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CODE OF REGULATIONS

OF

WOODFORD COMMONS HOMEOWNERS ASSOCIATION, INC.

Article I Name. Principal Office. and Definitions

- Section 1. <u>Name</u> The name of the Association shall be WOODFORD COMMONS HOMEOWNERS ASSOCIATION, INC., an Ohio non-profit corporation (hereinafter sometimes referred to as the "Association").
- Section 2. Principal Office. The principal office of the Association shall be located in the Township of Montville, Medina County, Ohio. The Association may have such other offices, either within or without the Township of Montville as the Board of Directors ("Board") may determine or as the affairs of the Association may require.
- Section 3. <u>Definitions</u>. The words used in this Code of Regulations ("Code") shall have the same meaning as set forth in that Declaration of Covenants, Easements and Restrictions for Woodford Commons, of even date (said Declaration, as amended restated or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), unless the context shall prohibit.

Article II Association: Meetings, Ouorum. Voting. Proxies

- Section 1 Membership. The Association shall have two (2) classes of membership, Class "A" and Class "B" ("Members"), as more fully set forth in the Declaration the terms of which pertaining to memberships are specifically incorporated herein by reference.
- Section 2. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board either on the Property or as convenient thereto as possible and practical.
- Section 3 Annual Meetings The first meeting of the Members, whether a regular or special meeting, shall be held within thirty (30) days after the termination of the Class "B" Control Period specified in Article III, Section 2 hereof, unless the Developer determines in its sole discretion to call a special meeting prior thereto. The next annual meeting shall be set by the Board so as to occur no later than ninety (90) days after the close of the Association's fiscal year. Subsequent regular annual meetings of the Members shall be held within thirty (30) days of the same day of the same month of each year thereafter at an hour set by the Board. Subject to the forgoing, the annual meeting of the Members shall be held at a date and time as set by the Board.

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DECLARATION OF COVENANTS, EASEMENTS AND RESTRICTIONS

This DECLARATION OF COVENANTS, EASEMENTS AND RESTRICTIONS (the "Declaration") is made as of the 15th day of 10th 2004, by

WOODFORD COMMONS, LLC, an Ohio limited liability company (the "Declarant").

RECITALS

A. Declarant is the owner of fee simple title to certain real property (the "Property") located in Montville Township, Medina County, Ohio, more particularly described on **Exhibit A** and shown on the drawing attached hereto as **Exhibit B**. Declarant is also the owner of certain real property (the "Additional Property") located in Montville Township, Medina County, Ohio. more particularly described on **Exhibit C** and shown on the drawing attached hereto as **Exhibit D**. Notwithstanding any provision herein to the contrary, Declarant shall not be obligated to add all or any portion of the Additional Property to Woodford Commons (the "Development).

B Pursuant to the applicable requirements contained in the Zoning Resolution for Montville Township, Ohio (the "Resolution"), the Montville Township Zoning Commission (the "Commission") has approved the development of the Property and Additional Property as a residential development containing semi-attached or detached Cluster Homes (which term is defined below) and attached Townhomes (which term is defined below)

C By entering into this Declaration, Declarant intends to (1) establish a flexible and reasonable plan, and architectural and development standards, for the development of the Property and Additional Property for residential purposes as described above; (2) establish the Woodford Commons Homeowners Association, Inc. (the "Association") as an Ohio not-for-profit corporation responsible to carry out the duties and obligations provided for it in this Declaration; (3) delineate those portions of the Property which are to be Common Areas (which term is defined below), and as such are to be devoted, on a permanent basis, for the use and

enjoyment by the Owners and Occupants (defined below), and to establish the means by which such Common Areas shall be maintained and preserved for such purposes; and (4) provide for the establishment and operation of an Architectural Review Committee responsible for the maintenance and enforcement of architectural standards for the Property and improvements thereon

NOW, THEREFORE, for the purpose of protecting and preserving the value and desirability of the Property and in order to assure the efficient and consistent development of the Property, Declarant declares (1) that the Property shall be held, sold and conveyed subject to the easements, restrictions, covenants and conditions set forth in this Declaration, (2) that the provisions of this Declaration shall run with and be binding upon the Property and any other real property hereafter subjected to this Declaration, and (3) that the provisions of this Declaration shall be binding upon, and shall inure to the benefit of, the Declarant and all Persons who in the future own any real property within the Property, together with all such Persons' heirs, personal representatives, successors and assigns.

ARTICLE 1

DEFINITIONS

1.1. Defined Terms In addition to terms defined elsewhere in this Declaration, the following terms shall have the meanings set forth below:

"Additional Property" means the real property described on **Exhibit C** and shown on the drawing attached hereto as **Exhibit D**, as the same may be amended from time to time. Notwithstanding any provision herein to the contrary, Declarant shall not be obligated to add all or any portion of the Additional Property to the Development. Declarant reserves the right from time to time to add all or any portion of the Additional Property to the Property and to subject the same to the provisions of this Declaration. Additional property added to the Development may

be that property listed in **Exhibit C** or may consist of other real property not identified on **Exhibit C**. To add any Additional Property, the Declarant shall execute and record an Amendment to this Declaration which expressly provides that the real property described therein shall become a part of the Property and shall be subject to the terms of this Declaration, as amended from time to time.

"Architectural Review Committee" means the committee established pursuant to this Declaration, which subject to the terms hereof shall be responsible for the creation, interpretation and enforcement of architectural standards for all structures and/or improvements to be built on the Property.

"Articles" means the Articles of Incorporation of the Woodford Commons

Homeowners Association, Inc., as the same are amended from time to time.

"Assessments" means all of the costs and expenses incurred by the Association in the performance of its obligations hereunder and under the Organizational Documents, including, but not limited to, the costs and expenses of maintaining the Common Areas and all Multi-Unit Building Exteriors as required by this Declaration, the costs of determining and collecting Assessments (including without limitation the reasonable fees and expenses of the Association's counsel and outside accountants), the amount of reserves as reasonably determined by the Board for uncollectible Assessments, repairs, contingencies and capital expenditures, and such other costs and expenses as the Board may reasonably determine to be necessary or appropriate for the proper operation of the Association.

"Association" means the Woodford Commons Homeowners Association, Inc., an Ohio not-for-profit corporation.

"Board" means the Board of Directors of the Association.

"Builder" means any Person who builds a Residence within the Property, without regard to whether such Person purchased the real property upon which the same is built. The Declarant may designate those Persons who may serve as Builders, and from time to time may change any such designation.

"By-Laws" means the Code or Regulations of the Association, as the same may be amended from time to time. A copy of the By-Laws is attached hereto as **Exhibit F**.

"Cluster Home" means each Residence on the Property located within a standalone building that is detached or partially attached to another such building and shall include the building and the residential unit located within such building. Each reference herein to a Cluster Home shall include and refer to the lot (real property footprint) upon which the building and residential unit comprising such Residence are located together with all such other improvements and all Limited Common Elements serving such Residence exclusively, and together with the undivided percentage interest in the Association appurtenant to such Residence as established by **Exhibit E** to this Declaration

"Common Areas" means all of the real and personal property located within the Property and now or hereafter owned by the Association or otherwise dedicated to the common use and enjoyment of the Owners and Occupants, including, without limitation, roads, streets, fences, decks, stoops, driveways, sidewalks, walkways, streetlights, parking areas and the Community Building (if constructed by Declarant) The designation of any real property or improvements as Common Areas shall not mean or imply that the public at large shall acquire or be entitled to any rights to use or enjoy the land or improvements so designated

"Common Expenses" means the costs and expenses of operating the Association for the purposes set forth in this Declaration and in the Organizational Documents, as established by the Board from time to time in conformity with the provisions of such instruments and with

all applicable Legal Requirements Common Expenses may include, without limitation, actual or estimated expenses and may include such reserves as the Board may determine to be reasonable.

"Community Building" means the building proposed for construction in the Development for the use and enjoyment of the Owners and Occupants for recreational and meeting purposes. Upon completion of such Community Building, prior to bringing such Community Building into the Property and deeding the same to the Association as Common Area, Declarant may, at its election, lease or license such Community Building to the Association or to the Owners, Occupants for the use and enjoyment thereof by the Association, Owners and Occupants. If the Association shall lease or license the Community Building, all lease payments and related expenses will be Common Expenses paid by the Members. Additionally, Declarant reserves the right to lease or license the Community Building to other third parties. Declarant reserves the right to bring the Community Building into the Property by amendment to this Declaration. From and after inclusion of the Community Building in the Property and deeding the same to the Association as Common Area, the Community Building will be Common Area and all costs and expenses for maintenance, repairs, taxes, utilities and other costs and expenses incurred in connection with the Community Building shall be Common Expenses to be paid by the Members.

"Control Period" means the period during which the Class B Member is entitled to appoint the members of the Board, as set forth in the By-Laws

"Governmental Authority" means any Federal, state or local government, or political subdivision thereof, having or exercising jurisdiction over Declarant, the Property or the Association.

"Institutional Mortgage" means a Mortgage held by a bank, trust company, thrift, insurance company or other lending institution, or by an institutional or governmental purchaser of Mortgages in the secondary market. The holder of an Institutional Mortgage is referred to as an "Institutional Mortgagee".

"Lease" means any lease, rental contract, or other agreement (written or oral) for the occupancy of a Residence within the Property.

"Legal Requirements" means all statutes, ordinances, governmental regulations, judgments, decisions, decrees, licenses or permits of any Governmental Authority

"Limited Common Element" are Common Areas reserved to exclusive use and enjoyment of one Residence and means, with respect to each Residence, the driveway serving such Residence, the finished sidewalk(s) extending from the driveway or otherwise exclusively serving such Residence to the exterior entrance(s) of such Residence and any and all decks, patios, fences, porches or stoops exclusively serving each such Residence. With respect to a Cluster Home, Limited Common Element also means the enclosed courtyard ("Courtyard"), if any, containing a deck and exclusively serving such Cluster Home, including the landscaped area within the Courtyard which surrounds the deck or patio located in the Courtyard.

Notwithstanding the foregoing, each Owner of a Cluster Home shall have an easement for access to a neighboring Courtyard abutting his or her Cluster Home for the purpose of performing maintenance, replacement and/or repair of those portions of his or her Cluster Home located inside of such neighboring Courtyard. Except in the case of emergency, such easement rights shall only be exercised by an Owner by giving their neighboring Cluster Home Owner at least forty-eight (48) hours prior notice before accessing such neighboring Courtyard.

Limited Common Elements also include all electrical fixtures, utility pipes and lines, wires, conduits, ducts, faucets, plugs, connections, or fixtures and all replacements thereof

which are a part of the Common Areas but which are entirely for the benefit of or to serve one Residence reserved for the exclusive use of the Residence which they serve. If any chute, flue, duct, wire, conduit, bearing wall, bearing column, or any other fixture (other than the heating and air cooling systems) lies partially inside and partially outside the boundaries of a single Residence, any portion thereof serving only that Residence is part of the Limited Common Elements allocated solely and exclusively to that Residence, and any portion thereof serving more than one Residence or serving a part of the Common Areas is a part of the Common Areas but not a part of the Limited Common Elements

"Member" means any member of the Association.

"Mortgage" means a mortgage or similar security instrument encumbering a Residence within the Property.

"Multi-Unit Building" means any building on the Property containing more than one (1) Residence.

"Multi-Unit Building Exterior" means the exterior and structural components of each Multi-Unit Building, including the foundation, underlying sewer, water and utility lines, equipment and other improvements serving such building generally (as distinguished from any and all such lines, equipment and other improvements which serve any Residence in such building exclusively), all exterior siding, stone or other facing, roof and all exterior components, party walls, garage doors, windows, window frames and all structural or mechanical components of the foregoing. "Multi-Unit Building Exterior" shall also include any structural element of the building contained in all interior walls; and all plumbing, electric, heating, cooling and other utility or service lines, pipes, wires, ducts and conduits which serve more than one Residence.

For purposes of a Multi-Unit Building, the "Multi-Unit Building Exterior" shall not include and each Residence therein shall consist of all of the space within the building

bounded by the undecorated interior surfaces of the perimeter walls, the unfinished surface of the basement or lowest level floor, and the unfinished interior surface of the roof deck, all projected, if necessary by reason of structural divisions such as interior walls and partitions, to constitute a complete enclosure of space, and all improvements within that space. Without limiting the generality of the foregoing, the "Multi-Unit Building Exterior" shall not include and each Residence therein shall include: (1) the decorated surfaces, including paint, lacquer, varnish. wallpaper, tile and other finishing material applied to basement floors, roof decks, and interior and perimeter walls, carpet, and also the floors themselves; (2) all fixtures and appliances located within the bounds of such Residence installed in and for the exclusive use of that Residence, commencing at the point of disconnection from the structural body of the Multi-Unit Building and from utility pipes, lines or systems serving the entire building or more than one Residence thereof, including, without limiting the generality hereof, built-in cabinets, dishwashers, garbage disposal units, refrigerators, and stoves and hoods; (3) all control knobs, switches, thermostats and electrical outlets and connections affixed to or projecting from the walls, floors and roof decks which service either the Residence or the fixtures located therein. together with the space occupied thereby; (4) all space between interior walls, (excluding the structural portions of party walls and space occupied by structural and component parts of the building); and (5) all plumbing, electric, heating, cooling and other utility or service lines, pipes, wires, ducts or conduits which serve either the Residence or the fixtures located therein, and which are located within the bounds of the Residence

"Occupant" means any Person (including but not limited to an Owner or any guest, invitee, tenant or family member of an Owner) occupying a Residence within the Property.

"Organizational Documents" means, with respect to the Association, its Articles of Incorporation, By-Laws and other governing documents.

"Owner" means any Person, other than the Association with respect to ownership of Common Areas, who owns fee simple title to any Residence or other real property within the Property, excluding any Person having an interest solely under or pursuant to a Mortgage.

"Person" means any natural person, corporation, partnership, trust or other legal entity.

"Residence" means each Townhome and Cluster Home (whether semi-attached or detached) within the Property. For purposes of a Cluster Home, "Residence" shall include the exterior and interior, including the roof and structural elements, of the building comprising such Cluster Home.

