DECLARATION AND BYLAWS

CREATING AND ESTABLISHING A PLAN FOR

CONDOMINIUM OWNERSHIP

UNDER CHAPTER 5311 OF THE REVISED CODE OF OHIO

FOR

HOMESTEAD AT HIGHLAND LAKES CONDOMINIUM

CERTIFICATE OF AUDITOR  

4/02, 2002

Receipt is hereby acknowledged of a copy of the Declaration, Bylaws, and Drawings of the above-named Condominium.

[Signature]
Delaware County Auditor

Delaware County Auditor

This instrument prepared by Calvin T. Johnson, Jr., attorney at law, Loveland & Brosius, 50 West Broad Street, Suite 3300, Columbus, Ohio 43215-5917.
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DECLARATION

This is the Declaration of Homestead at Highland Lakes Condominium made on or as of the day of April 2002, pursuant to the provisions of Chapter 5311 of the Revised Code of Ohio.

Recitals

A. Homestead Highland Lakes, LLC, an Ohio limited liability company, "Declarant", is the owner in fee simple of all of the real property hereinafter described as being submitted to the Condominium Act and the improvements thereon and appurtenances thereto.

B. The Declarant desires to create of this property, a site of individually owned units, and commonly owned areas and facilities, and to these ends to submit this property to condominium ownership under the Condominium Act.

Definitions

The terms used in this document shall have these meanings, unless the context requires otherwise:

1. "Additional Property" means the land, and improvements thereon and appurtenances thereto, that may, at a subsequent time, be added to the Condominium Property and become a part of the Condominium.

2. "Articles" and "Articles of incorporation" mean the articles, filed with the Secretary of State of Ohio, incorporating Homestead at Highland Lakes Condominium Association as a corporation not-for-profit under the provisions of Chapter 1702 of the Revised Code of Ohio (the State of Ohio's enabling nonprofit corporation act).

3. "Association" and "Homestead at Highland Lakes Condominium Association" mean the corporation not-for-profit created by the filing of the Articles and is also one and the same as the association created for the Condominium under the Condominium Act.

4. "Board" and "Board of Directors" mean those persons who, as a group, serve as the board of Directors of the Association and are also one and the same as the board of managers of the Condominium established for the Condominium under the Condominium Act.

5. "Bylaws" mean the bylaws of the Association, created under and pursuant to the provisions of the Condominium Act for the Condominium, and which also serve as the code of regulations of the Association under and pursuant to the provisions of Chapter 1702. A true copy of the Bylaws is attached hereto and made a part hereof.

6. "Common Elements" (and sometimes on the Drawings referred to as "Common Areas") means all of the Condominium Property, except that portion described in this Declaration as constituting a Unit or Units, and is that portion of the Condominium Property constituting "common areas and facilities" of the Condominium under the Condominium Act.

7. "Condominium" and "Homestead at Highland Lakes Condominium" mean the condominium regime for the Condominium Property created under and pursuant to the Condominium Act.


9. "Condominium instruments" means this Declaration, the Bylaws, the Drawings, and, as provided by the Condominium Act, "all other documents, contracts, or instruments establishing ownership of or exerting control over a condominium property or unit."

10. "Condominium organizational documents" means the Articles, the Bylaws, the Drawings, and this Declaration.

11. "Condominium Property" means the tract of land hereinafter described as being submitted to the Condominium Act, all buildings, structures and improvements situated thereon, and all easements, rights and appurtenances belonging thereto.

12. "Declarant" means whoever is designated in the recitals of this Declaration as creating the Condominium, and Declarant's successors and assigns, provided the rights specifically reserved to Declarant under the Condominium organizational documents shall accrue only to such successors and assigns as are designated in writing by Declarant as successors and assigns of such rights.

13. "Declaration" means this instrument, by which the Condominium Property is hereby submitted to the provisions of the Condominium Act.

14. "Director" and "Directors" mean that person or those persons serving, at the time pertinent, as a Director or Directors of the Association, and mean that same person or those persons
serving in the capacity of a member of the board of managers of the Association, as defined in the Condominium Act.

15. "Drawings" means the drawings for the Condominium, and are the Drawings required pursuant to the provisions of the Condominium Act. A set thereof is attached hereto, but the same may be detached and filed separately heretofrom by the appropriate public authorities.

16. "Eligible mortgagors" means the holders of valid first mortgages on Units who have given written notice to the Association stating their names, addresses and Units subject to their mortgages.

17. "Limited Common Elements" (and sometimes on the Drawings referred to as "Limited Common Areas") means those Common Elements serving exclusively one Unit or more than one but less than all Units, the enjoyment, benefit or use of which are reserved to the lawful occupants of that Unit or Units either in this Declaration, or by the Board, and is that portion of the Condominium Property constituting "limited common areas and facilities" of the Condominium under the Condominium Act.

18. "Occupant" means a person lawfully residing in a Unit, regardless of whether or not that person is a Unit owner.

19. "Person" means a natural individual, corporation, partnership, trustee, or other legal entity capable of holding title to real property.

20. "Unit" and "Units" mean that portion or portions of the Condominium Property described as an unit or units in this Declaration, and is that portion of the Condominium constituting a "unit" or "units" of the Condominium under the provisions of the Condominium Act.

21. "Unit owner" and "Unit owners" mean that person or those persons owning a fee simple interest in a Unit or Units, each of whom is also a "member" of the Association, as defined in Chapter 1702 of the Revised Code of Ohio.

The Plan

NOW, THEREFORE, Declarant hereby makes and establishes the following plan for condominium ownership of the below-described property under and pursuant to the provisions of the Condominium Act:

ARTICLE I

THE LAND

A legal description of the land constituting a part of the Condominium Property located in Genoa Township, Delaware County, Ohio, and consisting of 0.778 acres, more or less, are attached hereto and marked "Exhibit A".

ARTICLE II

NAME

The name by which the Condominium shall be known is "Homestead at Highland Lakes Condominium".

ARTICLE III

PURPOSES; RESTRICTIONS

Section 1. Purposes. This Declaration is being made to establish separate individual parcels from the Condominium Property to which fee simple interests may be conveyed; to create restrictions, covenants and easements providing for, promoting, and preserving the values of Units and the Common Elements and the well being of Unit owners and occupants; and to establish a Unit owners' association to administer the Condominium and the Condominium Property, to administer and enforce the covenants, easements, charges and restrictions hereinafter set forth, and to raise funds through assessments to accomplish these purposes.
Section 2. Restrictions. The Condominium and the Condominium Property shall be benefited by and subject to the following restrictions:

(a) **Unit Uses.** Except as otherwise specifically provided in this Declaration, no Unit shall be used for any purpose other than that of a residence for individuals living together as a single housekeeping unit, and uses customarily incidental thereto, provided, however, that no Unit may be used as a rooming house, group home, commercial foster home, fraternity or sorority house, or any similar type of lodging, care or treatment facility. Notwithstanding the foregoing: (i) an occupant maintaining a personal or professional library, keeping personal business or professional records or accounts, conducting personal business (provided that such use does not involve customers, employees, licensees or invitees coming to the Unit), making professional telephone calls or corresponding, in or from a Unit, is engaging in a use expressly declared customarily incidental to residential use and is not in violation of these restrictions; (ii) it shall be permissible for the Declarant to maintain, during the period of its sale or rental of Units, one or more Units and/or a portion or portions of the Common Elements, as sales and rental models and offices, and for storage and maintenance purposes, provided, that Declarat may maintain and utilize one or more of the Units and/or a portion or portions of the Common Elements in property added to the Condominium for such purposes; and (iii) one or more Units or a portion thereof, and/or a portion or portions of the Common Elements, may be maintained for the use of the Association in fulfilling its responsibilities.

(b) **Common Element Uses.** The Common Elements (except the Limited Common Elements) shall be used in common by Unit owners and occupants and their agents, servants, customers, invitees and licensees, in accordance with the purposes for which they are intended, reasonably suited and capable, and as may be required for the purposes of access, ingress to, egress from, use, occupancy and enjoyment of the Units. Unless expressly provided otherwise herein, no Common Elements shall be used for any purpose other than the health, safety, welfare, convenience, comfort, recreation or enjoyment of Unit owners and occupants.

(c) **Limited Common Element Uses.** Those portions of the Common Elements described herein and shown on the Drawings as Limited Common Elements or Limited Common Areas shall be used and possessed exclusively by the Unit owners and occupants of the Unit or Units served by the same, as specified in this Declaration, and shall be used only for the purposes intended.

(d) **Visible Areas.** Nothing shall be caused or permitted to be hung or displayed on the outside or inside of windows (except interior inoffensive drapes, curtains, or louvered blinds which, from exterior observation, must be white, beige or gray, or as otherwise authorized by the Board) or placed on the outside walls of a building or otherwise outside of a Unit, or any part thereof. No awning, canopy, shutter or television or citizens' band or other radio antenna or transmitter, or any other device or ornament, shall be affixed to or placed upon an exterior wall or roof or any part thereof, or the exterior of any door or window, or in, on, or over a patio, porch or balcony, visible to the exterior, unless authorized by the Board or required by applicable law to be permitted, but, in such case, subject to such lawful rules and regulations as the Board may adopt from time to time.

