

**BY-LAWS
OF
DBL TOWN HOMES ASSOCIATION, INC.**

ARTICLE I

DEFINITIONS

As used in this Code of By-Laws:

Section 1.01. The term "Association" shall mean the DBL Town Homes Association, Inc.

Section 1.02. The term "Act" shall mean the Indiana General Corporation Act as amended from time to time.

Section 1.03. The term "Articles of Incorporation" shall mean the Articles of Incorporation of the Association, as amended from time to time.

Section 1.04. The term "By-Laws" shall mean the By-Laws of the Association, as amended from time to time.

Section 1.05. The term "Development" shall mean the Town Homes located with Doubletree Lake Estates, which is situated in Lake County, Indiana

ARTICLE II

IDENTIFICATION

Section 2.01. Name. The name of the Association is the DBL Town Homes Association, Inc.

Section 2.02. Principal Office and Resident Agent. The location of the principal office of the Association and the designation of the resident agent of the Association shall be as specified in the Articles of Incorporation, unless, after the adoption of the Articles of Incorporation, such location or such designation or both shall be changed in accordance with the requirements of the Act

Section 2.03. Seal. The seal of the Association shall be in the form of a circle, about the upper periphery of which shall appear the words "DBL Town Homes Association, Inc." (or an appropriate abbreviation thereof), and about the lower periphery of which shall appear the word "Indiana". In the center of the seal shall appear the word "Seal". When affixing of the seal of the Association to any instrument shall be appropriate of the seal of the Association of a metal die capable of impressing the seal on paper or the affixing of the seal may be done by drawing the seal on the instrument to which it is to be affixed.

Section 2.04. Fiscal Year. The fiscal year of the Association shall begin on January 1st of each year and end on December 31st of each and subsequent calendar years.

ARTICLE III

MEMBERSHIP

Section 3.01. Qualification for Membership. The members of the Association shall be persons or corporations who, at any time, are the owners (legal or equitable) of Town Homes in the Development and whose applications for membership have been approved by the Board of Directors, or by a committee appointed by the Board of Directors to consider applications for membership in the Association. A person or corporation whose only interest in real estate in the Development is merely as security for the performance of an obligation to pay money shall not be entitled to membership in the Association.

Section 3.01b. Membership in the Association shall lapse and terminate when any member shall cease to be the owner of a Town Home unit in the Development.

Section 3.01c. The Board of Directors may establish, in addition to the general memberships in the Association described above, associate memberships. Any adult person who is the tenant or regular occupant of any dwelling unit situated within the Development and whose application for associate membership shall have been approved by the Board of Directors, as aforesaid, shall be an associate member of the Association. Associate memberships shall cease automatically upon the termination of such tenancy or occupancy. Associate members will have no voting privileges but shall have such rights and privileges as the Board of Directors of the Association may from time to time designate, and they shall be required to pay such charges as the Board of Directors may from time to time designate. Such associate members shall, however, be required to observe all rules governing the conduct of members of the Association.

Section 3.01d. No member may be expelled from membership in the Association for any reason whatsoever. However, the Board of Directors of the Association shall have the right to suspend the voting rights (if any) and the right to the use of the properties owned by the Association of any member for any period during which any Association charge (including fines levied by the Association for violation of the rules of the Association) owed by the member remains unpaid; or, during the period of any continuing violation of the restrictive covenants for the development, after the existence of the violation shall have been declared by the Board of Directors of the Association.

Section 3.01e. Members of the Association shall have such other or further rights as may be set forth in the Articles of Incorporation of the Association.

Section 3.02. Evidence of Membership The Board of Directors of the Association shall have the power (but not the duty) to cause the issuance of evidences of membership in the Association to the members thereof in such form as the Board of Directors shall prescribe.

ARTICLE IV

MEETING OF MEMBERS

Section 4.01. Place of Meeting. Any meeting of the members of the Association may be held at any place within Lake or Porter County, Indiana. The place at which a particular meeting of the members is to be held shall be stated in the notice of that meeting.

Section 4.02. Annual Meeting. The annual meeting of the members of the Association for the election of Directors whose terms have expired, and for the transaction of such other business as may properly come before the meeting, shall be held at 7 p.m. on the second Tuesday in October of each year, if that day shall not be a legal holiday, and, if it shall be a legal holiday, then on the first following day that shall not be a legal holiday. Failure to hold the annual meeting at the designated time shall not work any forfeiture of the charter, or dissolution, of the Association.