"Site Plan" means that certain site plan for the development of the Property, approved on September 26, 2001, by the Commission, together with any and all modifications and amendments thereof, by platting, re-platting or otherwise, which are approved by all Governmental Authorities having jurisdiction over the Property.

"Townhome" means each Residence at the Property which is located within a Multi-Unit Building and which is not a Cluster Home Each reference herein to a Townhome shall include and refer that portion of the improvements comprised within the Multi-Unit Building in which such Townhome is located, which serves such Townhome exclusively, other than the Multi-Unit Building Exterior, together with the undivided percentage in the Association appurtenant to such Townhome pursuant to this Declaration, as established by Exhibit E

ARTICLE II

PROPERTY RIGHTS: EASEMENTS

2.1 General.

Each Residence shall constitute real property which (a) shall be owned in fee simple absolute, and (b) subject to the provisions of this Declaration, may be conveyed, transferred, and encumbered the same as any other real property. Each Owner shall be entitled to the exclusive ownership and possession of his or her Residence, subject to the provisions of this Declaration. The ownership of each Residence shall include, as an appurtenance thereto, all of the right and interest in and to the Common Areas as established hereunder through membership in the Association. Each Owner shall automatically become a member of the Association and shall remain a member thereof until such time as his or her ownership ceases for any reason, at which time his or her membership in the Association shall automatically pass to his or her successor-in-title. The Property shall not be subdivided, and, except as provided in this Declaration or otherwise revised by Declarant, the spacing and location of boundaries of each Residence, building or improvement shall remain as established by Declarant in its final platting and/or construction of each such Residence, building or improvement.

- 2.2 Easement of Enjoyment. Subject to the provisions of this Declaration and the rules, regulations, fees, and charges from time to time established by the Board, every Owner, his or her family, tenants, and guests and every Occupant and his or her family and guests shall have a non-exclusive and undivided right, privilege, and easement of use and enjoyment in and to all of the Common Areas, such easement to be appurtenant to and to pass and run with title to each Residence, subject to:
 - (a) The rights and easements reserved to Declarant in this Declaration.

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- (b) The rights reserved to the Association under this Declaration, including, but not limited to, the right of the Association to grant and accept easements as provided in this Declaration, or otherwise, and to dedicate or transfer fee simple title to all or any portion of the Common Areas to any public agency or authority, public service district, public or private utility, or other Person, provided that any such transfer shall (x) be subject to the approval of majority of the Members in person or by proxy at a duly held meeting of the Association and by Declarant, for so long as Declarant owns any portion of the Property, Additional Property and/or a Residence, (y) be made subject to the terms and conditions of this Declaration (including those which provide for easements and similar rights in and to the Common Areas for the benefit of the Association, Owners and Occupants; and (z) be subject to the requirements imposed by applicable Legal Requirements.
- 2.3 Common Areas. At a time selected by Declarant, in Declarant's sole discretion, Declarant shall convey or transfer all of its right, title, interest and estate in and to the Common Areas to the Association. Such conveyances or transfers shall be effected subject to the terms of this Declaration (and the Association shall hold title to the Common Areas upon and subject to the terms of this Declaration), but otherwise free from any mortgage or other encumbrance securing any obligation of Declarant for the payment of money (other than the lien of taxes and assessments, general and special, which are not due and payable or delinquent at the time of such conveyance). Subject to the terms and provisions of this Declaration and the rules, regulations, fees, and charges from time to time established by the Declarant or the Board, every Owner and his or her family, tenants, and guests, and every Occupant, shall have the non-exclusive right, privilege, and easement of access to, and the right to use and enjoy, the Common Areas.

2.4 Easements for Declarant.

During the period that Declarant owns any portion of the Property, Additional Property and/or a Residence, Declarant shall have an alienable and transferable right and easement on, over, through, under, and across the Common Areas and Property for the purpose of constructing Residences and other improvements in and to the Property and for installing, maintaining, repairing, and replacing such other improvements to the Property (including Common Areas) as are contemplated by this Declaration or as Declarant desires, in its discretion, to construct and for the purpose of doing all things reasonably necessary and proper in connection therewith.

2.5 Changes in Boundaries: Additions to Common Areas.

Declarant reserves the right to change and realign the boundaries of real property within the Property owned by Declarant (including but not limited to the boundaries of the Common Areas), provided that any such change or realignment of boundaries shall be evidenced by a revision of or an addition to the Site Plan or a re-platting of the Property which shall be subject to the approval of all Governmental Authorities having jurisdiction over the affected Property.

2.6 Easements for Utilities.

Declarant reserves for itself and the Association and their respective successors and assigns, the alienable, transferable, and perpetual right and easement as well as the power to grant and accept easements to and from any Governmental Authority, public service district, public or private utility, or other Person, upon, over, under, and across (i) all of the Common Areas, and (ii) all portions of the Property in which Residences are not constructed or erected, for the purpose of installing, adding, operating, inspecting, replacing, repairing and maintaining roads, utility systems, fixtures and equipment, including, but not limited to, storm sewers and

drainage systems and electrical, gas, telephone, water and sewer lines, cable television or other communications or security systems and equipment. Such easements, during the Control Period, may be granted or accepted by Declarant without the necessity of obtaining the consent or approval of the Association. From and after the expiration of the Control Period, the Association shall have the right to grant and accept such easements, provided that for so long as Declarant owns any portion of the Property, Additional Property and/or a Residence, the Association shall obtain Declarant's consent before granting and accepting any such easements. By virtue of any such easement and facilities, it shall be expressly permissible for the providing utility company or other supplier or servicer, with respect to the portions of the Property so encumbered, (1) to erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities, (ii) to cut and remove any trees, bushes, or shrubbery, (11) to grade, excavate, or fill, or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems.

2.7 Easements for Maintenance. Declarant hereby establishes, for the nonexclusive benefit of Declarant, any Builder, the Association and any provider of utility services to the Property, easements on, over, under and across the Property (including the Common Areas) for the construction, alteration, reconstruction, maintenance and repair of any improvements. Each party using or benefiting from the easements established by this Section 2.7 shall (a) exercise its rights hereunder in such a way as to avoid unreasonable interference with any other party's use, occupancy or enjoyment of his or her Residence or with the operation of the Common Areas, and (b) be responsible for any damage caused to any Residence, Common Area or other property in connection with such party's exercise of the rights under this Section 2.7

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2.8 Emergency and Service Easements. Declarant hereby grants, for the benefit of the Owners and Occupants, the right and easement of ingress and access over and across all Common Areas, roads, sidewalks and driveways within the Property to the fire, police, sanitation, medical, ambulance, postal, utility and other similar public or quasi-public emergency, public safety and service personnel serving the jurisdiction in which the Property is located, to the extent that such ingress and access is necessary or appropriate for the proper performance of their duties.

2.9 Easements for Association.

There is hereby reserved a general right and easement, for the benefit of Declarant, the Association, its directors, officers, agents, and employees, including, but not limited to, any manager employed by the Association and any employees of such manager, to enter upon any portion of the Property in the performance of their respective duties. Except in the event of emergencies, this easement is to be exercised only during normal business hours, and then, whenever practicable, only upon advance notice to the Owner or Occupant directly affected thereby.

2.10 Sales and Construction Offices.

Declarant reserves, for itself and its successors and assigns, the alienable and transferable right and easement in and to the Property for the maintenance of signs, sales offices, construction offices, business offices, and model Residences, together with such other facilities as in the sole opinion of Declarant may be reasonably required, convenient, or incidental to the completion, improvement, and/or sale of Residences, or for the proper development of the Property for so long as Declarant owns any portion of the Property, Additional Property and/or a Residence

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2 11 Maintenance Easement.

Declarant reserves for itself, the Association, and their respective agents, employees, successors, and assigns, an alienable, transferable, and perpetual right and easement to enter upon any portions of the Property for the purpose of mowing, removing, clearing, cutting, or pruning underbrush, weeds, stumps, or other unsightly growth and removing trash, so as to maintain reasonable standards of health, fire safety, and appearance with the Property, provided that such easements shall not impose any duty or obligation upon Declarant or the Association to perform any such actions.

2.12 Environmental Easement.

Declarant reserves for itself and for the Association, and their respective agents, employees, successors, and assigns, an alienable, transferable, and perpetual right and easement on, over, and across the Property for the purpose of taking any action necessary to effect compliance with environmental rules, regulations and procedures from time to time promulgated or instituted by the Board or by any Governmental Authority; the rights reserved in respect of such easement include, without limitation, the right to implement erosion control procedures and practices, the right to drain standing water, and the right to dispense pesticides.

2.13 Scope of Easements: Certain Dedications.

Declarant or the Association may, as the development of the Property proceeds

(a) amend, modify, define or otherwise clarify any of the easements established by this

Declaration so as to locate the same precisely within the Property (by recording one or more instruments or plats describing specific areas of the Property which are covered by such easements or by amending this Declaration for the purpose of delineating any such easements); and (b) dedicate specific areas or facilities within the Property to public or private use in

accordance with all Legal Requirements applicable to such dedication and with the applicable provisions of any governmental resolution regarding such dedication. No action taken pursuant to this Section shall limit or restrict the rights of any Owner or Occupant to use and enjoy any of the Common Areas in accordance with the other provisions of this Declaration. The Association must, in order to exercise its rights under this Section during the Control Period, procure the written consent of the Declarant to any such exercise. Except as provided in the preceding sentence, neither Declarant nor the Association shall be required to obtain the consent of any Owner or Occupant to the exercise of the rights reserved in this Section

2 14 No Partition.

There shall be no judicial partition of the Property or any part thereof, nor shall any person acquiring any interest in the Property or any part thereof seek any such judicial partition unless the Property has been removed from the provisions of this Declaration

2.15 Driveway Easements.

Each Residence, and the then current Owner and/or Occupant of such Residence, is hereby granted a perpetual easement over and across the Common Area by way of the driveway serving each Residence for purposes of vehicular and pedestrian access to such Residence from the road.

ARTICLE III

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

3.1. Membership.

Declarant and each other Owner of real property within the Property shall automatically be Members of the Association.

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3 2. Types of Membership - Voting.

The Association shall have two (2) classes of membership, Class A Members and Class B Members, as follows:

- (a) The Class A Members shall be the Owners of Residences, and shall have one (1) vote for each Residence owned. During the Control Period (as defined in the Bylaws), the Declarant shall designate the members of the Board, and the Class A Members shall have only those limited rights expressly granted to them under this Declaration. After the Control Period, and except as set forth to the contrary in this Declaration or the By-Laws, all of the voting rights of the Members shall be vested in the Class A Members.
- (b) The Class B Member shall be the original Declarant and any Person designated as a successor Declarant. The Class B Member shall have the right to designate the Board of the Association and shall otherwise control the Association during the Control Period. The Class B Membership shall terminate at the end of the Control Period, except as to those rights specifically reserved to Declarant in this Declaration. At the end of the Control Period, the Class B Membership shall convert automatically to a Class A Membership with respect to each Residence then owned by Declarant.

ARTICLE IV

RIGHTS AND RESPONSIBILITIES OF THE ASSOCIATION

The Association shall have the rights and responsibilities set forth in this Article and in the By-Laws. Except as otherwise expressly provided in this Declaration, the costs of complying with the provisions of this Article shall be Common Expenses.

41. Common Area Facilities.

The Association and Declarant shall have the right, but shall not be obligated, to construct and install buildings, structures or improvements on the Common Areas for the

purpose of enhancing or improving the use and enjoyment of the Common Areas for the purposes contemplated by this Declaration (any such buildings, structures or improvements are referred to herein as the "Common Area Facilities", and all Common Area Facilities shall be considered as components of the Common Areas for all purposes relevant to this Declaration). If constructed by Declarant, the construction of the Common Area Facilities shall be paid for in full by Declarant. Declarant shall indemnify and save the Association harmless from and against any and all claims, actions, causes of action, liabilities and expenses which may be incurred as a result of any mechanics' lien filed in connection with Declarant's construction of Common Area Facilities, subject to Declarant's right to contest any such lien.

4.2 Maintenance Responsibility

Except as set forth in this declaration, the Association shall keep and maintain the Common Areas in a constant state good condition and repair for the use and enjoyment of all Owners and Occupants. With regard to Limited Common Elements, the Association shall only repair, replace and maintain the finished sidewalk within the Property (excepting the sidewalk from the driveway to the entry of a Residence) and any and all fences serving the Residences. Each Owner, however, shall be responsible to maintain all other Limited Common Elements, including, without limitation, their driveway, the sidewalk from their driveway to the entry of their Residence, decks, patios, the landscaped area within the Courtyard which surrounds the deck or patio located in the Courtyard and each Owner shall be responsible for the costs to operate, maintain, repair and replace the lamp post located in front yard area of each Residence (such lamp post shall only be replaced by an Owner upon approval by the Architectural Review Committee and only with a substantially similar lamp post). The cost of the Association performing such work, together with the costs of any equipment, labor and materials required in connection therewith, shall be Common Expenses payable by all Members.

In addition, from and after the date on which each Multi-Unit Building is completed (which, for all purposes relevant to this Declaration, shall be the date on which all exterior and structural improvements comprised within such Multi-Unit Building have been constructed substantially in accordance with the plans and specifications therefor approved by the appropriate Governmental Authorities and one (1) Residence located within such Multi-Unit Building shall have been conveyed to a purchaser), the Association shall maintain the Multi-Unit Building Exterior of such completed Multi-Unit Building in a constant state of good order and repair. All maintenance and repairs required of the Association pursuant to this Declaration shall be performed promptly as the need therefor arises, and in a good and workmanlike manner and in compliance with all applicable Legal Requirements. The costs of the Association performing such Multi-Unit Building Exterior work, together with the costs of any and all equipment, labor and materials required in connection therewith, shall be Common Expenses payable only by Members owning Townhomes.

4.3 Board and Officers of the Association.

Except during the Control Period, the Board of Directors and the Officers of the Association shall be elected as provided in the Association's Organizational Documents and shall exercise the powers, discharge the duties and be vested with the rights conferred thereby and by law.