(e) **Offensive Activities.** No noxious or offensive activity shall be carried on in any Unit, or upon the Common or Limited Common Elements, nor shall any be used in any way or for any purpose which may endanger the health of or unreasonably disturb any occupant.

(f) **Vehicles.** The Board may promulgate rules and regulations restricting or prohibiting the parking of automobiles, vans, buses, inoperable vehicles, trucks, trailers, boats and recreational vehicles on the Common Elements, including the Limited Common Elements, or parts thereof, and may enforce such regulations or restrictions by levying enforcement charges, having such vehicles towed away, or taking such other lawful actions as it, in its sole discretion, deems appropriate.

(g) **Renting and Leasing.** No Unit or part thereof shall be rented or used for transient or hotel purposes, which is defined as: (i) rental under which occupants are provided customary hotel services such as room service for food and beverages, maid service, the furnishing of laundry and linen, busboy service, and similar services; or (ii) rental to roomers or boarders, that is, rental to one or more persons of a portion of a Unit only. No lease may be of less than an entire Unit. Any lease agreement shall be in writing, shall provide that the lease shall be subject in all respects to the provisions hereof, and to the rules and regulations promulgated from time to time by the Board, and shall provide that the failure by the tenant to comply with the terms of the Condominium organizational documents and lawful rules and regulations shall be a default under the lease. Prior to the commencement of the term of a lease the Unit owner shall notify the
Board, in writing, the name or names of the tenant or tenants and the time during which the lease term shall be in effect. In addition, in order to assure that the Condominium, from time to time, meets the requirements of institutional first mortgagees and institutional and governmental agency guarantors and mortgage insurers necessary to qualify buyers and owners and/or the Condominium for owner-occupant residential financing, and to maintain the character of the Condominium as primarily a housing community for owner-occupants, the Board, from time to time, may adopt rules limiting or restricting the number of Units in the Condominium that may be rented, provided, that no such rule shall limit or restrict the right of (i) an institutional first mortgagee, insurer, or guarantor which takes title to a Unit by deed in lieu of foreclosure, or a purchaser at a foreclosure sale, or the immediate successor in title to the Unit of that institutional first mortgagee, insurer, guarantor or purchaser, to rent the Unit(s) so acquired, or (ii) Declarant, or Declarant's assignee who becomes a successor developer of the Condominium, to rent a Unit or Units owned by Declarant or such successor.

(h) Signs. No sign of any kind shall be displayed to the public view on the Condominium Property except: (i) on the Common Elements, signs regarding and regulating the use of the Common Elements, provided they are approved by the Board; (ii) on the interior side of the window of a Unit, one professionally prepared sign not in excess of nine square feet in size, advertising the Unit for sale or rent; and (iii) on the Common Elements and model Units, signs advertising the sale and/or rental of Units by the Declarant during the period of its initial sale and rental of Units, provided, if these limitations on use of signs, or any part thereof, are determined to be unlawful, only the signs described in subitem (i), above, shall be permitted after Declarant's period of initial sales and rental of Units.

(i) Replacements. Any building erected to replace an existing building containing Units shall be of new construction, be of comparable structure type, size, design and construction to that replaced, and shall contain a like number of Units of comparable size to the Units in the building replaced.

(k) Structural Integrity. Nothing shall be done in any Unit, or in, on or to the Common or Limited Common Elements, which may impair the structural integrity of any improvement.

(l) Construction in Easements. No structure, planting or other material shall be placed or permitted to remain within the easements for the installation and maintenance of utilities and drainage facilities which may damage or interfere with the installation and maintenance of utility lines or which may change the direction of the flow of drainage channels in the easements or which may obstruct or retard the flow of water through drainage channels in the easement areas. The utility facilities within the easement areas shall be subject to the right of the Association to maintain the same, and its right to delegate that right to a public authority or utility.

(m) Animals. Except as hereinafter provided, no animals, livestock or poultry of any kind shall be raised, bred or kept in any Unit or on the Common Elements. Notwithstanding the foregoing, household domestic pets, not bred or maintained for commercial purposes, may be maintained in a Unit, provided that: (i) the maintenance of animals shall be subject to such rules and regulations as the Board may from time to time promulgate, including, without limitation, the right to place limitations on the size, number and type of such pets, and the right to levy enforcement charges against persons who do not clean up after their pets; and (ii) the right of an occupant to maintain an animal in a Unit shall be subject to termination if the Board, in its full and complete discretion, determines that maintenance of the animal constitutes a nuisance or creates a detrimental effect on the Condominium or other Units or occupants.

(n) Conveyances. Each Unit shall be conveyed or transferred (voluntarily or involuntarily) as a separately designated and legally described freehold estate subject to the terms, conditions and provisions hereof. The undivided interest of a Unit in the Common Elements shall be deemed to be conveyed or encumbered with the Unit even though that interest is not expressly mentioned or described in the deed, mortgage or other instrument of conveyance or encumbrance. Any conveyance, encumbrance, judicial sale, or other transfer (voluntary or involuntary) of an interest in the Common Elements will be void unless the Unit to which that interest is allocated is also transferred to the same transferee. In any instrument of conveyance or creating an encumbrance, or in any other document legally describing a Unit, it shall be sufficient to lawfully describe a Unit and its interest in the Common Elements by referring to the Unit designation of the Unit and the appropriate recording references of the initial page of this Declaration and the Drawings. The right of a Unit owner to sell, transfer or otherwise convey that owner's Unit is not subject to any right of first refusal, and any Unit owner may transfer that owner's Unit free of any such limitation. To enable the Association to maintain accurate records of the names and addresses of Unit owners, each Unit owner agrees to notify the Association, in writing, within five days after an interest in that Unit owner's Unit has been
transferred to another person. In addition, each Unit owner agrees to provide to a purchaser of that owner’s Unit a copy of the Condominium organizational documents and all effective rules and regulations.

(n) Discrimination/Handicapped Accommodation. No action shall at any time be taken by the Association or its Board which in any manner would discriminate against any Unit owner in favor of another. In addition, notwithstanding any provision hereof, or any rule or regulation, the Board shall make reasonable accommodation if necessary to afford a handicapped person equal opportunity to use and enjoy the Condominium Property, provided, that nothing contained herein shall be construed to mean or imply that any such accommodation be at the cost of the Association.

(o) Architectural Control. Except for improvements constructed by Declarant or its designee during the initial construction of Unit, no building, fence, wall, sign or other structure or improvement shall be commenced, erected or maintained upon the Condominium Property, or any part thereof, nor shall any exterior addition to or change or alteration therein be made, until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing by the Board or its designated representative or representatives, in its or their sole and unembittered discretion. Nothing visible to the exterior shall be permitted to be hung, placed, displayed or maintained in Limited Common Elements unless approved, in writing, by the Board or its designated representative or representatives, in its or their sole and unembittered discretion, or unless the same is authorized by existing rule or regulation adopted by the Board. Notwithstanding any repair or maintenance provision contained herein to the contrary, the Board may require, as a condition to approval, that the responsibility for repairing and maintaining the addition or improvement shall be the responsibility of the requesting Unit owner and all future owners of that Unit.

(p) Rules and Regulations. In addition to adopting and enforcing rules and regulations in the instances specifically hereinbefore mentioned, the Board may, from time to time, adopt and enforce such further reasonable rules and regulations as it deems necessary or desirable to promote harmony, to serve the best interests of the Unit owners, as a whole, and the Association, and to protect and preserve the nature of the Condominium and the Condominium Property. Copies of the rules and regulations shall be furnished by the Board to the owners of each Unit prior to the time when the same shall become effective.

ARTICLE IV

IMPROVEMENT DESCRIPTIONS

Section 1. Residential Buildings. There are two freestanding single-family traditional style residential buildings initially a part of the Condominium. The residential buildings are either one, one and one-half or two story, each with a partial basement and an attached two-car garage. The buildings are of wood frame construction, on concrete block foundations, with asphalt shingle roofs and exteriors of cementitious wood lap siding and some brick or stone. The principal materials of which these buildings are constructed are wood, glass, concrete, brick or stone, asphalt shingle, and drywall. The residential buildings are located as shown on the Drawings.

Section 2. Other. Each dwelling unit has a private exterior entrance, an exterior driveway area immediately in front of the attached garage which is part of that dwelling unit, and in some instances, one or more screened porches and/or Florida rooms. Also on and a part of the Condominium are paved drives and parking areas, and green and landscaped areas.

ARTICLE V

UNITS

Section 1. Unit Designations. Each of the dwelling units, each of which is called “a Unit”, is legally designated by a combination of a number corresponding with the numerical portion of the street address of that Unit, a dash (-), and a number corresponding with Declarant’s number of the building in which that Unit is situated. An example of a proper Unit designation is “4667-74”. The Unit designation of each Unit is shown on the Drawings where that Unit is located. The location and designation of each Unit is also shown on the attached plot plan attached herein as “Exhibit B”. Information concerning the Units, with a listing of proper Unit designations, is shown on the attached “Exhibit C”.

Section 2. Composition of Units.

