, facilities or fixtures affecting or serving other Condominium Units or any Common Areas or Limited Areas, then the use thereof by the owner of such Condominium Unit shall be subject to the rules and regulations adopted from time to time by the Board of Directors. The authorized representatives of the Corporation or Board of Directors or the Managing Agent for the Corporation shall be entitled to reasonable access to any Condominium Unit as may be required in connection with maintenance, repairs or replacements of or to the Common Areas or Limited Areas or any parts thereof, or any equipment, facilities or fixtures affecting or serving other Condominium Units or any Common Areas or Limited Areas.

ARTICLE VI **Restrictions, Entry and Rules and Regulations**

Section 6.01. Restrictions on Use. The following restrictions on the use and enjoyment of the Condominium Units, Common Areas, Limited Areas and the Property shall be applicable to Mill No. 9 Lofts II Condominium and are in addition to those set forth in the Declaration:

(a) No Condominium Units located on any floor of the Building may be used for any use which is not a residential use without the prior written consent of the Board of Directors and, except as provided in Paragraph 14 of the Declaration, no Condominium Unit located on any floor of the Building may be partitioned or subdivided without the prior written consent of the Board of Directors.

(b) No additional buildings shall be erected or located on the Tract other than the Buildings designated in the Declaration or a supplement or amendment to the Declaration, and shown on the Plans or plans filed with such supplement or amendment to the Declaration, without the consent of the Board of Directors.

(c) No Owner shall permit anything to be done or kept in his Condominium Unit or in the Common Areas which will result in a cancellation of insurance on any Building or any part of the Common Areas or contents thereof, or which would be in violation of any law or ordinance or the requirements of any insurance underwriting or rating bureau.

(d) No nuisance shall be permitted and no waste shall be committed in any Condominium Unit or Common Areas.

(e) No Owner of a Condominium Unit shall cause or permit anything to be hung or displayed on the outside of the windows or patio doors or placed

on the outside walls of any Building; and no sign, awning, canopy, shutter or radio or television antenna or other attachment or thing shall be affixed to or placed upon the exterior walls or roofs or any other parts of any Building without the prior written consent of the Board of Directors; provided, however, that nothing to the contrary contained in these Bylaws, the Articles of Incorporation or the Declaration shall limit or prohibit the Declarant from placing or affixing or maintaining any sign or other media on the Property in connection with the sale of Condominium Units as provided for in this Section 6.01.

(f) No animals, livestock or poultry of any kind shall be raised, bred or kept in any Condominium Unit or in the Common Areas or on the Property, except that pet dogs, cats or customary household pets may be kept in a Condominium Unit, provided that such pet is not kept, bred or maintained for any commercial purpose, and does not create a nuisance. An Owner shall be fully liable for any injury or damage to persons or property, including the Common Areas, caused by his pet. The Board of Directors may adopt such rules and regulations regarding pets as it may deem necessary from time to time including, but not limited to, a requirement that any Owner desiring to bring a pet on the Property shall deposit with the Board of Directors a security deposit in an amount to be determined by the Board of Directors to cover any damage that may be caused by such pet. Any such security deposit shall be returned to the Owner when the pet is permanently removed from the Property, except to the extent said deposit has been used to repair damage caused by such pet. Any requirement for the depositing of such a security deposit shall not be deemed to release or in any way limit an Owner's responsibility and liability for injury and damage caused by his pets. Any pet which, in the judgment of the Board of Directors, is causing or creating a nuisance, unreasonable disturbance, noise, damage or concerns for the safety of others shall be permanently removed from the Property within ten (10) days after written notice from the Board of Directors to the respective Owner to do so.

(g) Nothing shall be done or permitted in any Condominium Unit which will impair the structural integrity of any Building or which would structurally change any Building or which would affect the exterior appearance of any Condominium Unit, except as otherwise provided in the Declaration or these Bylaws. No Condominium Unit shall be used in any unlawful manner or in any manner which might cause injury to the reputation of Mill No. 9 Lofts II Condominium.

(h) No Owner of a Condominium Unit may hang anything inside or outside his window or patio doors which will show any color other than white or beige tones on the outside. No clothes, sheets, blankets, rugs, laundry or other things shall be hung out or exposed on, or so as to be visible from, any part of the Common Areas. The Common Areas shall be kept free and clear of rubbish, debris and other unsightly materials.