4.4 Rights of the Association.

Notwithstanding the rights and easements set forth in this Declaration, and in addition to any right the Association shall have pursuant to this Declaration, the By-Laws or in law, the Association may:

(a) Borrow money from time to time for the purpose of improving the Common Areas, and secure said financing with a mortgage or mortgages upon all or any portion of

property owned by the Association in accordance with its Organizational Documents and subject to the provisions of this Declaration.

- (b) Convey the Common Areas or a portion thereof, to a successor, provided, however, that (i) any such conveyance shall require the vote of a majority of the Class "A" Members and the vote of the Class "B" Member, (ii) the successor in title shall be a non-profit organization or governmental or quasi-governmental authority or other organization having the right and power (and, in the reasonable judgment of the Association, the practical ability) to perform the obligations set forth in this Declaration with respect to the preservation and maintenance of the Common Area, and (iii) such successor in title shall agree, in writing, to be bound by this Declaration
- (c) Enter or authorize its agents to enter on or upon the Property, or any part thereof, when necessary in connection with the performance of any duties or the enforcement of any rights of the Association under this Declaration. Any such entry by the Association onto the property of any Owner or Occupant shall not be a trespass, but shall be made in such a fashion as to minimize the unreasonable interference with the rights of such Owner or Occupant, and the Association shall be responsible for any and all damages to property arising in connection with any such entry.
- (d) Grant or obtain or dedicate to public use easements and rights-of-way (1) for access and easements for the construction, extension, installation, maintenance or replacement of utility services and facilities; or (ii) to or from a public utility or Governmental Authority, and to or from any body or agency which has the power of eminent domain or condemnation over any portion of the Property (provided, however, that Declarant's consent shall be required for any such action undertaken during the Control Period).

45. Insurance.

- (a) Each Owner of a Residence within a Multi-Unit Building hereby irrevocably assigns to the Association his or her right to insure all of his or her rights with respect to such Multi-Unit Building Exterior for casualty and liability coverage, and expressly delegates to the Association the obligation to pay the premiums for such coverages. The Association shall obtain, and shall maintain at all times, casualty insurance in an amount not less than one hundred percent (100%) of the insurable replacement cost of each completed Multi-Unit Building Exterior (excluding excavation, foundation and similar costs normally excluded from the determination of replacement value for the purposes of casualty insurance), with a guaranteed replacement cost endorsement to be obtained annually. The premiums for such insurance, together with the costs and expenses incurred in connection with the performance of any review or appraisal required for the determination of replacement cost, shall be Common Expenses payable only by Members owning Townhomes. The casualty insurance to be maintained by the Association for Multi-Unit Buildings shall include:
- (i) coverages for loss or damage by fire or other hazards included within customary extended coverage endorsements;
- (ii) if and to the extent that the same are available at reasonable rates (as determined by the Board) endorsements to cover construction and demolition costs, the costs of future building code compliance and inflation protection feature;
- (iii) such other risks as are customarily covered with respect to buildings similar in construction, location and use to the Multi-Unit Buildings, including but not limited to debris removal, vandalism, malicious mischief, windstorm and water damage;
- (iv) such policies shall provide for such deductible amounts as the Board shall determine, provided, however, such deductible amounts shall not exceed the lesser of Five

Thousand Dollars (\$5.000) or one percent (1%) of the policy amount. The deductible amounts shall be treated as a Common Expense (payable by Owners of Residences in Multi-Unit Buildings only) Each such policy shall contain a standard mortgagee clause that provides that the coverage provided thereby shall not be reduced or terminated without at least ten (10) days written notice to the Association, each Owner and any Institutional Mortgagee of any Residence Such policies shall be purchased by the Association and shall provide that any proceeds shall be paid to the Association for the use and benefit of the Declarant, the Association, the Owners and Occupants and their respective Institutional Mortgagees, as their interests may appear, and shall provide (1) for the issuance of certificates of insurance with Mortgagee endorsements to the Institutional Mortgagee of any Residence; (2) that the insurer waives its right of subrogation against each Owner and Occupant, and the Association; (3) that the insurance will not be prejudiced by any acts or omissions of any Owner or Occupant, and (4) the policy is primary, even if an Owner or Occupant has other insurance policies. All casualty insurance policies shall provide that all proceeds payable as a result of casualty losses shall be paid to the Association as exclusive agent for each of the Owners and Occupants and all parties (including Institutional Mortgagees) claiming by, through or under them.

If the improvements forming a part of a Multi-Unit Building Exterior or any portion thereof shall suffer damage or destruction from any cause or peril which is not insured against, or, if insured against, the insurance proceeds from which shall not be sufficient to pay the cost of repair, restoration or reconstruction, then the Association shall make such repairs, restoration or reconstruction of the Multi-Unit Building Exterior so damaged or destroyed, at the expense (to the extent not covered by insurance) of Member owning Townhomes in equal shares Should any Townhome Residence Owner refuse or fail after reasonable notice to pay that Owner's share of such cost in excess of available insurance proceeds, the amount so advanced by

the Association shall be assessed to such Owner and such assessments shall have the same force and effect, if not paid, and may be enforced in the same manner, as herein provided for the nonpayment of Assessments.

(b) Liability Insurance. The Association shall insure itself, the members of the Board and the Owners and Occupants against liability for personal injury, disease, illness or death and for injury to or destruction of property occurring upon, in or about, or arising from or relating to the Common Areas and Multi-Unit Building Exteriors, including without limitation water damage, legal liability, hired automobile, non-owner automobile and off-premises employee coverage, such insurance to afford protection to a limit of not less than One Million Dollars (\$1,000,000) in respect to personal injury, disease, illness or death suffered by any one person, and to the limit of not less than One Million Dollars (\$1,000,000) in respect to any one occurrence, and to the limit of not less than One Million Dollars (\$1,000,000) in respect to damage to or destruction of property arising out of any one accident. In the event that the insurance effected by the Association on behalf of the Owners and Occupants against liability for personal injury or property damage arising from or relating to the Common Areas shall, for any reason, not fully cover any such liability, the amount of any deficit shall be a Common Expense. In the event that the insurance effected by the Association on behalf of the Owners and Occupants against liability for personal injury or property damage arising from or relating to Common Areas which exclusively form a part of or serve Multi-Unit Buildings, shall, for any reason, not fully cover any such liability, the amount of any deficit shall be a Common Expense payable by the Owners of Residences within the Multi-Unit Buildings After expiration of the Control Period, the Association shall also obtain directors and officers liability coverage, if reasonably available

- (c) Fidelity Bonds. After expiration of the Control Period, a fidelity bond indemnifying the Association, the Board and the Owners for loss of funds resulting from fraudulent or dishonest acts of any employee of the Association or of any other person handling the funds of the Association, the Board or the Owners in such amount as the Board shall deem desirable, but in no event shall the amount of the bond be less than an amount equal to three (3) months' Assessments. The fidelity bond shall name the Association as the obligee, and the premium for such bond shall be a Common Expense Such bond shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.
- (d) Common Area Casualty Insurance. The Association shall obtain, and shall maintain at all times, casualty insurance in an amount not less than one hundred percent (100%) of the insurable replacement cost of the Common Areas and improvements thereon (excluding excavation, foundation and similar costs normally excluded from the determination of replacement value for the purposes of casualty insurance), with a guaranteed replacement cost endorsement to be obtained annually. The premiums for such insurance, together with the costs and expenses incurred in connection with the performance of any review or appraisal required for the determination of replacement cost, shall be Common Expenses payable by all Members If the improvements forming a part of the Common Areas or any portion thereof shall suffer damage or destruction from any cause or peril which is not insured against, or, if insured against, the insurance proceeds from which shall not be sufficient to pay the cost of repair, restoration or reconstruction, then, unless the Owners of seventy-five percent (75%) of the Residences shall, within sixty (60) days after such damage or destruction elect not to make such repair, restoration or reconstruction, the Association shall make such repairs, restoration or reconstruction of the Common Areas so damaged or destroyed, at the expense (to the extent not covered by insurance)

Exhibit E. Should any Owner refuse or fail after reasonable notice to pay that Owner's share of such cost in excess of available insurance proceeds, the amount so advanced by the Association shall be assessed to such Owner and such assessments shall have the same force and effect, if not paid, and may be enforced in the same manner, as herein provided for the nonpayment of Assessments

- (e) Owners' Insurance. Each Owner and Occupant shall, at his own expense, obtain insurance not covered by the Association's coverage. (A) covering his Cluster Home and Townhome (excluding that portion thereof which constitutes "Multi-Unit Building Exterior"), and (B) covering the contents of his Residence. In addition, each Owner may, at his own expense, obtain public liability insurance for personal injuries or damage arising out of the use and occupancy of his Residence.
- (f) Rating of Insurance Company. All policies for insurance of the Association shall be written with a company licensed to do business in Ohio and holding a rating of A-/VII or better in the Financial Category as established by A. M. Best & Company, Inc.
- (g) Procedure for Reconstruction or Repairs. Immediately after a casualty causing damage to any portion of the Common Areas of Multi-Unit Buildings Exteriors, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that immediately before the casualty. Such costs may include professional fees and premiums for such bonds as the Board deems necessary. The insurance proceeds and the sums from collections from, and special assessments against, Owners on account of such casualty, and funds in any appropriate reserves shall constitute a construction fund which shall be applied by the Association to the payment of the cost of reconstruction and repair of the Common Areas and/or Multi-Unit Building Exteriors. It shall be presumed that the

first monies disbursed in payment of such costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in any construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be used to reduce other Common Expenses or replenish appropriate reserves.

4.6 Taxes and Assessments

Commencing with the first tax collection period after the date this Declaration is recorded, the Association shall pay all real estate taxes and assessments, general and special, and personal property taxes payable with respect to any Common Areas and Common Area Facilities and any other property owned by the Association Such taxes and expenses shall be paid as the same are due and payable, and prior to the date on which the same shall be delinquent. The costs of the payment of taxes and assessments as aforesaid shall constitute Common Expenses. It is understood and agreed that each Owner shall be responsible for his or her ratable share of the real property taxes and assessments which are payable in respect of the Common Areas (determined in proportion to such Owner's undivided percentage interest in the Association, as established by **Exhibit E**) in respect of the period of his or her ownership of real property within the Property, and that in the event that the Association shall not pay real property taxes and assessments attributable to the Common Areas each such Owner will be responsible for his or her proportionate share of such unpaid amounts.

4.7 Utilities Charges

The Association shall pay for all charges for water, sewer, electricity, gas, telephone and any other utility services used or consumed in connection with the Common Areas and any property owned or maintained by the Association pursuant to this Declaration. Trash collection for all Residences shall also be assessed as a Common Expense and paid through the

Association in proportion to such Owner's undivided percentage interest in the Association, as established by **Exhibit E**

4 8 Rights of Declarant.

Notwithstanding anything in this Article to the contrary, during the Control

Period, the Declarant shall have the right to perform the responsibilities of the Association

described in this Article. All costs and expenses incurred by Declarant in connection therewith

shall be Common Expense, payable, as applicable, by all Members or only by Members owning

Townhome Residences for expenses attributable to Multi-Unit Building Exteriors.

ARTICLE V

MANAGEMENT AND OPERATION

5.1 Management of the Common Areas.

The Association shall maintain, control, operate and manage the Association and any Common Areas and any Common Area Facilities. In connection therewith, the Association shall have the right (a) to retain employees and managers (without regard to whether any such Persons may be affiliated with Declarant), (b) to adopt rules and regulations, including rules and regulations relating to the use and enjoyment of the Common Areas and Common Area Facilities (so long as the same are uniform in application and do not deprive or materially and unreasonably restrict the use and enjoyment of the Common Areas or Common Area Facilities by any Owner or Occupant); (c) to exercise all rights and remedies for the enforcement of this Declaration and any such rules and regulations; and (d) to exercise the implied rights alluded to in this Article. The Association shall perform its duties and exercise its rights in a manner consistent with the operation of first quality residential developments and shall not unlawfully discriminate against any Owner or Occupant in connection therewith. The costs incurred by the Association in connection with the management, operation and maintenance of the Common

Area shall be Common Expenses The Association may delegate all or any portion of its responsibilities to a manager, managing agent or management company, and in connection therewith may execute and deliver such contracts and agreements as it may deem to be necessary or appropriate to establish such delegation.

- 5.2 Other Users of Common Areas.
- (a) The Board may designate persons (other than Owners, Occupants and their guests) who may use some or all of the Common Areas, upon and subject to terms and conditions (including the payment of fees therefore) to be determined by the Board from time to time.
- (b) The Declarant may, during the Control Period, designate Persons or classes of Persons (such as neighboring property owners) who will have the right to use Common Areas, upon and subject to terms and conditions (including the payment of fees therefor) and for such periods as may be set forth in a letter or other written agreement between Declarant and the designated persons and filed with the Association.

5 3 Other Property.

The Declarant, in Declarant's sole discretion during the Control Period, and the Association thereafter, may acquire, hold, mortgage, grant a security interest in, and dispose of real and tangible and intangible personal property. Cash belonging to the Association shall be deposited in bank or savings and loan accounts or invested in certificates of deposit or in such other prudent, secure and liquid investment, checking or savings vehicles as the Board may determine to be appropriate.

5.4 Implied Rights.

The Association (through the Board), and the Declarant during the Control
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Period, may exercise any other right or privilege given to it expressly by this Declaration, by By-

Laws or under Ohio law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege. The provisions of this Section shall be liberally construed.

ARTICLE VI

COVENANTS AND RESTRICTIONS

This Declaration is intended to ensure that the Property will be maintained as a high quality residential development. Accordingly, the requirements imposed by this Article shall apply to each Owner and Occupant. The covenants and restrictions set forth in this Declaration shall be broadly construed and interpreted so as to implement that intention. The Association, acting through its Board, shall have standing and the power to enforce all of the covenants, restrictions and other requirements contained in this Declaration, through legal proceedings or otherwise.