(a) Unit Composition. Each Unit constitutes a single freehold estate and consists of the space in the building designated by that Unit’s designation on the Drawings that is bounded by the undecorated interior surfaces of the perimeter walls, the
unfinished surface of the floor at the lowest level, and the unfinished interior surface of
the ceiling of the highest level, all projected, if necessary by reason of structural divisions
such as interior walls and partitions, to constitute complete enclosures of space, including
space in the partial basement, the attached garage, and any screened or enclosed porch or
Florida Room, and all improvements within that space. Without limiting the generality of
the foregoing, or, as appropriate, in addition, each Unit shall include:

(1) the decorated surfaces, including paint, lacquer, varnish, wall
covering, tile and other finishing material applied to floors, ceilings, and interior
and perimeter walls, carpeting, if any, and also the floors and ceilings
themselves, and the drywall, paneling and other finishing wall material;

(2) all windows, skylights, if any, and screens and doors, including
storm doors and windows, if any, and the frames, sashes and jambs, and the
hardware therefor;

(3) all fixtures and appliances installed for the exclusive use of that
Unit, commencing at the point of disconnection from the structural body of the
building and from utility pipes, lines or systems serving the entire building or
more than one Unit thereof, including, without limiting the generality hereof, built-in
cabinets, dishwashers, garbage disposal units, refrigerators, stoves and
hoods, television antennas and cables, furnaces, hot water heaters, heat pumps,
air conditioning units (even though located outside the bounds of a Unit), and
components of the foregoing, if any:

(4) all plumbing, electric, heating, cooling and other utility or service
lines, pipes, wires, ducts, conduits and apparatus, wherever located, which serve
only that Unit;

(5) all control knobs, switches, thermostats and electrical outlets and
connections affixed to or projecting from the walls, floors and ceilings which
serve either the Unit or the fixtures located therein;

(6) all interior walls that are not necessary for support of the
structure, and all components thereof and all space encompassed thereby; and

(7) the portion of fireplaces actually within the interior of a Unit, and
fireplace vents or chases;

(8) the space in the attached garage;

(9) the space in any attached screened or enclosed porch or Florida
room, if any, and

(10) the attic space or storage space above a Unit, and the crawl
space below a Unit, if any, to which the Unit has direct and exclusive access;

excluding therefrom, however, all of the following items, whether or not located within the bounds of that
Unit:

(1) any supporting element of the building contained in interior walls;

(2) all plumbing, electric, heating, cooling and other utility or service
lines, pipes, sump pumps and accessories thereto, wires, ducts and conduits
which serve any other Unit; and

(3) fireplace brick chimneys, if any.

(b) Unit Types, Sizes, Locations and Components. All Units are of the types
described on the attached "Exhibit D", which also sets forth the size and composition of
each type of Unit. The size of Units of each type is described in terms of "gross interior
square feet", which means the area of space that constitutes a Unit, and is measured
from the interior surfaces of exterior walls inward, and includes space occupied by interior
partitions, space in any screened or enclosed porch or Florida room, and space in the
attached garage. The type of each Unit is also set forth on Exhibit C and is shown on the
Drawings. The location and composition of each Unit are also shown on the Drawings.
Each Unit has direct access to a Common Element, which leads to and from Alston
Grove Drive, a public street.
ARTICLE VI
COMMON AND LIMITED COMMON ELEMENTS

Section 1. Common Elements - Description. All of the Condominium Property, including all of the land and all improvements thereon and appurtenances thereto, except those portions labeled or described herein or on the Drawings as a part of a Unit, are Common Elements.

Section 2. Limited Common Elements - Description. Those portions of the Common Elements that are labeled or designated "limited common elements" or "limited common areas" on the Drawings or herein are Limited Common Elements, and are described in the Declaration or amendments thereto. In the case of each Unit these Limited Common Elements consist of a driveway area immediately in front of the garage serving that Unit, one or more unenclosed porches, in some instances, one or more patio and/or yard areas and the improvements within those areas, and in some instances, a balcony. Each such Limited Common Element is reserved for the exclusive use of the owners and occupants of the Unit it is designed or designated to serve.

Section 3. Undivided Interest. The undivided interest in the Common Elements of each Unit is shown on the attached Exhibit C, and, in each case, is based on a par value for each type of Unit that is set forth on Exhibit D. These per values have been assigned on the basis of various factors, including average fair market values, replacement costs, relative sizes, and simplicity. Undivided interests have been adjusted at thousands of a percent, in Declarant's discretion, so that the total of undivided interests equals exactly 100.00%. The Common Elements shall be owned by the Unit owners as tenants in common, and ownership thereof shall remain undivided. No Unit owner may waive or release any rights in the Common Elements. Further, the undivided interest in the Common Elements of a Unit shall not be separated from the Unit to which it appertains.

ARTICLE VII
UNIT OWNERS' ASSOCIATION

Section 1. Establishment of Association. The Association has been formed to be and to serve as the Unit owners' association of the Condominium. The Declarant is presently the sole member of the Association.

Section 2. Membership. Membership in the Unit Owners' Association shall be limited to the Unit owners, and every person or entity who is or becomes a record owner of a fee or undivided fee simple interest in a Unit is a Unit owner and shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Unit, and transfer of a Unit shall automatically transfer membership to the transferee.

Section 3. Voting Rights. Voting rights of members are as set forth in the Bylaws.

Section 4. Board of Directors. The number and composition, and the authority, rights and responsibilities, of the Board of Directors shall be as provided in the Bylaws, provided that no member of the Board need be a Unit owner, but shall meet the qualifications set forth in the Bylaws.

ARTICLE VIII
AGENT FOR SERVICE

The name of the person to receive service of process for the Association, the Association's "Statutory Agent", and that person's residence or place of business, which is in the State of Ohio, is:

Thomas R. Davis
4653 Oakland Ridge Crvw
Powell, Ohio 43065

In the event this individual for any reason ceases to be registered with the Secretary of State of Ohio as Statutory Agent for the Association, the person so registered shall be the person to receive service of process for the Association.
ARTICLE IX
MAINTENANCE AND REPAIR

Section 1. Association Responsibility. The Association, to the extent and at such times as the Board, in its exercise of business judgment, determines to allocate funds therefor, shall maintain, repair and replace all improvements constituting a part of the Common Elements, including the Limited Common Elements, and including but not limited to utility facilities serving more than one Unit, lawns, shrubs, trees, walkways, driveways, parking areas, fireplace brick chimneys, and the structural portions and exterior portions of all buildings and improvements which are a part of the Common Elements, including the Limited Common Elements, and that do not constitute part of a Unit, provided that the Association shall not be responsible for the cleaning and housekeeping of Limited Common Elements or components thereof. The Association shall maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements a part of the Common Elements, including the Limited Common Elements. Except to the extent, if any, that a loss is covered by insurance maintained by the Association, and then only to the extent the net proceeds, after deductibles, are available for that purpose, the Association shall not have responsibility to pay the cost of repair or maintenance of any Unit, or component thereof, or repair, maintenance, or replacement of personal property within a Unit, or improvements made by Unit Owners hereafter.

Section 2. Individual Responsibility. Each Unit owner shall repair and maintain the Unit or Units, and all components thereof, owned by that Unit owner, and perform cleaning and housekeeping with respect to Limited Common Elements appurtenant to that owner’s Unit. Without limiting the generality of the foregoing, this responsibility shall include repair, maintenance and replacement of all windows, screens and doors, including the frames, sashes and jambs, and the hardware thereof. In the event a Unit owner shall fail to make a repair or perform maintenance required of that Unit owner, or in the event the need for maintenance or repair of any part of the Common Elements or Limited Common Elements is caused by the negligent or intentional act of any Unit owner or occupant, or is as a result of the failure of any Unit owner or his, her or its predecessors in title to timely pursue to conclusion a claim under any warranty, express, implied, or imposed by law, the Association may perform the same, and if the cost of such repair or maintenance is not covered by insurance, whether because of a deductible or otherwise, the cost thereof shall constitute a special individual Unit assessment, as hereinafter defined, on the Unit owned by that Unit owner and on that Unit owner. The determination that such maintenance or repair is necessary, or has been so caused, shall be made by the Board.

ARTICLE X
UTILITY SERVICES

Each Unit owner by acceptance of a deed to a Unit agrees to pay for utility services separately metered or separately charged by the utility company to that Unit, and to reimburse the Association for that owner’s Unit’s share of any utility cost that the Board reasonably determines is attributable to use by that owner’s Unit. All other utility costs shall be common expenses and paid by the Association.