Section 4.03. Special Meetings. A special meeting of the members of the Association may be called by a majority of the Board of Directors. The Board of Directors shall call a special meeting of the Association when there has been presented to them or filed with the Secretary of the Association a petition for such a special meeting, signed by persons who have the right (under the Articles of Incorporation or the By-Laws) to cast twenty per cent (20%) of the votes on any question upon which the vote of the membership of the Association shall be required or desirable. Such petitions for a special meeting shall set forth the specific purpose for which such special meeting is called, and the notice thereof to the members shall set forth such purpose and no other business shall be brought before such special meeting other than that specified on the petition and on the notice of the special meeting.

Section 4.04. Notice of Meetings. A written or printed notice stating the place, day, and hour of the meeting and, in the case of a special meeting (or when required by any provision of the Act or the Articles of Incorporation, or by any other provision of the Code of By-Laws), the purpose for which such meeting shall have been called, shall be delivered or mailed by the Secretary to each person (or group of persons constituting a tenancy by the entireties, a joint tenancy, or a tenancy in common) owning a Town Home in the Development at least seven (7) days before the date of the meeting. Unless the Secretary shall have been otherwise notified in writing, adequate notice of a meeting shall be deemed to have been given to any member if said notice is mailed to the address of the member appearing in his membership application or supplied by such member to the Association for the purpose of notice. Notice of any meeting of members may be waived in a writing filed with the Secretary of the Association before the time of the meeting, at the time of the meeting, or after the time of the meeting, or by attendance in person. If the Association has, at the time of such meeting, an official publication that is distributed from time to time to persons who are members of the Association; then, in that event, publication therein of the fact of such meeting, the time and the place thereof, and if a special meeting, the purpose for which it has been called, shall be deemed sufficient notice of such meeting.

Section 4.05. Voting at Meetings.

Clause 4.051. Voting Rights. The voting rights of the members of the Association shall be as prescribed in the Articles of Incorporation.

Clause 4.052. Method of Voting. A vote shall be cast as follows:

- (a) If the Town Home is owned by one person, the vote shall be cast by that one person.
- (b) If the Town Home is owned by more than one person, either as tenants in common, as joint tenants, or as tenants by the entireties, the vote attributable thereto shall be deemed properly cast if cast by anyone of the tenants in the absence of any objections, or contrary vote, by any other of them.
- (c) If a Town Home is owned by more than one person, either as tenants in common, as joint tenants, or as tenants by the entireties, and if two or more of them desire that the vote attributable to that Town Home be cast in different ways, or one of them desires that it not be cast, then the vote attributable thereto shall be deemed properly cast if cast by not less than a majority of number of the tenants.

Clause 4.053. Proxies. Any person who is entitled to vote (as the sole owner of a Town Home in the Development or as one of group of tenants by the entireties, joint tenants, or tenants in common owning such a Town Home) at any meeting of the members of the Association may vote in person or by proxy executed in writing or by a duly authorized attorney in fact. No proxy shall be valid after eleven (11) months from the date of its execution unless a longer time is expressly provided for upon the face of the proxy instrument.

Clause 4.054. Quorum. A quorum shall be deemed to be present at any annual meeting of the members of the Association if at such meeting the owners of not less than ten per cent (10%) of the Town Homes in the Development are present, either in person or by proxy. A quorum shall be deemed to be present at any special meeting of the members of the Association if at such meeting, the owners of not less than twenty per cent (20%) of the Town Homes in the Development are present. For purposes of this section the owner of a Town Home is present in person or by proxy, or by attorney in fact, whether the owner so present is a sole owner or a joint owner by the entireties.

ARTICLE V

THE BOARD OF DIRECTORS

Section 5.01. Qualification and Election. The affairs of the Association shall be managed by a Board of three (3) to Six (6) Directors, each of whom shall be a member of the Association. Each member of the first Board of Directors designated in the Articles of Incorporation shall serve for a term of three (3) years. Thereafter, an entire Board of Directors shall be elected by the members of the Association, voting in accordance with the Articles of Incorporation and the

By-Laws, at the annual meeting of the members, and each of the Directors so elected shall serve for a term of three (3) year(s) but shall hold office until a successor shall have been chosen and qualified.

Section 5.02. Vacancies. Any vacancy that shall occur in the Board of Directors by death, resignation, or otherwise shall be filled by a majority vote of the remaining Directors, and the Director so chosen shall serve the unexpired portion of the term which the person whom he is replacing shall have been elected or chosen.

Section 5.03. Annual Meeting. The Board of Directors shall hold an annual meeting immediately after the annual meeting of the members of the Association, for the purpose of organization, election of officers, and the consideration of any other business that properly may be brought before the meeting. The failure to hold any annual meeting at the designated time shall not work any forfeiture of the charter, or dissolution, of the Association.