6.1 Maintenance

- (a) Maintenance and Repair.
- (including all Limited Common Elements appurtenant to such Residence which are not otherwise the responsibility of the Association) and driveway in good condition and repair, and shall keep such Residence, driveway and the adjacent Common Areas and Limited Common Elements free from debris, rubbish, rubble and other conditions created by such Owners or Occupants or their guests.
- (2) If any maintenance required by this Article is not promptly commenced or completed by such Owner or Occupant, the Association shall have the right (but not the obligation) to perform (or cause the performance) of such required maintenance, and may charge the cost of such performance (together with a reasonable charge for the Association's

Occupant shall fail to pay or reimburse the Association therefor within ten (10) days of his or her receipt of the Association's written request therefore, the Association shall have the right to levy a special Assessment against the defaulting Owner for the unpaid amount (together with ten percent (10%) interest and the costs of the collection thereof).

- (b) Snow Removal. Each Owner and Occupant shall keep the sidewalk from their driveway to the entry of their Residence, decks, stoops, patios, steps and walks serving his or her Residence, free of unreasonable accumulations of snow and ice. The Association shall perform snow removal from all roads, streets, parking areas and driveways on the Property.
 - 6.2 Trailers and Temporary Buildings.

No temporary building, trailer, recreation vehicle, garage, tent, shack, barn, or similar structure may be located at or adjacent to any Residence without the prior approval of the Architectural Review Committee, which approval may be withheld in its sole discretion. No such structure shall be used, temporarily or permanently, as a residence on any part of the Property at any time.

6.3 Structures. Improvements. Flag Poles. Fences. Walls and Hedges.

No structures, improvements, flag poles, fences, walls or landscaping (other than those constructed by Declarant or by a Builder) may be erected, or be permitted to remain upon any portion of the Property unless approved by the Architectural Review Committee.

64 Nuisance

No activity constituting an unreasonable source of discomfort or annoyance shall be carried on upon any portion of the Property nor shall anything be done thereon that may be or become a nuisance or annoyance to other Owners. The Board shall have absolute power to

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determine what constitutes "reasonable" and what is "unreasonable" for the purposes of this Section

65 Animals

No animals, rabbits, livestock, fowl, poultry or reptiles of any kind shall be raised, bred, or kept in any Residence or in the Common Areas or on the Property, except that each Residence is allowed to keep domesticated cats and up to two (2) dogs in each Residence, subject to rules and regulations adopted by the Board, including, without limitation, the right to levy fines and enforcement charges against persons who do not control or clean up after their pets. Furthermore, pets may not be kept, bred, or maintained for any commercial purpose, and provided further that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon three (3) days' notice from the Board Pets shall at all times whenever they are outside of a Residence be confined to a leash held by a responsible person 66 Signs

No sign or other advertising device may be displayed at the Property except with the prior approval of the Architectural Review Committee This Section shall not apply to Declarant or any Builder with respect to the marketing of the Property, Additional Property and/or Residences

6.7 Storage of Material

No lumber, metals, bulk material, refuse, trash or other materials shall be kept, stored or allowed to accumulate on any portion of the Property, except normal residential accumulation pending pick-up and except building materials during the course of construction or reconstruction of any approved building No trash or other material may be burned or incinerated at the Property Firewood may be stored on deck or patio areas or other areas

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designated by the Board, and may be burned in fireplaces within Residences. If trash or other refuse is to be disposed of by being picked up and carried away on a regular basis, containers may be placed in the open on any day that a pick-up is to be made. At all other times such containers shall be stored in such manner that they cannot be seen from adjacent and surrounding Residences. No dumping of rubbish shall be permitted on any portion of the Property. The Board may adopt rules which permit burning, incineration or storage of refuse or trash if the same becomes reasonably necessary for the safety, health or welfare of the Owners and Occupants and is not proscribed by applicable Legal Requirements.

6.8 Commercial or Professional Uses

Except as expressly permitted in this Declaration or by rules or regulations adopted in accordance with this Declaration, no industry, business, trade or full-time occupation or profession of any kind, commercial, educational or otherwise, shall be permitted on any part of the Property. Any Owner or Occupant may use a portion of his or her Residence as a private office or studio, so long as the activities therein shall not interfere with the quiet enjoyment or comfort of any other Owner or Occupant, provided that such use does not result in any Residence becoming principally an office, school or studio No trade or business may be conducted in or from any Residence without the written approval of the Board Such approval may be granted so long as (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Residence, (b) the business activity conforms to all applicable Legal Requirements; (c) the business activity does not involve invitees, employees, patients, customers or the like coming into the Residence who do not reside at such Residence; (d) the business activity does not involve door-to-door solicitation within the Property; and (e) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or threaten the security or safety of other residents of the

Property, as may be determined in the sole discretion of the Board. Nothing in this Section shall preclude the leasing of any Residence, the right of the Board to approve commercial activities such as charity events, temporary food and beverage operations or the right of the Declarant or any Builder to maintain construction or sales offices at the Property.

69 Storage of Vehicles and Machinery: No Parking on Association Roads

No truck (except a two-axle truck with no more than four tires), camper, travel trailer, recreation vehicle, trailer (of any type), boat, boat trailer, motorcycle trailer, mobile home or other vehicle of any type, licensed or unlicensed, shall be stored on any driveway or other area in or upon the Property, except in garages. No machinery of any kind shall be placed or operated upon any portion of the Property, except construction machinery and machinery used for the maintenance and construction of the Property and stored in approved facilities. The provisions of this Section shall not apply to Declarant or a Builder in the development of the Property, the construction of Residences or Common Areas on the Property or Additional Property and/or the maintenance of model Residences or sales offices on the Property or Additional Property

6.10 Firearms: Wildlife

No firearms or explosives shall be discharged, and no traps or snares shall be set at the Property. All hunting and similar activities (other than as may be required for rodent or nuisance abatement and shall be specifically authorized, in advance, by the Board or Declarant) shall be prohibited.

6.11 Control of Trucks, Commercial Vehicles

No tractor trailers, commercial tractors, commercial vehicles, road machinery or excavating equipment shall be permitted to remain on any portion of the Property except as necessary for the performance of construction, reconstruction or repair of buildings or structures on the Property or Additional Property by Declarant or a Builder.

6.12 Traffic Regulation

All vehicular traffic within the Property shall be subject to all Legal Requirements applicable to the operation of motor vehicles on public streets. The Association may promulgate, administer, and enforce reasonable rules covering vehicular and pedestrian traffic within the Property, including reasonable safety measures and speed limits. The Association shall be entitled to enforce the same by establishing such enforcement procedures as it deems appropriate, including levying fines for the violation thereof. In the event of a conflict between any rules and regulations promulgated by the Association and any applicable Legal Requirements, the more restrictive requirements shall govern.

6 13 Poles, Wires, Antennas and Satellite Dishes

Subject to applicable easement rights, no facilities, including poles and wires, for the transmission of electricity, telephone messages, ham radio messages and the like shall be placed or maintained above the surface of the ground in any portion of the Property without the prior approval of the Architectural Review Committee. Upon prior approval of the Declarant or Architectural Review Committee as to aesthetics, location and screening, Owners and Occupants may erect satellite dishes (not to exceed one meter in diameter) on the Cluster Homes and Multi-Unit Buildings.

6.14 Exterior Appearance and Lights in Exteriors of Residences

The exterior of any buildings or structure in the Property shall not be altered, modified, changed or redecorated in such a way as to change the appearance or décor of the structure, nor shall any of the landscaping appurtenant to such building or structure be materially changed without the express written authorization of the Architectural Review Committee, which consent may be withheld in its sole discretion.

- 6 15 Sale. Leasing or Other Transfer
- (a) Right of Transfer. The Association shall have no right of first refusal with respect to the purchase or lease of any Residence, and an Owner shall be able to transfer his Residence without restriction except as provided in subsection (b) below.
- (b) Owner's Right to Lease Residence. An Owner shall have the right to lease all (but not less than all) of his Residence upon such terms and conditions as the Owner may deem advisable, except that no Residence shall be leased or subleased for transient or hotel purposes. Any lease or sublease of a Residence for a period of less than six (6) months shall be deemed to be a lease or sublease for transient for hotel purposes. Any Lease shall be in writing and shall provide: (1) that the Lease is subject to the terms of this Declaration and that any failure of a lessee to comply with the terms of this Declaration shall be in default under the Lease; (2) that the Association shall have the right to require the Owner to deposit with the Association such amount as the Association shall consider appropriate as security to provide funds for repairs and to assure compliance with this Declaration
- (c) Names of Owners and Occupants. To enable the Association to maintain accurate records of the names, addresses and phone numbers of Owners and other Occupants, each Owner agrees to notify the Association in writing, within five (5) days after such Owner's Residence has been transferred or leased to another person. In addition, each Owner agrees to provide to a purchaser or lessee of such Owner's Residence a copy of this Declaration and the Organizational Documents.

6.16 Insurance and Waiver of Subrogation

Each Owner and Occupant shall obtain insurance as required herein with respect to his or her Residence. As a condition of accepting title and/or possession of a Residence, each Owner and Occupant agrees with the Association for the benefit of such parties' respective

successors, heirs, executors, administrators personal representatives, assigns and lessees (provided said agreement does not invalidate or prejudice any policy of insurance), that in the event that any building, structure or improvement within the Property or the fixtures or personal property of anyone located therein or thereon are damaged or destroyed by fire or other casualty that is covered by insurance, the rights, if any, of any of them against the other, or their respective employees, agents, licensees or invitees of any of them with respect to such damage or destruction and with respect to any loss resulting therefrom are hereby waived.

6.17 Violations

If any Person required to comply with this Declaration shall violate the same,

Declarant (during the Control Period) or the Board may give written notice describing such

violation to such Person. Except in the case of an emergency, the violating party shall have five

(5) days after written notice to take reasonable action to cause the same to be cured. In the case

of an emergency situation, or in the case of the failure of the violating party to comply with the

provisions hereof after notice, the Declarant or the Association may exercise any one or more, or

all, of the rights or remedies described in this Declaration. All such rights and remedies are

intended to be cumulative and not exclusive; the prosecution of any remedy or right shall not

constitute an election of such remedy or as a waiver of any other right or remedy.

ARTICLE VII

ARCHITECTURAL REVIEW COMMITTEE

7.1 Formation and Powers.

Declarant hereby establishes an Architectural Review Committee (the "Committee") for the purpose of creating and maintaining architectural and design standards to foster and maintain an attractive, harmonious residential community. Declarant shall function as the Committee and grant all approvals provided for herein until the expiration of the Control

Period, subject to Declarant's right to delegate such duties and responsibilities to the Committee prior to that time. At the expiration of the Control Period, the Committee shall be composed of no less than three (3) individuals appointed by the Board to serve, without compensation, at the Board's pleasure. Members of the Committee need not be Owners or Occupants. A vote of the majority of members of the Committee shall be required to constitute the decision of the Committee.

7.2 Operation of Committee

No Residence, building, improvement or property shall be altered, rebuilt, modified or changed in any way which changes the exterior appearance thereof, nor shall any grading or landscaping be installed or modified within the Property unless an application, plans and specifications for the proposed installation, alteration or modification have been submitted to and approved in writing by the Committee. The rights of the Committee set forth in this subsection are in addition to all rights of the Committee referred to elsewhere in this Declaration. The provisions of this subsection requiring submission of plans and specifications to and obtaining approval from the Committee shall not be applicable to Declarant nor any entity related to or affiliated with Declarant or any Builder which may be designated by Declarant as being exempt from the provisions of this subsection

7.3 Inspection

The Committee may inspect work being performed within the Property with its permission to assure compliance with this Declaration. The presence of a member of the Committee shall not be deemed a trespass so long as the presence is in furtherance of said member's duties as a member of the Committee.

7.4 Violations and Remedies

Should any Residence, building, improvement or property be altered, constructed. or related improvements be reconstructed or removed from or should the use thereof be modified in any way from the use originally constructed or installed without first obtaining the prior written approval of the Committee as provided in this Article, such act shall be deemed to be a violation of this Article. Upon receipt of written notice of such violation from the Committee, the party alleged to be in violation of this Article shall promptly cease any such violation and shall commence and complete such actions as shall be required to correct the violation described in such notice. Failure promptly to do so shall give the Committee (acting for and on behalf of the Association) or the Board the right, but not the obligation, in addition to any and all other rights or remedies available to it at law or in equity (each of which remedies shall be nonexclusive) to do any of the following.

- (a) Abate Violation. Without liability to any Person, cause its agents and employees to enter upon the Residence, building, Common Area and/or Limited Common Element for the purpose of summarily abating any such use and/or removing any such building or structure or other improvements,
- (b) Seek Injunction Apply to a court having jurisdiction over the Property for the purpose of obtaining an injunction directing the violating party to abate any such use, or
- (c) Seek Reimbursement. Seek reimbursement from any party in violation of this Article for any and all costs, damages and expenses (including without limitation ten percent (10%) interest, court costs, attorneys' and paralegals' fees, litigation costs, and collection costs) reasonably incurred by the Association with respect to its exercise of any of its rights for the purpose of remedying any such violation. Any and all costs and expenses incurred in connection with any such violation, or with the Association's enforcement of the remedies set forth above

with respect to any violation, may (at the option of the Committee or the Board) be treated as an assessment against the Residence of the party in violation of this Article.

ARTICLE VIII

ASSESSMENTS

8 1 Responsibility for Payment of Assessments

Declarant (during the Control Period) and the Board (from and after the expiration of the Control Period) shall prepare an annual operating budget for the Association and shall establish the amount of the Assessments for this ensuing year. Written notice of the Assessments shall be sent to each Owner. Payment of Assessments may be required on a monthly, quarterly, semi-annual or annual basis, as determined by Declarant or the Board with respect to the periods of their respective responsibility. Owners of Residences, except Declarant, shall commence payment of the Assessments upon transfer of title of such Residence to the Owner. In addition to pro-rated assessments due for the month in which an Owner closes upon the acquisition of their Residence from Declarant, Owners shall also be required to pay a non-refundable initial working capital contribution to the Association at the closing upon their purchase of their Residence from Declarant. Such initial working capital contribution shall be in amount equal to two (2) months assessment for such Residence and shall not be refundable to the Owner for any reason, including, without limitation, upon their re-sale of their Residence

- (a) The assessments during the Control Period shall be shared as follows:
- Initial Share. Declarant shall determine the Assessments to be paid by each Owner and Occupant.
- (2) Assessments after the Control Period. After the Control Period, the amount of Assessments attributable to each Residence shall be immediately established and,

thereafter, as of January 1 of each year, and each Owner shall pay Assessments for each type or classification of Residence.