ARTICLE XI
INSURANCE: LOSSES

Section 1. Fire and Extended Coverage Insurance. The Board shall have the authority to and shall obtain insurance for all buildings, structures, fixtures and equipment, and common personal property and supplies now or at any time hereafter constituting a part of the Common Elements, the Limited Common Elements, or common property of the Association, against loss or damage by fire, lightning, and such other perils as are ordinarily insured against by standard extended coverage endorsements, and all other perils which are customarily covered with respect to projects similar in construction, location and use, including all perils normally covered by the standard “all risk” endorsement, where such is available, issued in the locale of the Condominium Property, or, if the policy does not include an “all risks” endorsement, a policy that includes the “broad form” coverage of loss, in amounts at all times sufficient to prevent the Unit owners from becoming co-insurers under the terms of any applicable co-insurance clause or provision and not less than one hundred percent (100%) of the current insurable replacement cost of such items (exclusive of land, foundations, footings, excavations, and other items normally excluded from coverage). This insurance shall also:

(a) provide coverage for built-in or installed improvements, fixtures and equipment that are part of a Unit, and shall provide for coverage of interior walls, windows and doors and the frames, sashes, jambs and hardware therefor, even though these improvements may be parts of Units;

(b) have (i) an agreed amount and inflation guard endorsement, when that can be obtained, (ii) building ordinance or law endorsement, if any building, zoning, or land-use law will result in loss or damage, increased cost of repairs or reconstruction, or
additional demolition and removal costs, providing for contingent liability from the 
operation of building laws, demolition costs, and increased costs of construction; and, (ii) 
when applicable, a steam boiler and machinery coverage endorsement, which provides 
that the insurer's maximum liability per accident at least equals the lesser of two million 
dollars or the insurable value of the building or buildings housing the boiler or machinery 
(or a separate stand-alone boiler and machinery coverage policy); 

(c) provide that no assessment may be made against a first mortgage 
lender, its insurer or guarantor, and that any assessment under such policy made 
against others may not become a lien on a Unit and its appurtenant interests superior to 
a first mortgage; 

(d) be written in the name of the Association for the use and benefit of the 
Unit owners, or its authorized representative, including any insurance trustee with whom 
the Association has entered into an insurance trust agreement, or any successor to such 
trustee, for the use and benefit of the individual Unit owners; 

(e) contain or have attached the standard mortgages clause commonly 
accepted by institutional first mortgage holders, insurers, and guarantors, which (i) must 
provide that the carrier shall notify the named insured and each first mortgagee named in 
the mortgage clause at least ten days in advance of the effective date of any reduction in 
cancellation of, or substantial change in the policy, and (ii) must be endorsed to provide 
that any loss shall be paid to the Association (or its insurance trustee), as a trustee for 
each Unit owner and each such Unit owner's mortgagee, and, unless otherwise 
prohibited by a nationally recognized institutional first mortgage holder, insurer, or 
guarantor, to the holders of first mortgages on Units; 

(f) have a deductible amount no greater than the lesser of ten thousand 
dollars or one percent of the policy face amount; 

(g) be paid for by the Association, as a common expense; 

(h) contain a waiver of subrogation of rights by the carrier as to the 
Association, its officers and Directors, and all Unit owners; 

(i) provide that the insurance shall not be prejudiced by any acts or 
omissions of individual Unit owners who are not under the control of the Association; and 

(j) be primary, even if a Unit owner has other insurance that covers the 
same loss. 

Section 2. Liability Insurance. The Association shall obtain and maintain, at the Association's 
cost and as a common expense, a commercial policy of general liability insurance covering all of the 
Common Elements, public ways and any other areas under the Association's supervision, and Units, if 
any, owned by the Association, even if leased to others, insuring the Association, the Directors, and the 
Unit owners and occupants, with such limits as the Board may determine, but no less than the greater of 
(a) the amounts generally required by institutional first mortgage holders, insurers, and guarantors for 
projects similar in construction, location and use, and (b) one million dollars, for bodily injury, including 
deaths of persons, and property damage, arising out of a single occurrence. This insurance shall contain 
a "severability of interest" provision, or, if it does not, an endorsement which shall preclude the insurer 
from denying the claim of a Unit owner because of negligent acts of the Association, the Board, or other 
Unit owners, and shall include, without limitation, coverage for legal liability of the insureds for property 
damage, bodily injuries and deaths of persons resulting from the operation, maintenance or use of the 
Common Elements, and legal liability arising out of lawsuits related to employment contracts in which the 
Association is a party. Each such policy must provide that it may not be canceled or substantially 
modified, by any party, without at least ten days' prior written notice to the Association and to each holder 
of a first mortgage on a Unit. 

Section 3. Fidelity Coverage. From and after the time that the Developer no longer controls the 
Association, the Board shall obtain and maintain, at the Association's cost and as a common expense, 
fidelity insurance providing coverage for the Association against dishonest acts on the part of directors, 
managers, trustees, employees, agents, and volunteers responsible for or handling funds belonging to or 
administered by the Association. The fidelity insurance policy must name the Association as the named 
insured and shall be written in an amount sufficient to provide protection, which is in no event less than 
the greater of (a) an amount equal to the Association's reserve funds plus three months' assessments on 
all Units, and (b) the maximum amount that will be in the custody of the Association or its managing agent 
at any time while the policy is in force. In connection with such coverage, an appropriate endorsement to 
the policy to cover any persons who serve without compensation shall be added if the policy would not 
otherwise cover volunteers. The policy shall provide that it shall not be canceled or substantially modified 
(including cancellation for non-payment of premium) without at least ten days' prior written notice to the 
Association, and any insurance trustee, and any servicer on behalf of any holder, guarantor or insurer of 
any mortgage on a Unit who requires such rights.
Any management agent who handles funds of the Association shall maintain a policy of fidelity insurance providing coverage no less than that required of the Association, which bond or insurance policy names the Association as an additional obligee.

Section 4. Hazard Insurance Carrier. Each policy of hazard insurance obtained pursuant hereto shall be obtained from an insurance company authorized to write such insurance in the State of Ohio which has a "B" or better general policyholders' rating or a "6" or better financial performance index rating in Best's Insurance Reports, an "A" or better general policyholders' rating and a financial size category of "VIII" or better in Best's Insurance Reports—International Edition, an "A" or better rating in Demotech's Hazard Insurance Financial Stability Ratings, a "BBB" qualified solvency ratio or a "BBB" or better claims-paying ability rating in Standard and Poor's Insurer Solvency Review, or a "BBB" or better claims-paying ability rating in Standard and Poor's International Confidantial Rating Service. Insurance issued by a carrier that does not meet the foregoing rating requirements will be acceptable if the carrier is covered by reinsurance with a company that meets either one of the A.M. Best general policyholder's ratings or one of the Standard and Poor's claims-paying ability ratings mentioned above.

Section 5. Other Association Insurance. In addition, the Board may purchase and maintain, at the Association's cost and as a common expense, contractual liability insurance, Directors' and officers' liability insurance, and such other insurance as the Board may determine.

Section 6. Insurance Representative; Power of Attorney. There may be named, under any policy obtained by the Association, as an insured on behalf of the Association, its authorized representative, including any trustee with whom the Association may enter into any insurance trust agreement, or any successor to such trustee, who shall have exclusive authority to negotiate losses under any such policy. Each Unit owner, by acceptance of a deed to a Unit, irrevocably appoints the Association or such designated representative, or such successor, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association, or such designated representative, or such successor, shall receive, hold or otherwise properly dispose of any proceeds of insurance, in trust, for Unit owners and their first mortgage holders, as their interests may appear. This power is for the benefit of each and every Unit owner, and their respective first mortgage holders, and the Association, and the Condominium, runs with the land, and is coupled with an interest.

Section 7. Unit Owners' Insurance. Any Unit owner or occupant may carry such insurance in addition to that provided by the Association pursuant hereto as that Unit owner or occupant may determine, subject to the provisions hereof, and provided that no Unit owner or occupant may at any time purchase individual policies of insurance against loss by fire or other casualty covered by the insurance carried pursuant hereto by the Association. In the event any Unit owner or occupant violates this provision, any diminution in insurance proceeds resulting from the existence of such other insurance shall be chargeable to the Unit owner who acquired or whose occupant acquired such other insurance, who shall be liable to the Association to the extent of any diminution and/or loss of proceeds. Without limiting the foregoing, a Unit owner or occupant may obtain insurance against liability for events occurring within a Unit, losses with respect to personal property and furnishings, and losses to improvements owned by the Unit owner or occupant, provided that if the Association obtains insurance for permanent improvements and built-in fixtures and equipment, then the insurance obtained by the Unit owner with respect to improvements within the Unit shall be limited to the type and nature of coverage commonly referred to as "tenants' improvements and betterments." All such insurance separately carried shall contain a waiver of subrogation rights by the carrier as to the Association, its officers and Directors, and all other Unit owners and occupants.

Section 8. Sufficient Insurance. In the event the improvements forming a part of the Common Elements or any portion thereof shall suffer damage or destruction from any cause or peril insured against and the proceeds of any policy or policies insuring against such loss or damage and payable by reason thereof shall be sufficient to pay the cost of repair or restoration or reconstruction, then such repair, restoration or reconstruction shall be undertaken by the Association and the insurance proceeds shall be used in payment therefor; provided, however, that in the event that within sixty (60) days after such damage or destruction the Unit owners and eligible mortgagees, if they are entitled to do so pursuant to the provisions of this Declaration, shall elect to terminate the Condominium, then such repair, restoration or reconstruction shall not be undertaken.

