

**RAINBOW LAKES ADDITION
RESTRICTIONS AND COVENANTS**

THE UNDERSIGNED, Jeff A. Spencer, the Owner, and hereinafter called the "Developer", of the following described real estate located in Jackson Township, Clay County, Indiana, to-wit:

The Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) and Sixteen and Two Tenths (16.2) acres, more or less, of even width off the north side of the Southeast Quarter of the Northwest Quarter, all being in Section 20, Township 12 North, Range 6 West, and known as Rainbow Lakes Addition;

subject to any and all easements and legal rights-of-way, does hereby declare as follows:

1. Said real estate and each tract therein, will hereinafter be known as and designated as "Rainbow Lakes".
2. Said described real estate will be conveyed to purchaser by Developer in individual tracts in strict conformity with a plat of Rainbow Lakes, which survey and plat is attached and is made a part hereof.
3. Each tract shall be in conformity with the plat and conveyed subject to the survey and plat. Each tract shall also be subject to the following restrictions and covenants from the date of the recording of these documents.
4. A Homeowners' Association will be created of all landowners in Rainbow Lakes Addition. Said Addition shall be governed by said Homeowners' Association. All owners of any tract or lot in said Addition shall have the rights and obligations set forth in a separate document entitled "Rainbow Lakes Homeowners' Association Agreement" and as established by these Restrictions and Covenants.
5. Developer agrees, at his own expense and cost, to construct and install water and sewage lines along the roadways of Rainbow Lakes to provide Brazil City Water and sewage service for all the development. Also, the Developer, at his own expense and design, will construct roads for ingress and egress to the various tracts.

These roads will remain private and shall be maintained by the Homeowners' Association as will the sewage lines for the benefit of all landowners in the development.

6. All tracts will have only one residential structure on each parcel which will be single family residences only. A single family is defined to be one or more persons occupying a residence and living as a single housekeeping unit, the members of same to be of not more than two generations, as distinguished from a group occupying a fraternity or sorority house, a club, a hotel and/or a group home for persons not related to each other by blood or marriage.

7. Any garage or unattached outbuilding shall be of the same quality construction and appearance as the residence.

8. Any utility equipment such as, but not limited to, fuel tanks, electrical panels and trash receptacles, shall be hidden from view either by burying or by a barrier and if a constructed barrier, same to be of the same quality and appearance as the residence, or if by landscaping, so as to maintain an attractive appearance within the Addition.

9. No residence shall be erected on any tract in this Addition which after completion shall have less than 1100 square feet excluding garage and unfinished areas and a total investment in the residential structure only of at least \$85,000.00, same to be adjusted annually by the published Consumer Price Index.

10. No trailer, tent, shack, cabin, basement, garage, barn or other outbuilding or any temporary structure shall be used temporarily or permanently on any tract for residential purposes.

11. No mobile home, modular home or construction equipment shall be stored or placed on any of the tracts except while residential construction is being undertaken on the tract, nor shall they be used for temporary or permanent residential purposes.

12. No business or trade shall be carried upon or in any tract in this Addition nor shall there be allowed any nuisance or noxious activity.

13. No signs other than street signs or name signs of the owners shall be allowed. No realtor or personal "For Sale" signs will be placed in this development unless authorized by the Homeowners' Association.

14. No animals, livestock or poultry of any kind shall be raised, bred or kept. Household pets may be kept but not bred or maintained for commercial purposes. No outdoor shelters, pens or cages will be allowed.

15. All owners shall maintain and keep their lots and structures in a neat, clean manner.

16. Fishing and boating privileges are allowed all owners in the community area provided on the North lake. Guests are allowed to fish and boat only if accompanied by the owners. Insurance to cover these guests and owners will be the responsibility of the individual owner and in no way is the Developer and/or Homeowner's Association responsible to owners or their guests in case of damage to property or injury to person.

17. Electric trolling motors only are allowed on the lakes. No water toys, floating docks, or rafts are allowed. However, lakefront owners are allowed a boat dock which may protrude no more than six (6) feet into the water and be no more than six (6) feet in width. At no time can a dock be so constructed that it or its use would obstruct navigation through passageways or narrow areas of any lake.

18. Each tract owner shall be responsible to maintain, install, replace and repair the owner's own water and sewage lines and pumps to the main roadways and the Rainbow Homeowners' Association will be responsible for maintaining all the other sewage lines in the development.

19. No contour of any tract shall be altered in such a way as to restrict the flow of drainage ditches or to re-direct drainage to other tracts.

All drainage other than surface water

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All drainage, other than surface water, must be connected to the Homeowners' Association's sewage system. Any surface water drainage that would cause erosion must be restricted to avoid the washing of unprotected surfaces.

20. Any residence to be constructed in this Addition must be completed within twelve (12) months after construction is commenced.

21. Construction is deemed to have commenced when the first excavation of dirt for any purpose occurs.

22. Written plans and specifications for any structure must be submitted to and approved by the Homeowners' Association, or the Developer until a Homeowners' Association is formed, before construction is commenced.

23. Until the purchaser of any tract or lot in this Addition has fully paid the full purchase price of said tract or lot, no construction shall be commenced.

24. So as to maintain uniformity and to comply with engineering specifications, sewage grinder pump installation shall be done only by the Developer or his assigns. Said installation shall be performed and provided at the homeowners' cost.

25. The right to enforce the provisions set forth herein, and all Restrictions and Covenants herein mentioned, together with the right to cause removal or abolition of any condition in violation thereof by appropriate legal proceedings is hereby dedicated and reserved to the Homeowners' Association, when established, or to the Developer, until said Association is formed, and/or to the owners of the several tracts in this development, their heirs or assigns, who shall be entitled to such relief without being required to show or prove any damage of any kind to the Association and/or such owner or owners by reason of any such violation or attempted violation. Said provisions shall be in full force and effect for a period of forty (40) years from the date these Covenants are first placed of record; provided, however, that said provisions may be extended for an additional period of time by a vote of the majority of the then tract owners. Invalidation of any of these Covenants by judgment or court order shall in no way effect any of the other provisions, which shall remain in full force and effect.

26. The Developer herein bonds himself, his heirs, administrators, successors and/or assigns to comply with all of the rules and regulations pertaining to the construction and maintenance of the roads and/or streets and the installation and maintenance of sewer and drainage systems, and care of lakes and all other requirements as are or may be hereafter fixed by the governmental entities having jurisdiction thereof in the establishment of developments as provided by law until such time as fifty (50) percent of the platted acreage in Rainbow Lakes have been sold by Developer.

27. Any provision contained in the Homeowners' Association Agreement or any rule, regulation or provision subsequently adopted by said Association, in conflict, or inconsistent with any provision of these covenants and restrictions shall prevail.

28. The within and foregoing covenants and restrictions shall run with the land and shall be binding upon and inure to the benefit of the heirs, successors, administrators and assigns of the said landowners.

29. The Homeowners' Association may grant variances to these restrictions and covenants by a 3/4ths affirmative vote of the members of the Rainbow Lakes Homeowners' Association.

IN WITNESS WHEREOF, the undersigned has executed the above and foregoing Restrictions and Covenants, this 14 day of August, 1998.

Jeff A. Spencer
Jeff A. Spencer, Owner/Developer

Subscribed and sworn to before me this 14 day of August, 1998.

My Commission Expires:
10/24/99
Resident of ^{Poeham} Clay County, Indiana

Myrna Maer
Notary Public

Prepared by Jeff A. Spencer, Owner.