8 2 No Exemption for Non-Use of Common Areas

A Member not otherwise exempt from the Assessments may not exempt himself or herself from liability for Assessments levied against him or her by waiver of the use of the Common Areas that are owned and/or operated by the Association. Furthermore, no Member shall be entitled to any portion of the funds held for reserves; nor shall any Member have a claim against the Association with respect thereto.

8.3 Creation of Lien and Personal Obligation

Each Owner hereby covenants and agrees by acceptance of the deed to a Residence to pay to the Association all Assessments levied against such Owner in accordance with this Declaration on or before the due date for any such Assessment. Any Assessment not paid together within ten (10) days after the same shall first be due and payable shall be deemed to be delinquent. In such event, the delinquent payment, plus 10% interest, together with the costs of collection, shall, upon the perfection of the same become a continuing lien upon the interest of such Person in his or her Residence until the amount so secured shall be paid in full. During any such delinquency or any breach of the provisions of this Declaration or any rule or regulation of the Association, the Association may additionally suspend an Owner or Occupants use of Common Areas, levy fines against such Owner or Occupant and/or perfect a lien against such persons Residence as set forth herein.

8 4 Non-Liability of Foreclosing Mortgagee for Past Due Assessments

Where an Institutional Mortgagee acquires a Residence as a result of foreclosure or the acceptance of a deed in lieu of foreclosure, such Institutional Mortgagee and is successors and assigns, shall not be liable for the Assessments levied against any prior Owner of the

property so acquired prior to the date of its acquisition of the same. Each Owner shall remain personally liable, jointly and severally, for the Assessments accruing against the foreclosed property prior to the date of the completion of such foreclosure.

8.5 Liability for Assessments on Voluntary Conveyance

Upon the voluntary conveyance of any Residence, the grantee thereof shall be jointly and severally liable with the grantor for all unpaid Assessments levied pursuant to this Declaration against such Residence prior to the conveyance thereof, without prejudice to the grantee's right to recover from the grantor all amounts paid by the grantee therefor. However, any such prospective grantee, upon written request delivered to the Association, shall be entitled to a statement from the Board or an officer of the Association setting forth the amount of all unpaid Assessments due the Association with respect to the property to be conveyed and such grantee shall not be liable for any unpaid Assessments which become due prior to the date of the making of such request if the same are not set forth in such statement.

8 6 Additional Assessments

If the Assessments shall for any reason prove to be insufficient to cover the actual expenses incurred by the Association, the Association shall, at such time as it deems it necessary and proper, levy an additional assessment (the "Additional Assessment") against the Owners.

Each such Owner shall pay their share of each such Additional Assessment as if the Additional Assessment were part of the original Assessment.

8.7 Exempt Property

Notwithstanding anything to the contrary herein, Residences or other property within the Property which is owned by Declarant or by any Builder, and the Common Areas, shall be exempt from payment of Assessments or Additional Assessments

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ARTICLE IX

LIENS

9.1 Perfection of Lien

If any Owner shall fail to pay an Assessment levied in accordance with this

Declaration (such Owner hereinafter referred to as the "Delinquent Owner") when due, or if an

Owner shall violate any rule or breach any restriction, covenant or provision contained in this

Declaration, the Board may authorize the perfection of a lien on the Delinquent Owner's

Residence by filing for record with the Recorder of Medina County, a Certificate of Lien. The

Certificate of Lien shall be in recordable form and shall include the following:

- (a) The name of the Delinquent Owner.
- (b) A legal description of the affected Residence.
- (c) The entire amount claimed for the delinquency and/or violation, including 10% interest thereon and costs of collection
- (d) A statement referring to the provisions of this Declaration which authorize the Certificate of Lien

9.2 Duration of Lien

Said lien shall remain valid for a period of five (5) years from the date of filing of said Certificate of Lien, unless sooner released or satisfied in the same manner provided by law for the release or satisfaction of mortgages on real property, or discharged by the final judgment or order of a court in action to discharge such lien. A lien may be renewed by the refiling of a Certificate of Lien prior to the expiration of the five (5) year period referred to above

9.3 Priority

A lien perfected under this <u>Article IX</u> shall take priority over any lien or encumbrance arising or created after the date on which the Certificate of Lien therefor is

recorded, except liens for real estate taxes and assessments. A lien perfected pursuant to this Article may be foreclosed in the same manner as a mortgage on real property in an action brought by the Association after authorization from the Board Any funds received at the judicial sale in excess of mortgage liens, court costs and the taxes and assessment liens shall be paid over to the Association to the extent of its lien, with any balance being payable to the party or parties legally entitled to the same.

9.4 Dispute as to the Assessment

Any Person who believes that an Assessment levied by the Association against him or her for which a Certificate of Lien has been filed by the Association has been improperly determined may dispute or contest in accordance with the Legal Requirements applicable to the contest of liens. Notwithstanding the commencement of any such dispute, the lien shall continue until the propriety or amount of the lien so disputed is paid determined as provided therein (and, as appropriate, is paid in full or discharged).

9.5 No Waiver Implied

The creation of a lien shall not waive, preclude or prejudice the Association for pursuing any and all other remedies granted to it elsewhere in this Declaration whether at law or in equity for violation of this Declaration.

9 6 Personal Obligations

The obligations created pursuant to this Article shall be and remain the personal obligations of the Delinquent Owner until fully paid, discharged or abated and shall be binding on the heirs, personal representatives, successors and assigns of such Delinquent Owner.

ARTICLE X

CONDEMNATION

If all or any portion of the Common Areas shall be taken (or conveyed in lieu of and under threat of condemnation) by any authority having the power of condemnation or eminent domain, the Association shall give each Owner notice thereof. The award made for such taking shall be payable to the Association as trustee for all Owners and shall be used by the Association for such purposes as the Board may determine, in its discretion, to be in the best interests of the Association.

If all or any portion of a Multi-Unit Building shall be taken (or conveyed in lieu of and under threat of condemnation) by any authority having the power of condemnation or eminent domain, the Association shall give each Owner in such Multi-Unit Building notice thereof. The award made for such taking shall be payable to the Association as trustee for all Owners in such Multi-Unit Building. If a Multi-Unit Building is acquired by eminent domain, or if part of a Multi-Unit Building is acquired by eminent domain leaving the any Owner therein with a remnant which may not practically or lawfully be used for any purpose permitted by this Declaration, then unless the decree otherwise provides: (i) the acquired Residences' voting power shall completely terminate; and (ii) the Residences' entire percentage interest in the Association shall automatically be reallocated to the remaining Residences in proportion to their respective percentage interests in the Association; and the Association shall attempt to promptly obtain the execution and recording of an amendment to this Declaration reflecting the reallocations. The award attributable to such a taking shall be paid to the Owners whose Residences were subject to said taking, in accordance however with the terms set forth below in this Section. If part of a Residence is acquired by eminent domain, Exhibit E shall be amended upon acquisition to equitably reallocate the percentage interests in the Association, as determined by the Board and

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the Association shall attempt to promptly obtain the execution and recording of an Amendment to this Declaration reflecting the reallocations. The award attributable to such a partial taking shall be paid to the Owners whose Residences were subject to said partial taking in accordance with the terms set forth below in this Section

The Association is hereby constituted and appointed agent for all Owners and Institutional Mortgagees, with full authority to negotiate and make binding settlements on behalf of and in the name of said Owners and Institutional Mortgagees concerning the value and extent of all takings of Common Area or Multi-Unit Buildings by any agency or entity exercising the power of eminent domain, except for such instances in which Declarant shall be entitled to recover any such awards hereunder, in which case Declarant shall be authorized to negotiate and make binding settlements with respect to such condemned property.

ARTICLE XI

GENERAL PROVISIONS

- 11.01 Amendments by Declarant.
- (a) During the Control Period, Declarant may amend this Declaration by an instrument in writing filed and recorded in the real property records of Medina County, Ohio without the approval of any Owner or Institutional Mortgagee; provided, however, that, if such amendment would materially and adversely affect the interest of any Institutional Mortgagee under its Institutional Mortgage, such amendment shall be valid only upon the written consent thereto of each Institutional Mortgagee so affected. Notwithstanding any provision herein to the contrary, without notice to or the consent of any other party, Declarant reserves the right at any time (during or after the Control Period) and from time to time to add all or any portion of the Additional Property to the Property and to subject the same to the provisions of this Declaration. Any amendment made pursuant to this Section shall be certified by Declarant as having been

duly approved by Declarant, and by such Institutional Mortgagees, if required, and shall be effective only upon recordation or at such later date as shall be specified in the amendment itself Each Owner, by acceptance of a deed or other conveyance to a Residence, and each Occupant, agrees to be bound by such amendments as are permitted by this Section and further agrees that, if requested to do so by Declarant, such Owner or Occupant will consent to the amendment of this Declaration (A) if such amendment is necessary to bring any provision hereof or thereof into compliance or conformity with the provisions of any applicable Legal Requirement, (B) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any Property subject to this Declaration, (C) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, to enable such lender or purchaser to make or purchase mortgage loans on any Residence or other improvements subject to this Declaration, or (D) if any such amendment is necessary to enable any governmental agency or reputable private insurance company to insure Institutional Mortgages on the Residences, or other property subject to this Declaration.

(b) For so long as the Declarant or a successor designated by the Declarant is the owner of a fee simple interest in the Property or Additional Property, the Declarant, or such designated successor Declarant, shall be entitled from time to time to amend or modify any of the provisions of this Declaration or to waive any of the provisions, either generally or with respect to particular real property, if in its judgment, the development or lack of development of the Property requires such modification or waiver, or if in its judgment the purposes of the general plan of development of the Development will be better served by such modification or waiver. To modify the Declaration in accordance with this paragraph, Declarant, or such designated successor Declarant, shall file an amendment to this Declaration setting forth the Amendment. Each Owner and the Association, by accepting a deed to his or her Residence or

other real property, hereby appoints Declarant, or such designated successor Declarant, his or her or its attorney-in-fact, coupled with an interest, to execute on his behalf any such amendments. Each amendment shall be effective when signed by the Declarant, or such designated successor Declarant, and filed for record with the Recorder of Medina County, Ohio.

This Declaration may also be amended by Declarant, or such designated successor (c) Declarant, or the Association at any time and from time to time for the purpose of: (1) complying with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veteran's Administration, or any other governmental agency or any other public quasi-public entity, or private insurance company which performs (or may in the future perform) functions similar to those currently performed by such entities; or (2) inducing any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages; or (3) correcting clerical or typographical or obvious factual errors in this Declaration or any Exhibit hereto or any supplement or amendment hereto; or (4) complying with the underwriting requirements of insurance companies providing casualty insurance, liability insurance or other insurance coverages for the Association; or (5) bringing any provision hereof into compliance or conformity with the provisions of any applicable governmental statute, rule or regulation or any judicial determination; or (6) correcting obvious factual errors or inconsistencies between this Declaration and other documents governing the Development; or (7) enabling a title insurance company to issue title insurance coverage with respect to the Property or any portion thereof. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to Declarant, or such designated successor Declarant, and/or to the Board to vote in favor of, make, or consent to an Amendment on behalf of each Owner as proxy or attorney-in-fact as the case

may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting any portion of the Property and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of the power to the Declarant, or such designated successor Declarant, to vote in favor of, make and record an Amendment

- (d) Declarant, or such designated successor Declarant, shall have the right to amend this Declaration at any time and from time to time in accordance with or in implementation of any of the rights granted to or reserved by Declarant in this Declaration.
 - 11.02 Amendments by the Association.

Amendments to this Declaration, other than those authorized by the preceding Section, shall be proposed and adopted in the following manner:

- (a) Notice of the subject matter of the proposed amendment shall be included in the notice of the meeting of the Association at which such proposed amendment is to be considered, and shall be delivered to each member of the Association.
- (b) At such meeting, a resolution adopting a proposed amendment may be proposed by either the Board or by a Member(s) of the Association. Such amendment must be approved by Members holding at least three-fourths (3/4) of the total voting power of the Association; provided, however, (i) that any amendment which materially and adversely affects the security title and interest of any Institutional Mortgagee must be approved by such Institutional Mortgagee, and (ii) during any period in which Declarant owns any Property, Additional Property and/or a Residence, such amendment must be approved by Declarant. None of Declarant's rights under this subsection are assignable except to the Association.
- (c) The agreement of the required percentage of the Members and, where required, Declarant, to any amendment of this Declaration shall be evidenced by the sworn statement of the President of the Association attached to or incorporated in the amendment

executed by the Association, which sworn statement shall certify that the agreement of the required parties was lawfully obtained. Any such amendment of this Declaration shall become effective only when recorded or at such later date as may be specified in the amendment itself.

11.03 Enforcement.

- (a) Each Member and/or Occupant shall comply with the Organizational Documents, with the rules and regulations of the Association adopted pursuant to this Declaration, (as the same may be amended from time to time), and with the covenants, conditions, and restrictions set forth in this Declaration. Failure to comply with any of the same shall be grounds for imposing fines, for suspending voting rights or rights of use in and to the Common Areas, or for instituting an action to recover sums due, for damages, and/or for injunctive relief, such actions to be maintainable by Declarant, the Board on behalf of the Association, or, in a proper case, by an aggrieved Member. Should Declarant or the Association employ legal counsel to enforce any of the foregoing, all costs incurred in such enforcement, including ten percent (10%) interest, court costs and reasonable attorneys fees, shall be paid by the violating Owner or Occupant.
- Organizational Documents, and the rules and regulations of the Association are essential for the general plan of development contemplated hereby and for the protection of present and future Owners and Occupants, any breach thereof may not adequately be compensated by recovery of damages. Accordingly, Declarant, the Association, or any aggrieved Member may, in addition to all other remedies, require and shall be entitled to the remedy of injunction to restrain any such violation or breach or any threatened violation or breach. No delay, failure, or omission on the part of Declarant, the Association, or any aggrieved Member in exercising any right, power, or remedy herein provided shall be construed as an acquiescence to any breach or violation of as a

waiver of the right to enforce such right, power, or remedy No right of action shall accrue nor shall any action be brought or maintained by anyone whatsoever against Declarant or the Association or for on account of any failure to bring any action on account of any violation or breach, or threatened violation or breach, by any person, of the provisions of this Declaration, the Organizational Documents, or any rules and regulations of the Association.