Section 9. Insufficient Insurance. In the event the improvements forming a part of the Common Elements 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 Unit owners and eligible mortgagees if they are entitled to do so pursuant to the provisions of this Declaration, shall elect within sixty (60) days after such damage or destruction not to make such repair, restoration or reconstruction, the Association shall make repairs, restoration or reconstruction of the Common Elements so damaged or destroyed at the expense (to the extent not covered by insurance) of all Unit owners in proportion to their respective undivided interests in the Common Elements. Should any Unit owner refuse or fail after reasonable notice to pay that Unit owner's share of such cost in excess of available insurance proceeds, the amount so advanced by the Association shall be assessed against the Unit of such Unit owner and that
telephone, electricity, security systems, master television antennas and cable television, and the road system and all walkways, and for all other purposes necessary for the proper operation of the Condominium Property. By these easements it shall be expressly permissible for the Association to grant to the appropriate public authorities and/or the providing companies and contractors permission to construct and maintain the necessary appurtenances and improvements on, above, across and under the Condominium Property, so long as such appurtenances and improvements do not unreasonably interfere with the use and enjoyment of the Condominium Property. Should any public authority or other company furnishing a service request a specific easement, permit, or license, the Board shall have the right to grant such easement, permit, or license without conflicting with the terms hereof. In addition, in the event the Board determines that the grant of easement rights to others is in the best interests of the Association, the Association shall have the right to grant the same, provided that use of the same would not, in the sole judgment of the Board, unreasonably interfere with the use and enjoyment of the Condominium Property by owners and occupants.

Section 6. Easement for Services. Non-exclusive easements are hereby granted to all police, firemen, ambulance operators, mailmen, delivery men, garbage and trash removal personnel, and all similar persons, and to the local governmental authorities and the Association, but not to the public in general, to enter upon the Common Elements in the performance of their duties, subject to such reasonable rules and regulations as the Board may establish, from time to time.

Section 7. Easements Reserved to Declarant. Non-exclusive easements are hereby reserved to Declarant, its successors and assigns, over and upon the Common Elements and Limited Common Elements (a) for a two year period of time from the date of the closing by Declarant of the first sale of a Unit to a bona fide purchaser, for access to and for the purpose of completing improvements for which provision is made in this Declaration, provided that such right of access shall be to the extent, but only to the extent, that access thereto is not otherwise reasonably available, (b) for the periods provided for warrants hereunder or by law, for purposes of making repairs required pursuant to those warrants or pursuant to contracts of sale made with Unit purchasers, and (c) for the initial sales and rental periods, to maintain and utilize one or more Units and/or a portion or portions of the Common Elements and appurtenances thereto, for sales and management offices and/or storage and maintenance, and model Units, parking areas for sales and rental purposes, and advertising signs.

In addition, a non-exclusive perpetual easement is hereby reserved to Declarant, its successors and assigns, for their benefit and the benefit of future owners and occupants of the area into which the Condominium may be expanded (the Additional Property) for pedestrian and vehicular access over the private streets and walkways that may from time to time be a part of the Condominium Property, for ingress to and egress from the Additional Property, and each part thereof, and a public street, and to extend the same onto the Additional Property. The Association, at all times, shall maintain an unimpaired route of vehicular and pedestrian ingress and egress over and upon the Condominium Property to and from the Additional Property and a public street. Additionally, Declarant, for itself and its successors and assigns, reserves the right so long as it or its successors control the Condominium Property or the Association, to extend utility lines from the Common Elements onto the Additional Property, and thereafter to service and maintain the same.

All rights and easements reserved to Declarant, its successors and assigns, pursuant to this section, shall be exercised and utilized, as the case may be, in a reasonable manner, and in such way as not to unreasonably interfere with the operation of the Association and the rights of owners and occupants of Units.

Section 8. Power of Attorney. Each Unit owner, by acceptance of a deed to a Unit, appoints the Association or its designated representative, as his, her or its attorney-in-fact, to execute, deliver, acknowledge and record, for and in the name of such Unit owner, such deeds of easement, licenses, permits, and other instruments as may be necessary or desirable, in the sole discretion of the Board, or its authorized representative, to further establish or effectuate the foregoing easements and rights. This power is for the benefit of each and every Unit owner, the Association, and the real estate to which it is applicable, runs with the land, is coupled with an interest, and is irrevocable.

Section 9. General. Unless specifically limited herein otherwise, the easements described herein shall run with the land and pass with the title to the benefited properties, shall be appurtenant to the properties benefited thereby, shall be enforceable by the owners of the properties benefited thereby, and shall be perpetual. The easements and grants provided here in shall in no way affect any other recorded grant or easement. Failure to refer specifically to any or all of the easements and/or rights described in this Declaration in any deed of conveyance or in any mortgage or other evidence of obligation shall not defeat or fail to reserve said rights or easements but the same shall be deemed conveyed or encumbered, as the case may be, along with the Unit.

ARTICLE XV

ASSESSMENTS AND ASSESSMENT LIENS; RESERVE FUNDS

Section 1. Types of Assessments. The Declarant for each Unit within the Condominium hereby covenants and agrees, and each Unit owner by acceptance of a deed to a Unit (whether or not it shall be
so expressed in such deed) is deemed to covenant and agree, to pay to the Association: (a) operating assessments, (b) special assessments for capital improvements, and (c) special individual Unit assessments, all of such assessments to be established and collected as hereinafter provided.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote and provide for the health, safety and welfare of Unit owners and occupants and the best interests of the Condominium Property.

Section 3. Elements, Apportionment: Due Dates.

(a) Operating Assessments.

(1) Prior to the time any Unit owner is to be charged assessments by the Association, the Board shall establish for the remainder of the Association's fiscal year, and prior to the beginning of each fiscal year of the Association thereafter, the Board shall estimate for the next fiscal year, and, in each case, prorate among all Units and their owners on the basis of the undivided interest of each Unit in the Common Elements, common expenses of the Association, consisting of the following:

a. that period's estimated costs of the maintenance, repair, and other services to be provided or paid for by the Association;

b. that period's estimated costs for insurance premiums to be provided and paid for by the Association;

c. that period's estimated costs for utility services not separately metered or charged to Unit owners;

d. the estimated amount required to be collected to maintain a working capital reserve fund, to assure availability of funds for normal operations of the Association, in an amount deemed adequate by the Board, but in no event less than an amount equal to two months' currently estimated assessments, on all Units;

e. an amount deemed adequate by the Board to maintain a reserve for the cost of unexpected repairs and replacements of capital improvements and for the repair and replacement of major improvements for which cash reserves over a period of time in excess of one year ought to be maintained; and

f. that period's estimated costs for the operation, management and administration of the Association, including, but not limited to, fees for property management, fees for legal and accounting services, costs of mailing, postage, supplies and materials for operating the Association, and the salaries, wages, payroll charges and other costs to perform these services, and any other costs constituting common expenses not otherwise herein specifically excluded.

(2) The Board shall therupon allocate to each Unit that Unit's share of all of these items, prorated in accordance with each respective Unit's undivided interest in the Common Elements, and thereby establish the operating assessment for each separate Unit. For administrative convenience, any such assessment may be rounded so that monthly installments will be in whole dollars.

(3) The operating assessment shall be payable in advance, in equal monthly installments, provided that nothing contained herein shall prohibit any Unit owner from prepaying assessments in annual, semiannual, or quarterly increments. The Board shall establish the due dates of any such installments, or, if it fails to do so, an equal monthly pro rata share of the operating assessment for a Unit shall be due the first day of each month.

(4) If the amounts so collected are, at any time, insufficient to meet all obligations for which those funds are to be used, the deficiency shall be assessed by the Board among the Units on the same basis as heretofore set forth, provided, that if common expenses are incurred by the Association prior to the time the Association commences to levy assessments against Units, Declarant shall pay the same (subject to its right, if any, to reimbursement from Unit purchasers contained in individual contracts for the sale of a Unit or Units).

(5) If assessments collected during any such period are in excess of the funds necessary to meet the anticipated expenses for which the same have been collected, the excess shall be retained as reserves, or as reductions in
future assessments, as determined by the Board, in its sole discretion, and shall in no event be deemed profits nor available, except on dissolution of the Association, for distribution to Unit owners.

(6) So long as the Declaratant is in control of the Association, Declaratant shall not use any part of the working capital reserve fund to defray Declaratant's expenses, reserve contributions or construction costs, or to make up any budget deficits, and shall maintain the working capital reserve fund in a segregated account and transfer the same to the Association at or prior to the time Unit owners other than Declaratant control the Association. Each Unit's share of the working capital reserve fund shall be collected either at the time the sale of the Unit is closed or when control of the Association is vested in Unit owners other than Declaratant, whichever is earlier, without prejudice to Declaratant's right to recover its contribution from purchasers of Units from Declaratant subsequent to such vesting of control.

(b) Special Assessments for Capital Improvements.

(1) In addition to the operating assessments, the Board may levy, at any time, special assessments to construct, reconstruct or replace capital improvements on the Common Elements to the extent that reserves therefor are insufficient, provided that new capital improvements not replacing existing improvements (except new capital improvements required to comply with applicable law or governmental regulation, or to correct any deficiency or defect creating a safety or health hazard to occupants) shall not be constructed nor funds assessed therefor, if the cost thereof in any fiscal year would exceed an amount equal to five percent (5%) or more of that fiscal year's budget, without the prior consent of Unit owners exercising not less than seventy-five percent (75%) of the voting power of Unit owners and the consent of eligible mortgagees hereinafter provided.