(i) Without the prior written consent of the Board of Directors, no industry, trade, or other commercial or religious activity, educational or otherwise, designed for profit, altruism or otherwise, shall be conducted, practiced or permitted on or in any Condominium Unit.

(j) No "for sale," "for rent," or "for lease" signs, or other signs, or other window or advertising display shall be maintained or permitted on or in any Condominium Unit without the prior written consent of the Board of Directors; provided, however, that the right is reserved by the Declarant to place or allow to be placed "for sale" or "for lease" signs on or about the Property in connection with any unsold or unoccupied Condominium Units.

(k) All Owners and Members of their families, their guests, or invitees, and all occupants of any Condominium Unit, or other persons entitled to use the same and to use and enjoy the Common Areas or any part thereof, shall observe and be governed by such rules and regulations as may from time to time be promulgated and issued by the Board of Directors governing the operation, use and enjoyment of the Condominium Units and the Common Areas.

(l) Except for vehicles being used by Declarant or by persons providing services to the Declarant or an Owner, no boats, campers, trailers of any kind, buses, mobile homes or trucks (other than $\frac{3}{4}$ ton or less pick-up trucks), shall be permitted, parked or stored anywhere within the Tract; provided, however, that nothing herein shall prevent the driving or using of such vehicles for ingress and egress to and from such Owner's Condominium Unit provided the shortest route to and from a public road is used. No repair work shall be done on the Tract on any vehicles, including passenger automobiles.

(m) No Owner shall be allowed to plant trees, landscape or do any gardening in any of the Common Areas, except with express written permission from the Board of Directors, and if such permission is granted such Owner shall be obligated to maintain any such trees or landscaping.

(n) Common Areas shall be used only for the purposes for which they are designed and intended, and shall be used subject to the rules and regulations from time to time adopted by the Board of Directors.

(o) No Owner may rent or lease his Condominium Unit for transient or hotel purposes.

(p) Any Owner who leases a Condominium Unit shall lease the entire Condominium Unit for at least a six (6) month period and shall have a written lease, and such lease shall provide that the lease is subject to the provisions of the Declaration, the Bylaws and the rules and regulations as adopted by the Board of Directors, and any failure of the lessee to comply with the terms of such documents shall be a default under the lease. A copy of each such lease shall be delivered to the Corporation or Managing Agent.

Section 6.02. Compliance with Covenants, Conditions and Restrictions. Every Owner, mortgagee, lessee or other occupant of a Condominium Unit shall comply strictly with the covenants, conditions and restrictions set forth in this Declaration, with the Bylaws and with the rules and regulations in relation to the use and operation of the Property. A violation committed by any persons residing in, occupying or visiting a Condominium Unit at the invitation or with the implied or express permission of the Owner or any other occupant of the Condominium Unit, or

committed by any agent, employee, business invitee, or contractor of the Owner or of any person occupying a Condominium Unit, shall be attributed to that Condominium Unit and the Owner thereof. Failure to comply with any of said covenants, conditions and/or restrictions shall be grounds for withdrawal by the Board of Directors of privileges with respect to the use of any of the Common Areas by any defaulting Owner and by his tenants, invitees, guests and all Members of his family and/or his tenant's family. An action seeking a declaratory judgment, the recovery of sums due for damages, or injunctive relief, or any or all of them may be maintained by the Board of Directors or by an interested party who has obtained the prior written consent of the Board of Directors against any Owner or other person entitled to occupy a Condominium Unit who refuses to comply or threatens to refuse to comply with any provisions of this Declaration, the Bylaws, the rules and regulations, or any other document establishing ownership or control over any part of the Tract. One or more Owners may bring a class action on behalf of all Owners.