11.04 Duration.

The provisions of this Declaration shall run with and bind the Property, shall be binding upon and inure to the benefit of the Declarant, the Association, all Owners, Occupants and Institutional Mortgagees and their respective heirs, executors, legal representatives, successors, and assigns, and shall be and remain in effect for a period of thirty (30) years from the date of the recording of this Declaration, provided that rights and easements herein and having a longer duration shall have such longer duration. Upon the expiration of said thirty (30) year period, this Declaration shall be automatically renewed for successive ten (10) year periods. The number of ten (10) year renewal periods shall be unlimited, and this Declaration shall automatically be renewed upon the expiration of each ten (10) year renewal period for an additional ten (10) year period; provided, however, that there shall be no renewal of this Declaration, if, during the last year of the initial period or of any renewal period, seventy-five (75%) percent of the total votes of the Association are cast in favor of terminating this Declaration at the end of the then-current term. If this Declaration shall be terminated as aforesaid, an instrument evidencing such termination, containing a certificate wherein the President of the Association swears that such termination was duly adopted by the requisite number of votes, shall be recorded in the real property records of Medina County, Ohio. Notwithstanding any such termination of this Declaration, each Owner of a Townhome or of a Cluster Home shall remain responsible for his or her proportionate share of the costs and expense of maintaining the Common Area (with such share being determined from time to time by reference to each Owner's undivided percentage interest in the Association as established by **Exhibit E**).

11 05 Perpetuities.

If this Declaration or any provision hereof shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of George W. Bush, President of the United States of America

11 06 Interpretation.

(a) This Declaration shall be given that interpretation or construction which, in the reasonable judgment of Declarant, the Board or (where the same is specifically authorized to act pursuant to this Declaration) the Architectural Review Committee, will best reflect the intent of the general plan of development of the Property. In the absence of a contradictory decision by a court of competent jurisdiction, the interpretation or construction of this Declaration by Declarant, the Board or the Architectural Review Committee shall be final and binding. Declarant, the Board and the Architectural Review Committee (to the extent specifically provided herein) may adopt rules for the administration, interpretation and enforcement of this Declaration. All such rules, and the interpretation and application thereof, shall take into consideration the best interests of Declarant, the Owners and Occupants to the end that the Property will be preserved, developed and maintained as a high-quality residential community The provisions of this Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive The effective date of this Declaration shall be the date of its filing for record in the real property records of Medina County, Ohio.

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- (b) Section headings in this Declaration shall not define, limit, or affect the meaning of the provision to which they refer.
- (c) This Declaration shall be construed under and in accordance with the laws of the State of Ohio.

11 07 Gender and Grammar.

Any and all grammatical changes required to make the provisions hereof apply in the singular or plural tense or to corporations or other entities or to men or women shall in all cases be assumed as though in each case fully expressed.

11.08 Severability.

If the application of any provision of this Declaration to any person or circumstance shall be invalid or unenforceable, no other provision, and no application of such provision to any other person or circumstance shall be affected thereby. To this end, the provisions of this Declaration are declared to be severable.

11 09 Rights of Third Parties.

This Declaration shall be recorded for the benefit of Declarant, the Owners, the Occupants and the Mortgagees as herein provided, no adjoining property owner or third party shall have any right, title or interest whatsoever under this Declaration or in the enforcement of any of the provisions hereof

11.10 Notice of Sale, Lease, or Mortgage.

If an Owner sells, leases, mortgages, or otherwise disposes of any Residence, the Owner must promptly furnish to the Association in writing the name and address of such purchaser, lessee, mortgagee, or transferee.

11 11 No Trespass.

Whenever the Association, Declarant or the Architectural Review Committee are permitted by this Declaration to enter upon or take action within any portion of the Property, the entering thereon and the taking of such action shall not deem to be trespass.

11.12 Notices.

Notices required hereunder shall be in writing and shall be delivered by hand or sent by United States mail, postage pre-paid. All notices to Owners or Occupants shall be delivered or sent to such parties' addresses as designated in writing to the Association, or if no address has been so designated, at the addresses of such Owners' respective Residence All notices to the Association shall be delivered or sent in care of the Associations' address set forth on the signature page hereto, or to such other address as the Association may from time to time notify the Owners All notices to Declarant shall be delivered or sent to 5377 Lauby Road, N.W., North Canton, Ohio 44720 or to such other address as Declarant may from time to time notify the Association. Notices to Institutional Mortgagees shall be delivered or sent to such addresses as such Institutional Mortgagees specify in writing to the Association.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed on the day and date first above written.

DECLARANT

WOODFORD COMMONS, LLC

By: Elson J Hershberger Construction, Inc.,
Its Member

Elson MHershberger, President

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STATE OF OHIO) SS. COUNTY OF SUMMIT)

BEFORE ME, a Notary Public in and for said state and county, personally appeared Woodford Commons, LLC, an Ohio limited liability company, by Elson J. Hershberger Construction, Inc., its Member, by Elson J. Hershberger, its President, known to me, who acknowledged before me that he executed the foregoing instrument and that the same is his free act and deed, individually and in the capacity set forth above, and the free act and deed of such limited liability company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal at Summit County,

Ohio, this 15th day of

. lune

. 2004.

Notary Public

My Commission

Meritys Frick

This instrument prepared by: Brian C. Cich, Esq. Black, McCuskey, Souers & Arbaugh 1000 Unizan Plaza 220 Market Avenue South Canton, Ohio 44702

(330) 456-8341

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EXHIBIT A

Description of Real Property included in Woodford Commons

Situated in the Township of Montville, County of Medina and State of Ohio and being further described as

Being all of Block B1 and all of Sublots 2, 3, 4, 5, 7 and 8 as shown on the plat for Woodford Commons Subdivision, Phase 1, Replat No 1, which was recorded on the 16th day of June, 2004 as Instrument Number 2004PL000057 of the Medina County, Ohio Records

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Recorded Date & Time Doc. Date
Document No.
                                                 Consideration # Pages Reference #
2004PL000057
               2004-06-16 09:52:00
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REPLAT
                                        WOODFORD COMMONS SUBDIVISION PHASE 1 REPLAT NO 1
               Parties, 1-Grantor
                                        WOODFORD COMMONS LLC
               Subdivision Name: MONTVILLE (030)
                       Block
                                         Lot: 106
                                                          OutLot:
                                                                             Portion:
                       Block:
                                         Lot: 87
                                                         OutLot:
                                                                             Portion:
               Subdivision Name: WOODFORD COMMONS PH-L
                       Block:
                                         Lot:
                                                         OutLot:
                                                                             Portion: B
               Subdivision Name: WOODFORD COMMONS PH-1 REPLAT #1
                       Block:
                                         Lot:
                                                         OutLot:
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                                                         OutLot: 2
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                       Block.
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                                         Lot'
                                                         OutLot 7
                                                                             Portion
                       Block:
                                         Lot
                                                         QutLot 8
                                                                             Portion
               Parcel #: 03011816005
                   Parcel Addt'1 Info: MONTVILLE-LOTS 87-106 BLK-B WOODFORD COMMONS PH-1 (N*30-118-16-7 TH
13)
               Parcel #: 03011816007
                   Parcel Addt'1 Info: MONTVILLE-LOTS 87,106 BLK-B1 WOODFORD COMMONS PH-1 REPLAT #1
(0#30-118-16-5)
               Parcel # 03011816008
                   Parcel Addt'l Info: MONTVILLE-LOT 106 SL-2 WOODFORD COMMONS PH-1 REPLAT #1
(0#30-11B-16-5)
               Parcel #: 03011816009
                   Parcel Addt'l Info MONTVILLE-LOT 106 St-3 WOODFORD COMMONS PH-1 REPLAT #1
(0#30-118-16-5)
               Parcel #: 03011816010
                   Parcel Addt'l Info: MONTVILLE-LOT 106 SL-4 WOODFORD COMMONS PH-1 REPLAT #1
(0#30-11B-16-5)
               Parcel # 03011816011
                   Parcel Addt'l Info: MONTVILLE-LOT 106 St-5 WOODFORD COMMONS PH-1 REPLAT #1
(0#30-118-16-5)
               Parcel #: 03011816012
                   Parcel Addt'l Info: MONTVILLE-LOT LOG SL-7 WOODFORD COMMONS PH-L REPLAT #L
(0#30-11B-16-5)
               Parcel #: 03011816013
                   Parcel Addt'l Info: MONTVILLE-LOT 106 SL-8 WOODFORD COMMONS PH-1 REPLAT #1
(0#30-11B-16-5)
               Notes **MONTOILLE-LOTS 87:106 SL-2:3:4:5:7:8: BLK-B1 WOODFORD COMMONS PH-1 REPLAT #1
*(-2-118-14-7 TH 13) FKA BLK-B WOODON GROWNS PH-1 (0#30-118-14-8)
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End of Report

Total Number of Documents: 1

EXHIBIT C

Description of Additional Property for Woodford Commons

Situated in the Township of Montville, County of Medina and State of Ohio and being further described as

Being all of Block A and Block C as shown on the plat for Woodford Commons Subdivision Phase 1 which was recorded on the 13th day of June, 2003 as Instrument Number 2003PL000058 of the Medina County, Ohio Records

G \bcc\Efficient\Woodford Commons\Exhibit C doc

EXHIBIT D

Plat for Additional Property for Woodford Commons

The attached plat for Woodford Commons Subdivision Phase 1 containing Additional Property for Woodford Commons has been recorded on the 13th day of June, 2003 as Instrument Number 2003PL000058 of the Medina County, Ohio Records

G \bcc\Efficient\Woodford Commons\Exhibit D doc

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EXHIBIT E

Each Residence shall have a percentage of interest in the Association based upon the following formula and point system

Cluster Home – 100 points each

Townhome – 75 points each

Each Residence shall have a percentage interest in the Association (and, therefore, shall pay all assessments for Common Expenses or otherwise) in the proportion that their individual point total bears to the aggregate of the total points of all Residences on the Property and, therefore, in the Association

Example If there are 5 Cluster Homes and 5 Townhomes in the Association for a total of 875 points [(5 Cluster Homes x 100 points) + (5 Townhomes x 75 points)], a single Cluster Home would have a percentage of interest equal to 11 43% [100/875] and a single Townhome would have a percentage interest of 8 57% [75/875]

The actual percentages of interest for each Cluster Home and Townhome are shown on the attached table.

EXHIBIT E (cont.)

Percentage of Ownership of Common Area

The percentage of interest in the Common Area of each Sublot is as follows.

Sublot No.	Residence Type	Points	Percent Ownership
2	Cluster Home	100	16 666%
3	Cluster Home	100	16 666%
4	Cluster Home	100	16 666%
5	Cluster Home	100	16 666%
7	Cluster Home	100	16 666%
8	Cluster Home	100	16 670%*
Total	ĺ	600	100.000%

^{*} The percentage interest reflected for Sublot 8 has been increased by 004% for the sole purpose of illustrating an even 100% ownership of common area interests. For all purposes of Woodford Commons, however, including but not limited to, voting rights, share of expenses and share of common area ownership, Sublot 8 shall be equal with all other Cluster Home Sublots within Woodford Commons

G \bcc\Efficient\Woodford Commons\Exhibit E doc

CODE OF REGULATIONS OF WOODFORD COMMONS HOMEOWNERS ASSOCIATION, INC. A Non-Profit Ohio Corporation

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CODE OF REGULATIONS

<u>OF</u>

WOODFORD COMMONS HOMEOWNERS ASSOCIATION, INC.