(2) Any such assessment shall be prorated among all Units in proportion to their respective undivided interests in the Common Elements, and shall become due and payable on such date or dates as the Board determines following written notice to the Unit owners.

(c) Special Individual Unit Assessments. The Board shall levy assessments against an individual Unit, or Units, and the owner or owners thereof, to reimburse the Association for those costs incurred in connection with that Unit or Units property chargeable by the terms hereof to a particular Unit (such as, but not limited to, the cost of making repairs the responsibility of a Unit owner, and a Unit owner's interest, late charges, enforcement, and arbitration charges). Any such assessment shall become due and payable on such date as the Board determines, and gives written notice to the Unit owners subject thereto. Additionally, during the first years of the Condominium's existence, and until such time as real estate taxes and assessments are split into separate tax bills for each Unit, the Association shall have the right to pay the real estate taxes and assessments attributable to the Condominium Property in the event the same have not been paid, when due, and assess each Unit owner for his, her or its share of such real estate taxes and assessments as a special individual Unit assessment. The share of these taxes and assessments attributable to a Unit shall be computed by multiplying the total taxes and assessments for all of the Condominium Property by the undivided interest in Common Elements attributable to that Unit. The calculation by the Association of the Units' shares of taxes and assessments shall be binding upon all Unit owners.

Section 4. Effective Date of Assessment. Any assessment created pursuant hereof shall be effective, provided it is created as provided herein, if written notice of the amount thereof is sent by the Board to the Unit owner subject thereto at least ten (10) days prior to the due date thereof, or if to be paid in installments, the due date of the first installment thereof. Written notice mailed or delivered to a Unit owner's Unit shall constitute notice to that Unit owner, unless the Unit owner has delivered written notice to the Board of a different address for such notices, in which event the mailing of the same to that last designated address shall constitute notice to that Unit owner.

Section 5. Effect of Nonpayment of Assessment; Remedies of the Association.

(a) If any installment or portion of any installment of an assessment is not paid within at least ten (10) days after the same is due, the entire unpaid balance of the assessment shall immediately become due and payable, without demand or notice, unless the Board, in its sole discretion, determines not to accelerate the installments.

(b) If any installment or portion of any installment of an assessment is not paid within at least ten (10) days after the same is due, the Board, at its option, and without demand or notice, may (i) charge interest on the entire unpaid balance (including
the accelerated portion thereof) at such rate as the Board, from time to time, establishes by rule; or if the Board fails to establish a rate by rule, at the rate of eight percent (8%) per annum, (ii) charge a reasonable, uniform, late fee, as established from time to time by the Board, by rule, and (iii) charge the cost of collection, including attorney fees and other out-of-pocket expenses.

(c) Operating and both types of special assessments, together with interest, late fees, and costs, including attorney fees, shall be a charge in favor of the Association upon the Unit against which each such assessment is made.

(d) At any time after any assessment or any installment of an assessment or portion of any installment of an assessment levied pursuant hereto remains unpaid for thirty (30) or more days after the same has become due and payable, a certificate of lien for the unpaid balance of that assessment, including all future installments thereof, interest, late fees, and costs, including attorney fees, may be filed with the Delaware County Recorder, pursuant to authorization given by the Board. The certificate shall contain a description or other sufficient legal identification of the Unit against which the lien exists, the name or names of the record owner or owners thereof, and the amount of the unpaid portion of the assessments and charges, and shall be signed by the president or other chief officer of the Association.

(e) The lien provided for herein shall become effective from the time a certificate of lien or renewal certificate was duly filed therefor, and shall continue for a period of five (5) years unless sooner released or satisfied in the same manner provided by law in the State of Ohio for the release and satisfaction of mortgages on real property, or discharged by the final judgment or order of a court in an action brought to discharge the lien.

(f) Any Unit owner who believes that an assessment chargeable to his, her or its Unit (for which a certificate of lien has been filed by the Association) has been improperly charged against that Unit, may bring an action in the Court of Common Pleas of Delaware County for the discharge of that lien. In any such action, if it is finally determined that all or a portion of the assessment has been improperly charged to that Unit, the court shall make such order as is just, which may provide for a discharge of record of all or a portion of that lien.

(g) Each such assessment together with interest, late fees, and costs, including attorney fees, shall also be the joint and several personal obligation of the Unit owners who owned the Unit at the time when the assessment fell due. The obligation for delinquent assessments, interest, late charges and costs shall not be the personal obligation of that owner or owners successors in title unless expressly assumed by the successors, or required by applicable law, provided, however, that the right of the Association to a lien against that Unit, or to foreclose any lien thereon for these delinquent assessments, interest, late charges and costs, shall not be impaired or prejudiced by reason of the transfer, but shall continue unaffected thereby, except as provided in Section 6 of this Article.

(h) The Association, as authorized by the Board, may file a lien or liens to secure payment of delinquent assessments, interest, late fees, and costs, including attorney fees, bring or join in an action at law against the owner or owners personally obligated to pay the same, and an action to foreclose a lien, or any one or more of these. In any foreclosure action, the owner or owners affected shall be required to pay a reasonable rental for that Unit during the pendency of such action. The Association in any foreclosure action involving a Unit or Units shall be entitled to become a purchaser at the foreclosure sale. In any such foreclosure action, interest and costs of such action (including attorneys’ fees) shall be added to the amount of any such assessment, to the extent permitted by Ohio law.

(i) No claim of the Association for assessments and charges shall be subject to setoffs, off sets, or counterclaims.

(j) No owner may waive or otherwise escape liability for the assessments provided for in this Declaration by non-use of the Common Elements, or by abandonment of his, her or its Unit.

(k) Assessments shall run with the land, are necessary to continue the care, repair and maintenance of Units and their undivided interests in the Condominium Property, and to continue to provide utility and security service, and, accordingly, assessments accruing or becoming due during the period of bankruptcy proceedings shall constitute administrative expenses of the bankrupt estate.

Section 6: Subordination of the Lien to First Mortgages. The lien of the assessments and charges provided for herein shall be subject and subordinate to the lien of any duly executed first
mortgage on a Unit recorded prior to the date on which such lien of the Association arises, and any holder of such first mortgage which comes into possession of a Unit pursuant to the remedies provided in the mortgage, foreclosure of the mortgage, or deed or assignment in lieu of foreclosure, and any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid installments of assessments and charges against the mortgaged Unit which became due and payable prior, in the case of foreclosure, to the date of the sale, and, in all other cases, to the date legal title vested in the successor owner. The foregoing will not relieve any successor owner from the obligation for assessments accruing thereafter.

Section 7. Certificate Regarding Assessments. The Board shall, upon demand, for a reasonable charge, furnish a certificate signed by the president, treasurer, secretary or other designated representative of the Association, setting forth whether the assessments on a specified Unit have been paid. This certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

ARTICLE XVI

CONDOMINIUM INSTRUMENT REQUIREMENTS

Section 1. General. The Condominium Act and institutional mortgagees require that certain information and lawfully binding obligations be set forth in the Condominium instruments. Much of this is provided elsewhere in the Condominium organizational documents and in other documents, but in order that all such information and obligations be provided in this Declaration, various items of that information and of those obligations are set forth in the following sections of this article.

Section 2. Deposits. Any deposit or down payment made in connection with a sale of a Unit by Declarant or its agent will be held in trust or escrow until delivered at the time of the closing of the sale or returned to or otherwise credited to the buyer, or forfeited to the Declarant. If, in the case of any such sale, a deposit or down payment of two thousand dollars or more is held for more than ninety (90) days, interest at the rate of at least four percent per annum for any period exceeding ninety (90) days shall be credited to the buyer at the time of the closing of the sale or upon return or other credit made to the buyer, or added to any forfeiture to the Declarant. Deposits held in trust or escrow pursuant to sales by Declarant or agent shall not be subject to attachment by creditors of Declarant or the buyer. Payments for options and extras shall not be, nor be deemed to be, "deposits or down payments" and are not subject to the foregoing.

Section 3. Association Control. Except in its capacity as a Unit owner of unsold Units, the Declarant or its agent will not retain a property interest in any of the Common Elements after control of the Association is assumed by the Association, except as expressly provided herein. The owners of Units that have been sold by the Declarant or its agent will assume control of the Association and the Common Elements, as elsewhere provided herein, in compliance with the requirements of the Condominium Act.

Section 4. Limited Warranties. Declarant provides to each purchaser of a Unit from it certain limited warranties which are described in a development statement provided to each purchaser at or prior to the time the purchaser enters into a contract to purchase a Unit.

Section 5. Declarant's Obligations. Declarant will be vested with the rights and be subject to the duties of a Unit owner in its capacity as owner of Units not yet sold, set forth herein, or in any other Condominium instrument, or established by law, including, without limitation, the obligation to pay common expenses attaching to such Units, from a date no later than that upon which common expenses are first charged with respect to any other Unit.

Section 6. Unit Owners' Rights and Obligations. Each Unit owner will be vested with the rights and be subject to the duties of a Unit owner set forth herein, or in any other Condominium instrument, or established by law, during the time of that owner's ownership of a fee simple interest in a Unit.

ARTICLE XVII

EXPANSIONS

Section 1. Reservation of Expansion Option. Declarant expressly reserves the option to expand the Condominium Property but only within the limitations, and subject to the terms, set forth in this article.