After giving not less than ten (10) days prior written notice to an Owner who has not complied, and after giving such party the opportunity to be heard by the Board of Directors, the Board of Directors shall have the right to impose a fine of not more than \$200 for the second violation of any of the condominium documents referred to in this Section 6.02 attributable to a particular Owner in a calendar year (whether or not this second violation involves the same term or provision of the above-described condominium documents as the first violation) against that Owner and the Condominium Unit and the Percentage Interest appurtenant thereto in which such Owner holds an ownership interest. For a third violation of any of the condominium documents referred to in this Section 6.02 attributable to the same Owner in the same calendar year (whether or not this third violation involves the same term or provision of the above-described condominium documents as the first or second violations), the Board of Directors, after giving the above-described notice and opportunity to be heard, may levy a fine against that Owner and the Condominium Unit and the Percentage Interest appurtenant thereto in which such Owner holds an ownership interest in an amount not in excess of \$500. For the fourth and every subsequent such violation of any of the condominium documents referred to in this Section 6.02 by the same Owner in the same calendar year (whether these violations involve the same term or provision as the previous violations), the Board of Directors, after giving the above-described notice and opportunity to be heard, may levy a fine against that Owner and the Condominium Unit and the Percentage Interest appurtenant thereto in which such Owner holds an ownership interest in double the amount of the fine for the immediately preceding violation in that calendar year.

All fines described above, any fines imposed by the Board of Directors and any and all expenses incurred by the Corporation in enforcing any of the terms and provisions of the condominium instruments, including reasonable attorney's fees, may be levied as Special Assessments against the Owner in question and his Condominium Unit and the Percentage Interest appurtenant thereto.

Any action brought by the Corporation hereunder may be brought in its own name, in the name of its Board of Directors or in the name of the Managing Agent. In any case of flagrant or repeated violation by an Owner, he may be required by the Board of Directors to give sufficient surety or sureties for his future compliance with the covenants, conditions and restrictions contained in this Declaration and with the Bylaws and rules and regulations.

Section 6.03. Right of Entry. All Owners and occupants of a Condominium Unit shall be deemed to have granted the right of entry thereto to the Managing Agent or any other person

authorized by the Board of Directors in case of any emergency originating in or threatening his Condominium Unit or the Building in which it is located, whether the Owner is present at the time or not. Any Owner shall permit other persons, or their representatives when so required, to enter his Condominium Unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, or to make structural repairs provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Owner. In case of emergencies, such right of entry shall be immediate.

Section 6.04. Right of Board to Adopt Rules and Regulations. The Board of Directors may promulgate and adopt such additional rules and regulations regarding the operating of the Property, including but not limited to the use of the Common Areas, as it may deem necessary from time to time, and such rules as are adopted may be amended by a vote of a majority of the Board of Directors. The Board of Directors shall cause copies of such rules and regulations and all amendments thereto to be delivered or mailed promptly to all Owners. Such rules may further restrict the provisions contained in these Bylaws.

ARTICLE VII **Amendment to Bylaws**

Section 7.01. Amendment to Bylaws. Subject to any contrary, overriding or superseding provisions set forth herein or in the Declaration, these Bylaws may be amended in the same manner, and subject to the same limitations and requirements, as amendments to the Declaration, as set forth in paragraph 18 of the Declaration. Amendments to these Bylaws shall be considered as amendments of the Declaration and shall be recorded in the office of the Recorder of Marion County, Indiana, as required by the Declaration and the Act. Notwithstanding anything to the contrary contained herein or in the Declaration, there shall be no amendment of the Declaration or these Bylaws prior to the Applicable Date without the consent and approval of Declarant.

ARTICLE VIII **Mortgages**

Section 8.01. Notice to Corporation. Any Owner who places a first mortgage lien upon his Condominium Unit or the Mortgagee shall notify the Secretary of the Corporation thereof and provide the name and address of the Mortgagee. A record of such Mortgagee and name and address shall be maintained by the Secretary, and any notice required to be given to the Mortgagee pursuant to the terms of the Declaration, these Bylaws or the Act shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record in the time provided. Unless notification of any such mortgage and the name and address of Mortgagee are furnished to the Secretary, either by the Owner or the Mortgagee, no notice to any Mortgagee as may be otherwise required by the Declaration, these Bylaws or the Act shall be required and no Mortgagee shall be entitled to vote on any matter to which he otherwise may be entitled by virtue of the Declaration, these Bylaws, the Act, or proxy granted to such Mortgagee in connection with the mortgage.

The Corporation shall, upon request of a Mortgagee who has furnished the Corporation with its name and address as hereinabove provided, furnish such Mortgagee with written notice of any default in the performance by its borrower of any obligations of such borrower under the

Declaration or these Bylaws which is not cured within thirty (30) days. Any Mortgagee shall have the right to inspect the books and records of the Corporation during normal business hours.