Article I Name. Principal Office, and Definitions

Section 1 Name The name of the Association shall be WOODFORD COMMONS HOMEOWNERS ASSOCIATION, INC, an Ohio non-profit corporation (hereinafter sometimes referred to as the "Association")

Section 2 Principal Office The principal office of the Association shall be located in the Township of Montville, Medina County, Ohio The Association may have such other offices, either within or without the Township of Montville as the Board of Directors ("Board") may determine or as the affairs of the Association may require

Section 3 <u>Definitions</u> The words used in this Code of Regulations ("Code") shall have the same meaning as set forth in that Declaration of Covenants, Easements and Restrictions for Woodford Commons, of even date (said Declaration, as amended restated or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), unless the context shall prohibit

Article II Association: Meetings, Ouorum, Voting, Proxies

Section 1 Membership. The Association shall have two (2) classes of membership, Class "A" and Class "B" ("Members"), as more fully set forth in the Declaration the terms of which pertaining to memberships are specifically incorporated herein by reference

Section 2 Place of Meetings Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board either on the Property or as convenient thereto as possible and practical

Section 3 Annual Meetings The first meeting of the Members, whether a regular or special meeting, shall be held within thirty (30) days after the termination of the Class "B" Control Period specified in Article III, Section 2 hereof, unless the Developer determines in its sole discretion to call a special meeting prior thereto. The next annual meeting shall be set by the Board so as to occur no later than ninety (90) days after the close of the Association's fiscal year Subsequent regular annual meetings of the Members shall be held within thirty (30) days of the same day of the same month of each year thereafter at an hour set by the Board Subject to the forgoing, the annual meeting of the Members shall be held at a date and time as set by the Board

Section 4 Special Meetings The Developer or the President of the Association may call special meetings. In addition, after the Developer is no longer a Class "B" Member, it shall be the duty of the President of the Association to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board or upon a petition signed by holders of at least twenty-five (25%) percent of the total votes of the Association. The notice of any special meeting shall state the date, time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 5 Notice of Meetings A written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally or by mail to each Member entitled to vote at such meeting, not less than seven (7) nor more than sixty (60) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting

In the case of a special meeting or when required by statute or this Code, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered three (3) days after it is deposited in the United States mail addressed to the Class "A" Member at his address as it appears on the records of the Association, with postage thereon prepaid

Section 6 Waiver of Notice Waiver of notice of meeting of a Class "A" Member shall be deemed the equivalent of proper notice Any Class "A" Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Class "A" Member, whether in Person or by proxy, shall be deemed a waiver by such Class "A" Member of notice of the time, date, and place thereof, unless such Class "A" Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting, shall also be deemed a waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 7 Adjournment of Meetings If any meetings of the Association cannot be held because a quorum is not present, a majority of the Class "A" Members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place for the adjourned meeting are not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Class "A" Members in the manner prescribed for regular meetings

The Class "A" Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Class "A" Members to leave less than a quorum, provided that at least twenty-five (25%) percent of the total votes of the Association remains present in person or by proxy, and provided further that any action taken shall be approved by at least a majority of the Members required to constitute a quorum

Section 8 <u>Voting</u> The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein

Section 9 Proxies Class "A" Members may act or vote in person or by proxy The person appointed as proxy need not be a member of the Association Designation by a Member or Members of a proxy to vote or act on his or her behalf shall be made in writing to the Secretary of the Association (or if there is no Secretary, then with the person conducting the meeting for which the proxy is given) at or before the meeting and shall be revocable at any time by actual notice to the Secretary of the Association by the Member or Members making such designation. Notice to the Association in writing or in open meeting of the revocation of the designation of a proxy shall not affect any vote or act previously taken or authorized The presence at a meeting of the person appointing a proxy does not revoke the appointment Members may not vote by proxy, but only in person or through their designated alternates

Section 10 Majority As used in this Code, the term "majority" shall mean those votes, Owners, or other group as the context may indicate totaling more than fifty (50%) percent of the total number

Section 11 Quorum Except as otherwise provided in this Code or in the Declaration, the presence in person or by proxy of at least one third (1/3) of the voting power of the Class "A" Members of the Association shall constitute a quorum at all meetings of the Association Any provision in the Declaration concerning quorums is specifically incorporated herein

Section 12 Conduct of Meetings The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring thereat

Section 13 Action Without A Meeting. Any action required by law to be taken at a meeting of the Class "A" Members, or any action which may be taken at a meeting of the Class "A" Members, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Class "A" Members entitled to vote with respect to the subject matter thereof, and such consent shall have the same force and effect as a unanimous vote of the Class "A" Members

Article III Board of Directors: Number, Powers, Meetings

A Composition and Selection

Section 1 Governing Body, Composition The affairs of the Association shall be governed by the Board of Directors, each of whom shall have one (1) vote Except with respect to Directors appointed by the Developer, the Board shall be Members or spouses of such Members, provided, however, no person and his or her spouse may serve on the Board at the same time. If a Member is a corporation or partnership, having the authority to designate a Director(s), a certificate signed by such Member shall be filed with the Secretary of the Association naming such Director (s), which certificate shall be conclusive until a subsequent substitute certificate is filed with the Secretary of the Association

Section 2 Directors During Class "B" Control The Directors shall be selected by the Class "B" Member acting in its sole discretion and shall serve at the pleasure of the Class "B" Member until up to one hundred eighty (180) days after the first to occur of the following ("Class "B" Control Period")

- (a) when all Residences permitted by the Site Plan for the Property referred to in the Declaration have been sold and conveyed to Persons other than the Developer, or
 - (b) when, in its discretion, the Class "B" Member so determines

Section 3 Right to Disapprove Actions This <u>Section 3</u> may not be amended without the express, written consent of the Class "B" Member as long as the Class "B" membership exists

So long as the Class "B" membership exists, the Class "B" Member shall have a right to disapprove actions of the Board and the Architectural Review Committee, as is more fully provided in this Section. This right shall be exercisable only by the Class "B" Member, its successors, and assigns who specifically take this power in a recorded instrument. The right to disapprove shall be as follows.

No action authorized by the Board or Architectural Review Committee shall become effective, nor shall any action, policy, or program be implemented until and unless

(a) The Class "B" Member shall have been given written notice of all meetings and proposed actions approved at meetings of the Board or any committee thereof by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Association, as it may change from time to time, which notice complies as to the Board meetings with <u>Article III</u>, Sections 8. 9. and 10. of this Code and which notice shall, except in the case of the regular meetings held pursuant to this Code, set forth in reasonable particularity the agenda to be followed at said meeting, and

(b) The Class "B" Member shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program to be implemented by the Board, any committee thereof, or the Association The Class "B" Member, its representatives or agents shall have the right to make its concerns, thoughts and suggestions known to the members of the subject committee and/or the Board The Class "B" Member shall have the right to disapprove any action, policy, or program authorized by the Board or any committee thereof and to be taken by the Board, such committee, the Association, or any individual Member of the Association if Board, committee, or Association approval is necessary for such action. This right may be exercised by the Class "B" Member, its representatives, or agents at any time within ten (10) days following the meeting held pursuant to the terms and provisions hereof

Section 4 Number of Directors The number of Directors in the Association shall be five (5) The initial Board shall consist of three (3) members as identified in the Articles of Incorporation of the Association or otherwise appointed by the Developer

Section 5 Nomination of Directors Except with respect to Directors selected by the Class "B" Member, nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and three (3) or more Members of the Association. The Nominating Committee shall be appointed by the Board not less than thirty (30) days prior to each annual meeting of the Class "A" Members to serve a term of one (1) year or until their successors are appointed, and such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but in no event less than the number of positions to be filled. Nominations shall also be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Class "A" Members and to solicit votes.

Section 6 Election and Term of Office Notwithstanding any other provision contained herein

At the first meeting of the membership after the termination of the Class "B" Control Period specified in Section 2 of this Article III, the Class "A" Members shall elect five (5) Directors Immediately prior to such election, all persons previously elected or appointed, whether by the Developer or by the Class "A" Members, shall resign, provided, however, that such persons shall be eligible for reelection to the Board of Directors Two (2) Directors shall be elected to serve a term of three (3) years, two (2) Directors shall be elected to serve a term of two (2) years, and one (1) Directors shall be elected to serve a term of one (1) year Upon the expiration of the initial term of office of each such Director, a successor shall be elected to serve a term of three (3) years Thereafter, all Directors shall be elected to serve three (3) year terms. For the purpose of the election of Directors, each Class "A" Member shall have one (1) equal vote. A representative representing Residences owned by the Class "B" Member shall also be entitled to vote, except as otherwise provided above

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At any election of Directors, each Class "A" Member shall be entitled to cast one (1) equal vote with respect to each vacancy to be filled. The candidates receiving the largest number of votes shall be elected. Such election shall be by written secret ballot whenever requested by a Member of the Association, but unless the request is made, the election may be conducted in any manner approved at such meeting. The Directors elected by the Class "A" Members shall hold office until their respective successors have been elected by the Association. The Directors may be elected to serve any number of consecutive terms. The persons so elected shall take office upon such election.

Section 7 Removal of Directors and Vacancies Any Directors elected by the Class "A" Members may be removed, with or without cause, by the vote of Class "A" Members holding a majority of the votes entitled to be cast for the election of such Director. Any Director whose removal is sought shall be given notice prior to any meeting called for that purpose. A Director who was elected solely by the votes of Class "A" Members other than the Developer may be removed from office prior to the expiration of his or her term only by the votes of a majority of Class "A" Members other than the Developer. Upon removal of a Director, a successor shall then and there be elected by the Class "A" Members entitled to elect the Director so removed to fill the vacancy for the remainder of the term of such Director.

Any Director elected by the Class "A" Members who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of any assessment or other charge due the Association for more than thirty (30) days may be removed by a majority of the Directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a Director, a vacancy may be declared by the Board, and it may appoint a successor. Any Director appointed by the Board shall serve for the remainder of the term of the Director who vacated the position.

B Meetings

Section 8 Organization Meetings The first meeting of the Board following each annual meeting of the membership shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board

Section 9 Regular Meetings Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Board, but at least two (2) such meetings shall be held during each fiscal year. Notice of the time and place of the meeting shall be communicated to members of the Board not less than four (4) days prior to the meeting, provided, however, notice of a meeting need not be given to any member of the Board who has signed a waiver of notice or a written consent to holding of the meeting

Section 10 Special Meetings Special meetings of the Board shall be held when called by written notice signed by the President, Vice President, or Secretary of the Association, or by any two (2) members of the Board The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each member of the Board by

one of the following methods (a) by personal delivery, (b) written notice by first class mail, postage prepaid, or (c) by telephone communication, either directly to the member of the Board or to a person at the member's office or home who would reasonably be expected to communicate such notice promptly to the member of the Board All such notices shall be given or sent to the member's address or telephone number as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting Notices given by personal delivery, or telephone, shall be delivered or telephoned, at least seventy-two (72) hours before the time set for the meeting

Section 11 Waiver of Notice The transactions of any meetings of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the members of the Board not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any member of the Board who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 12 Our of Board At all meetings of the Board, a majority of the members of the Board shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board present at a meeting at which a quorum is present shall constitute the decision of the Board A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of members of the Board, if any action taken is approved by at least a majority of the required quorum for that meeting At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice

Section 13 <u>Compensation</u> No member of the Board shall receive any compensation from the Association for acting as such unless approved by Members representing a majority vote of the total vote of the Association at a regular or special meeting of the Association, provided any Director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other Directors

Section 14 Conduct of Meetings The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of the Board, recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings Meetings may be conducted by telephone and shall be considered as any other meeting, provided all Directors are able through telephone connection to hear and to be heard.

Section 15 Open Meetings Subject to the provisions of Sections 16 and 17 of this Article, all meetings of the Board shall be open to all Class "A" Members, but Class "A" Members other than Directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a member of the Board In such case, the President may limit the time any Class "A" Member may speak

Section 16 Executive Session The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature

Section 17 Action Without a Formal Meeting Any action to be taken at a meeting of the Board or any action that may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members of the Board and such consent shall have the same force and effect as a unanimous vote. An explanation of the action taken shall be posted at a prominent place or places within the Common Areas within three (3) days after the written consents of all the members of the Board have been obtained

C Powers and Duties

Section 18 <u>Powers</u> Except as otherwise set forth in the Declaration and in this Code, the Board shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may, do all acts and things as are not by the Declaration, Articles, or this Code directed to be done and exercised exclusively by the Class "A" Members or the membership generally

The Board shall delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board

In addition to the duties imposed by The declaration, this Code or by any resolution of the Association that may be hereafter adopted, the Board shall have the power to and be responsible for the following in way of explanation, but not limitation

- (a) preparation and adoption of an annual budget in which there shall be established the contribution of each Owner to the Common Expenses,
- (b) making assessments to defray the Common Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment,
- (c) providing for the operation, care, upkeep, and maintenance of all of the Common Areas, the Property, and each Residence or building as set forth in the Declaration,
- (d) designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Association, its property, and the Common Areas, the Property, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties,

- (e) collecting the assessments, depositing the proceeds therefor a bank depository which it shall approve, and using the proceeds to administer the Association, provided, however, that any reserve fund may be deposited, in the Directors' best business judgment, in depositories other than banks,
 - (f) making and amending rules and regulations,
- (g) opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Areas or the Property in accordance with the provisions of the Declaration and this Code after damage or destruction by fire or other casualty,
- (1) enforcing by legal means the provisions of the Declaration, this Code, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners or Occupants concerning the Association,
- (j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof,
- (k) paying the cost of all services rendered to the Association or its Members and not chargeable directly to individual Owners,
- (1) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred. The said books and vouchers accrediting the entries thereupon shall be available for examination by the Owners and mortgagees, their duly authorized agents, accountants, or attorneys, during general business hours on working days at the time and in a manner that shall be set and announced by the Board for the general knowledge of the Owners All books and records shall be kept in accordance with generally accepted accounting practices,
- (m) make available to any prospective purchaser of a Residence, any Owner of a Residence any first mortgagee, and the holders, insurers, and guarantors of a first mortgage on any Residence, current copies of the Declaration, the Articles, this Code, rules governing Residences, and all other books, records, and financial statements of the Association The Association may impose a reasonable charge for the foregoing in order to defray duplication costs,
- (n) permit utility suppliers to use portions of the Common Areas reasonably necessary to the ongoing development or operation of the Property, and
 - (o) entering into easement agreements, license agreements and other agreements with

utility companies (both private and public), with Owners within the Property, and with the owners of neighboring properties

Section 19. Management Agent

- (a) The Board may employ for the Association a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board by this Code. The Developer, or an affiliate of the Developer, may be employed as managing agent or manager.
- Section 20 <u>Borrowing</u> The Board shall have the power to borrow money for the purpose of repair or restoration of the Common Areas without the approval of the Class "A" Members of the Association, provided, however, the Board shall obtain membership approval in the same manner as is provided in <u>Article IX</u> of the Declaration for Assessments for borrowing made for matters referred to in said Article
- Section 21 Rights of the Association With respect to the Common Areas or other Areas of Common Responsibility, and in accordance with the Articles and this Code, the Association shall have the right to contract with any person for the performance of various dates and functions Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with trusts, condominiums, or neighborhood and other homeowners or residents associations, both within and without the Property Such agreements shall require the consent of two-thirds (2/3) of the votes of all members of the Board

Section 22 Compliance and Non-Monetary Default

- (a) Enforcement In the event of a violation by any Member or any tenant or other Occupant (other than the nonpayment of Assessments or charges, which is governed by the Declaration) of any of the provisions of the Declaration, this Code or the Rules, the Association or a committee created by this Code (e.g., the Covenants Committee) or by the Board shall notify the Member and any tenant or other Occupant of the violation, by written notice. If such violation is not cured as soon as is reasonably practical and in any event within five (5) days after such written notice, or if the violation is not capable of being cured within such five (5) day period, if the Member or tenant or other Occupant fails to commence and diligently proceed to completely cure such violation as soon as is reasonably practical within five (5) days after written demand by the Association or such committee, or if any similar violation is thereafter repeated, the Association or such committee may, at its option
 - (1) Impose a fine against the Member or tenant or other Occupant as provided in Subsection (b) of this Section, and/or
 - (11) Commence an action to enforce performance on the part of the Member or

tenant or other Occupant, and to require the Member to correct such failure, or for such other relief as may be necessary under the circumstances, including injunctive relief, and/or