Section 5.04. Special Meetings. Special meetings of the Board of Directors may be called at any time on the written request of any two (2) Directors.

Section 5.05. Notice of Meetings. A written or printed notice stating the place, day, and hour of the annual or a special meeting shall be delivered or mailed by the Secretary to each Director at least three (3) days before the date of the meeting. Notice of any meeting of Directors may be waived by any Director in a writing, filed with the Secretary before the time of the meeting, at the time of the meeting, or after the time of the meeting, or by attendance in person.

Section 5.06. Place. All meetings of the Board of Directors of the Association shall be held at such place as may be specified in the respective notices, or waivers of notice, thereof.

Section 5.07. Quorum. A majority of the whole Board of Directors shall be necessary to constitute a quorum thereof, except for the filling of vacancies, which shall require a majority of the existing Directors for a quorum. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 5.08. Powers and Duties of Directors.

Section 5.08a. Powers. The powers of the Board of Directors shall include (but not be limited) to:

- (a) the power to adopt and publish rules and regulations governing the use of those parts of the Development that are or will be owned, or are otherwise under the control of, the Association; and
- (b) the power to exercise for the Association all the powers and duties of the Association whose exercise is not reserved or committed to the membership of the Association by the By-Laws or the Articles of Incorporation.

Section 5.08b. Duties. The duties of the Board of Directors shall include (but not be limited to) the duty to fix, at least thirty (30) days prior to the first day of each year,

the amount of the annual charge that is to be made against each member of the Association (paid in monthly installments) pursuant to the provision for such a charge that are contained in the Articles of Incorporation and in the subdivision plats of the Development.

Section 5.08c. The Board of Directors shall also have the general responsibility and duty of managing the affairs of the Association. The Board of Directors shall by resolution adopt such procedures as it may deem appropriate for adoption of a budget, but in any event prior to the adoption thereof it shall hold public hearings thereon at which hearing any member of the Association may appear and comment upon the proposed budget. Further no less than thirty (30) days prior to the adoption of said budget copies, thereof, shall be filed with the Secretary of the Association for review by the members of the Association, after adoption thereof, the Board of Directors shall be without the power to expend funds or incur financial liabilities which in their total exceed fifteen per cent (15%) of the amount specified in the overall annual budget unless or until they have called a special meeting of the membership pursuant to these By-Laws for the purpose of approving such additional expenditures or financial commitments as aforesaid. Said budget shall be adopted no later than February of each year commencing with the year 2006.

Section 5.09. Adoption of Rules and Regulations. The Board of Directors shall adopt rules and regulations relating to facilities within the Development that are owned by the Association, and to implement the duties of any committee established by the Board of Directors pursuant to these By-Laws for violations of the By-Laws or such rules and regulations as may be from time to time adopted by the Board of Directors.

Section 5.10. Committees. The Board of Directors may create such temporary and standing committee as it shall deem necessary, and shall assign to each committee so created such duties as the Board of Directors shall consider proper for assignment to such committee. The Board of Directors shall choose committee members from the membership of the Association, and each such committee member shall serve at the pleasure of the Board of Directors.

Section 5.11. Election of the Board of Directors.

Section 5.11 a. Election to the Board of Directors shall be held every three years and be by written ballot. At such election the members or their proxies may cast in respect of each vacancy as many votes as such member is entitled to cast under the provisions of these By-Laws, the Articles of Incorporation or the Declaration of Restrictive Covenants for the Doubletree Lake Estates development. The names receiving the largest number of votes shall be elected.

Section 5.11 b. In each election year commencing with the year 2008, between the 1st and 15th day of the preceding November commencing with the year 2007, any Town Home owner/member may file with the Secretary of the Association a statement of their candidacy as a Director. The forms of ballots and other documents relating to an election shall be as specified by resolutions of the Board of Directors.

Section 5.11c. The manner and form of election of Directors for 2005, shall be as provided by resolution of the Board of Directors of the Association.

ARTICLE VI

THE OFFICERS OF THE ASSOCIATION

Section 6.01. Number. The officers of the Association shall be a President, a Secretary, and a Treasurer, and, in addition, the Directors may choose such additional Vice-Presidents, Assistant Treasurers, and Assistant Secretaries as may from time to time be deemed by the Board of Directors to be appropriate. Any person may hold two (2) offices at the same time except the office of President and Secretary.