Section 2. Limitation on Option. Declarant has no limitations on its option to expand the Condominium Property except as provided in this article, or elsewhere in this Declaration, and except as otherwise so expressly limited, has the sole right, power, and authority to expand the Condominium Property.

Section 3. Maximum Expansion Time. Except as hereinafter provided, Declarant's option to expand the Condominium Property shall expire and terminate at the end of seven years from the date this Declaration is filed for record. Notwithstanding the foregoing, Declarant, with the consent of a majority of the Unit owners other than it, may extend its option to expand the Condominium Property for an additional
seven years, if it exercises its right to so renew within six months prior to the expiration of that initial seven year period. Declaration shall have the right to waive its option to expand at any time. There are no other circumstances that will terminate the option prior to the expiration of the time limit.

Section 4. Legal Descriptions. Legal descriptions, by metes and bounds, of all of the land that, through exercise of Declaration's option, may be added to the Condominium Property by submission to the Condominium Act as part of this condominium are attached hereto and marked "Exhibit E". And, together with any improvements placed thereon and added hereto, is referred to herein as "the Additional Property".

Section 5. Composition of Portions Added. Neither all nor any portion of the Additional Property must be added to the Condominium Property, nor, if any of the Additional Property is added, shall it be required that a particular portion of the Additional Property must be added, provided that portions added meet all other requirements set forth in this Article and provided, further, that all improvements in the Additional Property added to the Condominium Property shall be substantially completed prior to the addition. There are no limitations of portions added, or regulating the order in which portions are added.

Section 6. Time for Adding Portions. Portions of the Additional Property may be added to the Condominium Property from time to time, and at different times, within the time limits previously described.

Section 7. Improvement Location Limitations. There are no established or defined limitations as to the location of any improvements that may be made on any portion of the Additional Property added to the Condominium Property except such limitations as may be in effect by reason of the laws and lawful rules and regulations of the appropriate governmental bodies and authorities having jurisdiction.

Section 8. Maximum Number of Units. The maximum total number of Units that may be created on the Additional Property added to the Condominium Property is one hundred eleven (111), provided, that the foregoing shall neither limit nor restrict nor be so construed as to limit or restrict the number of dwelling units or other improvements that may be constructed on all or any portion of the Additional Property added to the Condominium Property. Subject to the foregoing total maximum of Units that may be added to the Condominium Property, there is no limit as to the maximum number of Units per acre that may be created on any portion of the Additional Property added to the Condominium Property other than as may, from time to time, be imposed by law.

Section 9. Non-Residential Uses. No Units may be created on the Additional Property or portions thereof and added to the Condominium Property that are not restricted exclusively to residential use.

Section 10. Compatibility of Structures. All structures erected on all or any portion of the Additional Property and added to the Condominium Property will be consistent and compatible with structures then on the Condominium Property in terms of structure type, quality of construction, the principal materials to be used, and architectural style, and design. Comparable style and design shall be deemed to exist if the exterior appearance of the structures on the Additional Property is compatible and harmonious with those then on the Condominium Property. Design shall not be deemed to be incompatible or not comparable because of changes in the number of dwelling units in a building, types of dwelling units in a building, variances in setbacks or locations of structures in relation to other improvements, or minor changes in design or finish detail.

Section 11. Improvements Other than Structures. If all or a portion of the Additional Property is added to the Condominium Property, drives, sidewalks, yard areas, and other improvements similar to those then on the Condominium Property shall be constructed on that Additional Property, and no other non-structural improvements. Improvements other than structures added to the Condominium Property shall not include improvements except of substantially the same kind, style, design, and quality as those improvements then on the Condominium Property.

Section 12. Types of Units. All Units that are created on all or any portion of the Additional Property and added to the Condominium Property shall be of the same types as the types of Units then on the Condominium Property, or as otherwise described herein, provided, however, that any such Units shall be deemed of the same types, notwithstanding changes in interior layout, or minor changes in design or finish detail, or in size.

Section 13. Limited Common Elements. Declaration reserves the right with respect to all or any portion of the Additional Property added to the Condominium Property to create Limited Common Elements herein of substantially the same type and size as those areas now so designated as such in the Condominium Property. The precise size and number of such newly created Limited Common Elements cannot be ascertained precisely, because those facts will depend on how large each portion added may be, the size and location of the buildings and other improvements on each portion, and other factors presently undetermined.
Section 14. Amenity Facilities. Declarant reserves the right to add to the Condominium from the Additional Property, as Common Elements, one or more of the following: a one story community building containing a meeting room, restrooms, a kitchen, several offices and approximately 1,000 square feet, a one story fitness center containing approximately 700 square feet, and/or an outdoor swimming pool. Any such facilities, if built and added to the Condominium, will be built of materials compatible with other improvements in the Condominium. In any event, Declarant makes no representation that it will add amenity facilities to the Condominium.

Section 15. Supplementary Drawings. Attached hereto and marked “Exhibit F” is a sketch drawing showing the location and relationship of the Condominium Property and the Additional Property. Declarant does not consider any other drawings or plans presently appropriate in supplementing the foregoing provisions of this article. However, at such time as Declarant adds all or any portion of the Additional Property to the Condominium Property it shall file drawings with respect to the Additional Property as required by the Condominium Act.

Section 16. Procedures for Expansion. All or any portion of the Additional Property shall be added to the Condominium Property by the execution and filing for record by the Declarant, or its successor as owner of the portion added and as assignee of the right to expand the Condominium, in the manner provided by the Condominium Act, of an amendment to the Declaration that contains the information and drawings with respect to the Additional Property and improvements thereon added required by the Condominium Act.

Section 17. Effects of Expansion. Except as hereinafter specifically provided otherwise, upon the recording with the Delaware County Recorder of an amendment to the Declaration adding all or any portion of the Additional Property to the Condominium Property:

(a) the added portion shall thereafter be subject to and benefited by all of the terms and provisions hereof, to the same extent and with the same effect as if that added portion had been provided herein as constituting part of the Condominium Property, that is, the rights, easements, covenants, restrictions, and assessment plan set forth herein shall run with, bind, and benefit the added portion in the same manner, to the same extent, and with the same force and effect as the terms of this Declaration apply to the Condominium Property, provided, that non-exclusive easements are reserved to Declarant, its successors and assigns, over and upon the Common Elements and Limited Common Elements in property added to the Condominium (i) for a two year period of time from the date of the closing by Declarant of the first sale of a Unit in that property added to a bona fide purchaser, for access to and for the purpose of completing improvements on that portion added, (ii) for the periods provided for warranties, or by law, for purposes of making repairs required pursuant to warranties, and (iii) for the initial sales and rental period for Units in that property added, to maintain and utilize one or more of those Units and/or a portion or portions of the Common Elements and appurtenances thereto, for sales and management offices and for storage and maintenance, and model Units, parking areas for sales and rental purposes, and advertising signs.

(b) the owner or owners of a Unit or Units in the added portion shall thereupon become members, to the same extent, with the same effect, subject to the same obligations, and imbued with the same rights, as all other members, including, without limiting the generality of the foregoing, one vote for each Unit owned by that owner or owners;

(c) the undivided Interests of Units in the Common Elements, as so expanded, shall be reallocated on the basis of par values for each type of Unit, as set forth on Exhibit D, so that the undivided interest of each Unit of each type added shall be the same as each other Unit of that type, and so that the undivided interest of a Unit of one type to one of another type is in the same ratio as those interests are with respect to the Units initially a part of the Condominium, subject to the right of Declarant to make adjustments, of thousandths of a percent, so that the total of all interests equals precisely 100%; and

(d) with respect to Units added, annual operating assessments shall commence the later of (i) the first day of the calendar month next following the date the documents adding the Units were duly recorded or (ii) the date established by the Association for the commencement of any operating assessment, and shall be prorated based on the number of full calendar months remaining in the year for which the operating assessments were levied; and

(e) in all other respects, all of the provisions of this Declaration shall include and apply to such additional portions, and to the owners, mortgagees, and lessees thereof, with equal meaning and effect.
ARTICLE XVIII
NOTICES TO AND VOTING RIGHTS OF LENDING INSTITUTIONS

Section 1. Notices. Any eligible mortgagee, upon written request to the Association (which request states the name and address of such eligible mortgagee and the Unit designation), shall be entitled to timely written notice by the Association of:

(a) any proposed addition to, change in, or amendment of the Condominium organizational documents of a material nature, including any addition to, change in, or amendment of any provision establishing, providing for, governing, or regulating: (i) voting rights; (ii) increases in assessments that raise the previously assessed amount by more than twenty-five percent (25%), assessment liens, or priority of such liens; (iii) reductions in reserves for maintenance, repair, and replacement of Common Elements; (iv) responsibilities for maintenance and repairs; (v) reallocation of interests in the Common Elements (including the Limited Common Elements), or rights to their use; (vi) redefinition of boundaries of any Unit; (vii) convertibility of Units into Common Elements or vice versa; (viii) expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium; (ix) hazard or fidelity insurance requirements; (x) imposition of any restrictions on the leasing of Units; (xi) imposition of any restrictions on a Unit owner’s right to sell or transfer that owner’s Unit; (xii) if the Condominium consists of fifty (50) or more Units, a decision by the Association to establish self-management if professional management had been required previously by the Condominium instruments or by an eligible mortgagee; (xiii) restoration or repair of the Condominium Property after damage or partial condemnation in a manner other than specified in the Condominium instruments; (xiv) termination of the legal status of the Condominium after substantial destruction or condemnation occurs; or (xv) expressly benefiting mortgage holders, insurers, or guarantors. No addition to, change in, or amendment of the Condominium organizational documents shall be considered material if it is for the purpose of correcting technical errors, or for clarification only.