A guarantor or insurer of a Mortgage may, upon written request to the Corporation giving the Corporation its name and address, receive from the Corporation any notice that would be given to a Mortgagee also be given to the applicable insurer or guarantor.

Section 8.02. Notice of Unpaid Assessments. The Corporation shall, upon request of a Mortgagee, a proposed mortgagee, or a proposed purchaser who has a contractual right to purchase a Condominium Unit, furnish to such Mortgagee or purchaser a statement setting forth the amount of the unpaid Regular Assessments or Special Assessments against the Condominium Unit, which statement shall be binding upon the Corporation and the Owners, and any Mortgagee or grantee of the Condominium Unit shall not be liable for, nor shall the Condominium Unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount set forth in such statement or as such assessments may be adjusted upon adoption of the final annual budget, as referred to in Section 5.03 hereof.

ARTICLE IX Miscellaneous

Section 9.01. Fiscal Year. The fiscal year of the Corporation shall be the calendar year.

Section 9.02. Member Compensation. No Member of the Corporation shall have or receive any earnings from the Corporation as a result of being an officer or director of the Corporation, except a Member may receive principal and interest on monies loaned or advanced to the Corporation as provided in the Statute.

Section 9.03. Contracts, Checks, Notes, Etc. All contracts and agreements entered into by the Corporation and all checks, drafts and bills of exchange and orders for the payment of money shall, in the conduct of the ordinary course of business of the Corporation, unless otherwise directed by the Board of Directors, or unless otherwise required by law, be signed by the President or, in his absence, the Treasurer. Any one of the documents heretofore mentioned in this section for use outside the ordinary course of business of the Corporation, or any notes or bonds of the Corporation, shall be executed by and require the signature of the President and Secretary.

Section 9.04. Financial Statement. Upon the written request of any entity that has an interest or prospective interest in any Condominium Unit, the Corporation shall prepare and furnish to such entity within a reasonable time a financial statement of the Corporation for the immediately preceding fiscal year.

Section 9.05. Severability Clause. The invalidity of any covenant, restriction, condition, limitation or other provisions of these Bylaws shall not impair or affect in any manner the validity, enforceability or affect the rest of these Bylaws.

DECLARATION
OF
MILL NO. 9 - PHASE II, LLC CONDOMINIUM

This Declaration of Mill No. 9 - Phase II Condominium ("Declaration"), made and entered into as of the _____ day of _____, 200__, by Mill No. 9 Phase II, LLC, an Indiana limited liability company (the "Declarant") for itself, and on behalf of its successors, grantees, and assigns, WITNESSETH THAT:

WHEREAS, Declarant is the fee simple owner of or has rights to develop certain real estate located in Marion County, Indiana and more particularly described on Exhibit A, attached hereto and made a part hereof by this reference (the "Tract"); and

WHEREAS, Declarant, by execution of this Declaration, hereby creates a Condominium upon the Tract, subject to the provisions of the Condominium Law and in accordance with the terms and conditions of this Declaration.

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

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

() "Act" means the Condominium Law of the State of Indiana, I.C. 32-25-1-1 et seq., as amended. The Act is incorporated herein by this reference.

() "Applicable Date" means the date determined pursuant to Section 3.02 of the Bylaws.

() "Articles" or "Articles of Incorporation" means the Articles of Incorporation of the Corporation, as hereinafter defined, as the same may be amended from time to time. The Articles of Incorporation are incorporated herein by this reference.

() "Assessments" mean the Regular Assessments and Special Assessments.

() "Board of Directors" or "Board" means the governing body of the Corporation being the Initial Board referred to in the Bylaws or any subsequent Board of Directors elected by the Members in accordance with the Bylaws.

() "Building" means any structure on the Tract in which any Condominium Unit is located. The Building is more particularly described and identified on the Plans and in this Declaration.

() "Bylaws" mean the Bylaws of the Corporation providing for the administration and management of the Property and restrictions on its use, as required by and in conformity with the Act, as the same may be amended from time to time. A true copy of the existing Bylaws is attached to this Declaration as Exhibit B and incorporated herein by this reference.