Section 6.02. Election and Term of Office. The officers shall be reviewed annually by the Board of Directors at the annual meeting of the Board of Directors. Each officer shall hold his office until his successor shall have been chosen and qualified, or until his death, resignation, or removal.

Section 6.03. Removal. Any officer may be removed, with or without cause, at any time, by a vote of not less than three (3) Directors, at a special meeting of the Board of Directors called for the purpose of considering the removal.

Section 6.04. Vacancies. Any vacancy in any office because of death, resignation, or removal, or otherwise caused, shall be filled for the unexpired portion of the term by a person chosen by the Board of Directors.

Section 6.05. The President. The President, who shall be chosen from the Directors, shall have active executive management of the operations of the Association, subject, however, to the control of the Board of Directors. The President shall, in general, perform all duties incident to the office of the President and such other duties as, from time to time, may be assigned to him by the Board of Directors

Section 6.06. A Vice-President. A Vice-President shall have such powers and perform such duties as the Board of Directors may prescribe or as the President may delegate to him. In the case of the absence of inability to act of the President, a Vice-President shall temporarily act in his place.

Section 6.07. The Secretary. The Secretary shall keep, or cause to be kept, in books that shall be provided for the purpose and shall remain in the Secretary's custody, the minutes of the meetings of the members of the Association and of the Board of Directors; shall at all times keep at the principal office of the Association a complete and accurate list of the names and addresses of all members of the Association; shall attend to the giving of all notices in

accordance with the provisions of this Code of By-Laws and as required by law; shall be the custodian of the records (except the financial records) of the Association and of any die or other instrument usable in affixing the seal of the Association to paper; shall affix the seal of the Association (by means of a die or by hand) to every document whose execution on behalf of the Association under its seal shall have been properly authorized; and shall, in general, perform all duties incident to the office of Secretary and such other duties as, from time to time, may be assigned to the Secretary by the Board of Directors or the President.

Section 6.08. An Assistant Secretary. An Assistant Secretary shall have such powers and perform such duties as the Board of Directors may prescribe or as the President may delegate to the position.

Section 6.09. The Treasurer. The Treasurer shall be the financial officer of the Association; shall keep, or cause to be kept, in books that shall be provided for the purpose and shall remain in the Treasurer's custody, complete books and records showing the financial condition of the Association and shall keep a separate financial account of each member of the Association; shall have charge and custody of, and be responsible for, all funds of the Association and shall deposit all such funds in the name of the Association in such banks, trust companies, or other depositories as shall be selected by the Board of Directors; shall receive, and give receipts for, moneys due and payable to the Association from any source; shall disburse the funds of the Association; shall render to the President, on request, an account of all transactions as Treasurer and of the financial condition of the Association; and shall, in general, perform all the duties incident to the office of Treasurer and such other duties as, from time to time, may be assigned to the Treasurer by the Board of Directors or the President.

Section 6.10. Assistant Treasurer. The Assistant Treasurer shall have such powers and duties as may be designated by the Board of Directors of the Association or by the Treasurer of the Association.

ARTICLE VII

CORPORATE BOOKS AND RECORDS

Section 7.01. Place of Keeping, In General. Except as otherwise provided by the laws of the State of Indiana or this Code of By-Laws, the books and records of the Association may be kept at such place or places as the custodian thereof may select, but all of such books and records shall be open for inspection by any member of the Association for proper purposes at any reasonable time.

ARTICLE VIII

EXECUTION OF CHECKS AND CONTRACTS

Section 8.01. Execution of Checks. Every check for the payment of money of the Association, and every promissory note of the Association, shall, unless otherwise ordered by the Board of Directors or required by law, be signed by the Treasurer or Assistant Treasurer of the Association.

Section 8.02. Execution of Contracts. Every contract (in addition to those mentioned, above, in this Code of By-Laws) to which the Association shall be a party, shall be executed in its name by its President or a Vice-President and attested by the Secretary or an Assistant Secretary, and the Secretary or an Assistant Secretary shall, when doing so shall be appropriate, affix the seal of the Association to such contract.

ARTICLE IX

AMENDMENTS

Section 9.01. These By-Laws may be amended or repealed or new by-laws adopted in the following manner:

The Board of Directors of the Town Home Association shall first adopt a resolution setting forth the proposed amendment to the By-Laws, or the new By-Laws and shall in the manner herein set forth either in the call of the annual meeting or in a notice of a special meeting called for the purpose of considering the adoption of new By-Laws or amendments of By-Laws set forth the proposed change in the By-Laws. Approval of ten (10) percent of the members of the Association entitled to vote shall be required to amend the By-Laws or adopt new By-Laws or repeal By-Laws.