- (111) The Association may itself perform any act or work required to correct such failure and, either prior to or after doing so, may charge the Member with all reasonable costs incurred or to be incurred by the Association in connection therewith, plus a service fee equal to ten percent (10%) of such costs. In connection with the foregoing, the Association may perform any maintenance or repairs required to be performed, may remove any change alteration, addition or improvement which is unauthorized or not maintained in accordance with the provisions of the Declaration, and may take any and all other action reasonably necessary to correct the applicable failure, and/or
- (1v) Commence an action to recover damages or any other remedy available at law or in equity
- (b) Fines The amount of any fine shall be a reasonable amount as determined by the Board or the Covenants Committee (as defined in Article V, Section 2) Any fine imposed by the Board or committee shall be due and payable within ten (10) days after written notice of the imposition of the fine. Any fine levied against a Member shall be deemed an Assessment and if not paid when due all of the provisions of the Declaration relating to the late payment of Assessments shall be applicable. If any fine is levied against a tenant or Occupant who is not an Owner and is not paid within ten (10) days after same is due, the Association shall have the right to evict such tenant or Occupant
- (c) <u>Negligence</u> A Member shall be liable and may be charged by the Association for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a Residence or its appurtenances or of the Common Areas.
- (d) Responsibility of Members for Tenants Each Member shall be responsible for the acts and omissions, whether negligent or willful of his tenant or Occupant and for all employees agents and invitees of the Member or any such tenant or Occupant, and in the event the acts or omissions of any of the foregoing shall result in any damage to the Common Areas, or any liability to the Association, the Member shall be charged for same, limited where applicable to the extent that the expense or liability is not met by the proceeds of insurance carried by the Association Furthermore, any violation of any of the provisions of the Declaration, this Code, or any Rule, by any tenant or Occupant, or any employees, agents or invitees of a Member or any tenant or Occupant of a Residence shall also be deemed a violation by the Member, and shall subject the Member to the same liability as if such violation was that of the Member
 - (e) Costs and Attornev's Fees In any legal proceedings commenced by the Association

or a committee to enforce the Declaration, this Code and/or the Rules, as said documents may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorneys' and paralegal fees. Any such costs or attorneys' and paralegals' fees awarded to the Association or committee in connection with any action against any Member shall be charged to the Member.

- (f) Developer Assessments Developer shall not be required to pay any assessments or momes to finance any claim or litigation against the Developer
- (g) No Waiver of Rights The failure of the Association or a committee or any Member to enforce are covenant, restriction or any other provision of the Declaration, this Code, or the Rules, as the said documents may be amended from time to time, shall not constitute a waiver of the right to do so thereafter
- (h) Additional Enforcement Rights Notwithstanding anything to the contrary herein contained, the Association, acting through the Board, may elect to enforce any provision of the Declaration, this Code, or the rules and regulations of the Association by self-help (specifically including but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or Occupant responsible for the violation of which abatement is sought shall pay all costs including 10% interest and reasonable attorney's fees actually incurred by the Association in so acting to enforce such rights

Article IV Officers

Section 1 Officers The officers of the Association shall be elected by the Board and shall consist of a President, Vice President, Secretary, and Treasurer The Board may elect such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board Any two or more offices may be held by the same person, excepting the offices of President and Secretary The President, Secretary and Treasurer shall be elected from among the members of the Board

Section 2 Election. Term of Office and Vacancies The officers of the Association shall be elected annually by the Board at the first meeting of the Board following each manual meeting of the Members, as herein set forth in Article III A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term

Section 3 <u>Removal</u> Any officer may be removed by the Board whenever in its judgment the best interests of the Association will be served thereby

Section 4 Powers and Duties The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board. The President shall be the chief executive officer of the Association. The Secretary shall have primary responsibility for the preparation and maintenance of all minutes and other records of actions by the Board, and shall provide all notice required hereunder and handle all correspondence or other communications of the Association, either directly or by delegation, to other committees, the management agent, or both The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both

Section 5 Resignation Any officer may resign at any time by giving written notice to the Board, the President or the Secretary Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective

Section 6. Agreements, Contracts, Deeds Easements, Leases, Checks All agreements, contracts, deeds, easements, leases, checks, and other instruments of the Association shall be executed by any two (2) officers of the Association or by such other person or persons as may be designated by resolution of the Board

Article V Committees

Section 1 General Committees are hereby authorized to perform, such tasks and to, serve for such periods as may be designated by a resolution adopted by a majority of the members of the Board present at a meeting at which a quorum is present. Such committees shall perform such duties and have such powers as may be provided in the resolution. Each committee shall be composed as required by law and shall operate in accordance with the terms of the resolution of the Board designating the committee or with rules adopted by the Board.

Section 2 Covenants Committees The Board may appoint a Covenants Committee consisting of at least three (3) and no more than five (5) members

Article VI Finances of Association (Assessments)

Section 1 Preparation of Estimated Budget. On or before December 15 of each year thereafter, the Association shall estimate the total amount necessary to pay the Assessments referred to in <u>Article IX</u> of the Declaration for the balance of the calendar year in which the Declaration is filed and, thereafter, for each succeeding calendar year together with a reasonable amount considered by the Association is be necessary for a reserve for contingencies and replacements, and the amounts, if any, which may be received from special assessments concessions contracts for special services

and facilities, and other sources On or before December 21, the Association shall notify each Member in writing as to the amount of such estimates, and shall send a copy of such notice to each holder of a first mortgage upon the Ownership Interest of a Member who has made a request in writing for such notification The failure of the Association to comply strictly with the above time requirements shall not be deemed to be a waiver and shall not prevent the Association from collecting Assessments. The net of the aggregate amounts of such estimates (herein called the "Estimated Cash Requirements") of the net calendar year shall be assessed to those Members required to pay the Assessments according to and as specifically set forth in Article IX of the Declaration On or before the date of each annual meeting the Association shall furnish to all Members an itemized accounting of the expenditures for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, by special Assessments, or otherwise, and showing the net amount over or short of the actual expenditures plus reserves At the sole discretion of the Board, any amount accumulated in excess of the amount required for actual expenses and reserves and/or to cover any shortages shall be credited to the last maturing installments due from the Members under the current years estimate, pro rata Any net shortage shall be added pro rata to the next installment due after the rendering of the accounting

In addition to such regular assessments, each Class "A" Member shall be required to make, at the time such Member acquires title to a Residence from the Developer, an initial capital contribution to the Association equal to two (2) times the estimated monthly Assessment for Common Expenses for each Residence purchased. The general purpose of this contribution is to provide the Association with a portion of the necessary initial working capital and/or a contingency reserve. Such funds may be used for certain prepaid items (e.g., insurance premiums, utility deposits and organization, equipment and supply costs) and for such other purposes as the Board may determine. This initial capital contribution is not an escrow or advance, is not refundable and shall be required only from those persons who or which purchase a Residence from the Developer

Notwithstanding the provisions of this <u>Section 1</u>, the Board shall have the authority to establish payment of assessments on a monthly, quarterly or yearly basis

Association shall build up and maintain a reasonable reserve for contingencies and replacements, repair and maintenance Extraordinary expenditures not originally included in the annual estimate which may be necessary for the year shall be charged first against such reserve. If the "Estimated Cash Requirements" proves inadequate for any reason, including nonpayment of any Member's Assessment, the deficiency and any extraordinary expenditures in excess of the reserves therefor shall be assessed to the Members required to pay assessments. The Association shall also make any necessary or desirable special Assessments, from time to time which shall be payable at the time or times the Board deems necessary or desirable. The Association shall serve notice of such further Assessments on Members required to pay Assessments, by a statement in writing giving the amount and reasons therefor, and such further assessment shall be payable with the next regular payment becoming due to the Association but not less than ten (10) days after the delivery or mailing of such

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notice of further Assessment.

Section 3 Failure to Prepare Annual Budget The failure or delay of the Association to prepare or deliver to a Member any annual or adjusted estimate shall not constitute a waiver or release in any manner of such Member's obligation to pay his share of the Assessments, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Member required to pay Assessments pursuant to Section 9.2 of the Declaration shall continue to pay the charge at the existing rate established for the previous period until the Association mails or delivers notice of the new payment due as a result of the determination of the new annual or adjusted estimate

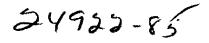
Section 4 Books and Records of the Association. The Association shall keep full and correct books of account and the same shall be open for inspection by any Member or his representative duly authorized in writing, at such reasonable time or times during normal business hours as may be requested. Upon ten (10) days notice to the Board and payment of a reasonable fee, any Member shall be furnished a statement of his or its account setting forth the amount of any unpaid Assessments or other charges due and owing

Section 5 Status of Funds Collected by Association All funds collected hereunder shall be held and expended solely for the purposes designated herein and (except for such special Assessments as may, be levied hereunder against less than all of the Members and for such adjustments as may be required to reflect delinquent or prepaid Assessments) shall be deemed to be held for the use, benefit and account of all Members required to pay Assessments pursuant to the Declaration

Section 6. <u>Depository</u>. The depository of the Association shall be such bank or banks and/or such savings and loan association or savings and loan associations and/or such money market fund(s) as shall be designated from time to time by the Board and in which the monies of the Association shall be deposited Withdrawal of the monies from such accounts shall be only by check signed by such persons as are authorized by the Board.

Section 7 Annual Review The books of the Association shall be reviewed once a year by the Board and such review shall be completed prior to each annual meeting. If requested by a majority of the members of the Board, such review shall be made by a certified public accountant. In addition and at any time requested by Members or by holders of first mortgages on Ownership Interests possessing in the aggregate fifty percent (50%) or more of the voting power in the Association the Board shall cause an additional review to be made at the expense of the requesting party

Section 8. Remedies for Failure to Pay Assessments If an Owner shall be in default in the payment of any of the aforesaid Assessments, the Association (or Developer if such Assessment was to be paid directly to Developer) shall have all of the remedies set forth anywhere in the Declaration, in this Code or at law or equity to collect such Assessments, and all costs associated therewith



Article VII Miscellaneous

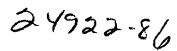
Section 1 Fiscal Year The initial fiscal year of the Association shall be January 1st to December 31st

Section 2 Parliamentary Rules Except as may be modified by Board resolution establishing modified procedures, Roberts Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Ohio law, the Articles, the Declaration, or this Code

Section 3 <u>Conflicts</u>. If there are conflicts or inconsistencies between the mandatory provisions of Ohio law, the Articles, the Declaration, and this Code, the mandatory provisions of Ohio law, the Declaration, the Articles, and the Code (in that order) shall prevail

Section 4 Books and Records

- (a) Inspection by Members and Mortgagees. The Declaration and Code, membership register books of account, and minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any mortgagee, Member of the Association, or by his or her duly appointed representative at any reasonable time and for a purpose reasonably related to his or her interest as a Member at the office of the Association or at such other place within the Property as the Board shall prescribe
 - (b) Rules for Inspection The Board shall establish reasonable rules with respect to
 - (1) notice to be given to the custodian of the records,
 - (11) hours and days of the week when such an inspection may be made, and
 - (111) payment of the cost of reproducing copies of documents requested
- (c) Inspection by Members of the Board. Every member of the Board shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a member of the Board includes the right to make extracts and copies of documents at the expense of the Association.
- Section 5 <u>Notices</u> Unless otherwise provided in this Code, all notices, demands, bills, statements, or other communications under this Code shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified mail, return receipt requested, first class postage prepaid.



- (a) If to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Residence of such Member, or
- (b) If to the Association, the Board or the managing agent at the principal office of the Association or the managing agent if any, or at such other address as shall be designated by the notice in writing to the Owners pursuant to this Section

Section 6 Amendment Prior to the sale and conveyance of the first Residence, Developer may unilaterally amend this Code. After such sale and conveyance, the Developer may unilaterally amend this Code so long as it owns any portion of the Property or Additional Property and so long as the amendment has no material adverse effect upon the rights of any Member Thereafter and otherwise, this Code may be amended only by the affirmative vote or written consent or any combination thereof, of Class "A" Members representing 75% of the total votes of the Association, which shall include a majority of votes of Members other than the Developer or, where the two class voting structure is still in effect, shall include the Class "B" Member and 75% of the Class "A" Members

No amendment may remove, revoke or modify any right or privilege of Developer without the written consent of Developer or the assignee of such right or privilege. No amendment may impair the validity or priority of the lien of an Institutional Mortgagee or impair the rights granted to an Institutional Mortgagee herein without the prior written consent of such Institutional Mortgagee

IN TESTIMONY WHEREOF, the undersigned, being the only Member of the Association, has caused this Code of Regulations to be duly adopted on or as of the day of June, 2004

WOODFORD COMMONS, LLC

an Ohio limited liability company

By. Elson J Hershberger Construction, Inc
Its Member

Bv

Elson / Hershberger, President

STATE OF OHIO)
) SS:
COUNTY OF SUMMIT)

Before me, a Notary Public in and for said County and State aforesaid, personally appeared WOODFORD COMMONS, LLC, an Ohio limited liability company by Elson J. Hershberger Construction, Inc., its Member, by Elson J. Hershberger, its President, known to me, who acknowledged before me that he did sign the foregoing instrument and that the same was his free act and deed individually and as such officer and the free act and deed of said limited liability company.

GIVEN, under my hand and Notarial Seal this 15th day of June

. 2004

Notary Public State of Ohio

My Commission Expires 6-17

is Instrument Prepared By

Brian Cr Cich, Esq. Black, McCuskey, Souers & Arbaugh, L.P.A 1000 Unizan Plaza 220 Market Avenue South Canton, Ohio 44702 (330) 456-8341

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