(b) any proposed decision or action that: (i) terminates professional management and establishes self-management when professional management has been required previously by an eligible mortgagee; (ii) causes restoration or repair of the Condominium Property (after a hazard damage or partial condemnation) in a manner other than that specified in the Condominium organizational documents; (iii) substantial damage or destruction not be restored; (iv) the Condominium Property be renewed or rehabilitated; (v) significant new capital improvements not replacing existing improvements be constructed; or (vi) would, without addition to, change in, or amendment of the Condominium organizational documents, make any change with respect to the items described in subparagraph (a) of Section 1 of this Article.

(c) (i) any condemnation or casualty loss that affects either a material portion of the Condominium Property or the Unit securing its mortgage; (ii) any delinquency for sixty (60) days in the payment of assessments or charges owed by the owner of any Unit on which it holds the mortgage; (iii) any lapse, cancellation, or material modification of any insurance policy maintained by the Association; and (iv) any proposed action that requires the consent of a specified percentage of eligible mortgagees. A holder, insurer or guarantor of a first mortgage lien or a Unit which has sent a written request to the Association stating both its name and address and the Unit designation or address of the Unit on which it holds, insures or guarantees the mortgage shall be entitled to timely written notice of the events described in this subsection (c).

Section 2. Voting Rights. No action with respect to which eligible mortgagees are entitled to notice, as provided in subparagraphs (a) or (b) of Section 1 of this Article, may be taken without the consent of eligible mortgagees of Units to which at least fifty-one percent (51%) of the votes of Units subject to mortgages held by eligible mortgagees appertain, provided, further, that no action to terminate the Condominium or that would have that effect other than by reason of substantial destruction or condemnation of the Condominium property, shall be taken without the consent of eligible mortgagees of Units to which at least seventy-five percent (75%) of the votes of Units subject to mortgages held by eligible mortgagees appertain.

ARTICLE XIX
AMENDMENTS

Section 1. Power to Amend. Except as otherwise specifically provided herein, additions to, changes in, or amendment of this Declaration (or the other Condominium organizational documents) shall, in addition to the consents required of eligible mortgagees, if any, as hereinafter provided, require the consent of Unit owners exercising not less than seventy-five percent (75%) of the voting power of Unit owners. Notwithstanding the foregoing:
(a) the consent of all Unit owners shall be required for any amendment effecting a change in:

(i) the boundaries of any Unit;

(ii) the undivided interest in the Common Elements appertaining to a Unit or the liability for common expenses appertaining thereto;

(iii) the number of votes in the Association appertaining to any Unit or

(iv) the fundamental purposes to which any Unit or the Common Elements are restricted;

(b) the consent of Unit owners exercising not less than eighty percent (80%) of the voting power of Unit owners shall be required to terminate the Condominium, and

(c) in any event, Declarant reserves the right and power, and each Unit owner by acceptance of a deed to a Unit is deemed to and does give and grant to Declarant a power of attorney, which right and power is coupled with an interest and runs with the title to a Unit and is irrevocable (except by Declarant), for so long as Declarant owns any Unit, to amend the Condominium organizational documents, to the extent necessary to (i) conform to the requirements then governing the making of a mortgage loan or the purchase, guaranty, or insurance of mortgages by an institutional lender or an institutional guarantor or insurer of a mortgage on a Unit, provided that the appropriate percentage (as described elsewhere herein) of eligible mortgagees is obtained (if required), or (ii) correct typographical errors or obvious or factual errors or omissions the correction of which would not impair the interest of any Unit owner, mortgagee, insurer, or guarantor, provided, further, that if there is a Unit Owner other than the Declarant, the Declaration shall not be amended to increase the scope or the period of control of the Declarant.

(d) in any event, there is reserved to the Association, through its Board, from and after such time as Declarant no longer owns any Unit, the right and power, and each Unit owner by acceptance of a deed to a Unit is deemed to and does give and grant to the Association, through its Board, a power of attorney, which right and power is coupled with an interest and runs with the title to a Unit and is irrevocable (except by the Board), to amend the Condominium organizational documents to the extent necessary to correct typographical or factual errors or omissions the correction of which would not impair the interest of any Unit owner, mortgagee, insurer, or guarantor.

An eligible mortgagee of a Unit who receives a written request to approve changes, additions, or amendments sent by certified or registered mail, return receipt requested, and who does not deliver or post the requesting party a negative response within thirty (30) days after receipt of the same, shall be deemed to have approved such request.

Section 2. Method to Amend. An amendment to this Declaration (or the Drawings or the Bylaws), adopted with the consents of Unit owners and eligible mortgagees hereinbefore required, shall be executed with the same formalities as to execution as this Declaration by two officers of the Association and shall contain their certification that such amendment was duly adopted in accordance with the foregoing provisions. Any amendment adopted by the Declarant or a duly empowered successor Declarant pursuant to authority granted it pursuant to the Declaration shall be duly executed by it with the same formalities as to execution as this Declaration and shall contain the certification of such signor or signors that such amendment is made pursuant to authority vested in Declarant or any duly empowered successor Declarant by the Declaration. Any amendment duly adopted and executed in accordance with the foregoing provisions shall be effective upon the filing of the same with the Delaware County Auditor and Recorder.

ARTICLE XX

GENERAL PROVISIONS

Section 1. Covenants Running With the Land. The covenants, conditions, restrictions, easements, reservations, liens and charges created hereunder or hereby shall run with and bind the land, and each part thereof, and shall be binding upon and inure to the benefit of all parties having any right, title or interest in or to all or any part of the Condominium Property, and the Association, and their respective heirs, executors, administrators, successors and assigns.

Section 2. Actions. In addition to any other remedies provided in this Declaration, Declarant, (only with respect to those rights directly benefiting the Declarant), the Association, and each Unit owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, easements, reservations, liens and charges set forth herein or in the Bylaws or now or
hereafter imposed by or through the Association's rules and regulations. Failure by Declarant, the Association or by any Unit owner to proceed with such enforcement shall in no event be deemed a waiver of the right to enforce at a later date the original violation or a subsequent violation, nor shall the doctrine of laches nor any statute of limitations bar the enforcement of any such restriction, condition, covenant, reservation, easement, lien or charge. Further, the Association and each Unit owner shall have rights of action against each other for failure to comply with the provisions of the Condominium organizational documents, rules and regulations, and applicable law, and with respect to decisions made pursuant to authority granted thereunder, provided, the Association shall have the right to assess reasonable charges against a Unit owner who fails to comply with the same, including the right to assess charges for the costs of enforcement and arbitration, and provided, further, that neither the Association nor its Directors, officers, or other representatives, shall be liable to any Unit owner or occupant, or their invitees, for damage to any Unit or any part thereof, or any personal property of such Unit owner, occupant or invitee, or for injury to such person, unless the damage or injury was proximately caused by the gross negligence or the intentional tortious act of the Association or such Director, officer or other representative. Notwithstanding the foregoing, in the event of any dispute between the Association and any Unit owner or occupant that cannot be settled by agreement between them, no Unit owner or Unit Owners shall institute legal proceedings against the Association without first submitting the dispute to arbitration in accordance with and pursuant to the provisions of the arbitration law of the State of Ohio then in effect (presently Chapter 2711 of the Revised Code of Ohio), by a single independent arbitrator selected by the Board. In addition to all other remedies available by law, the Association may use summary abatement or similar means to enforce any provisions hereof or restrictions against the Unit or its use, provided that judicial proceedings shall be instituted before any items of construction may be altered or demolished by summary means.

Section 3. Severability. invalidation of any one or more of these covenants, conditions, restrictions or easements by judgment or court order shall in no way affect any other provisions, which provisions shall remain in full force and effect. In the event any language of this Declaration conflicts with mandatory provisions of the Condominium Act, the latter's requirements shall prevail and the conflicting language shall be deemed to be invalid and void, provided that such invalidity shall in no way affect any other provisions of this Declaration, which provisions shall remain in full force and effect.

Section 4. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations, partnerships, men or women, shall in all cases be assumed as though in such case fully expressed.

Section 5. Captions. The captions of the various provisions of this Declaration are not part of the context hereof, but are merely labels to assist in locating the various provisions hereof.

IN TESTIMONY WHEREOF, the undersigned has executed and acknowledged this instrument this 19th day of April 2002.

HOMESTEAD HIGHLAND LAKES, LLC.,
an Ohio limited liability company

by

John A. Rothschild, Jr., President

STATE OF OHIO
COUNTY OF FRANKLIN, SS:

This instrument was acknowledged before me by John A. Rothschild, Jr., the President of Homestead Highland Lakes, LLC., an Ohio limited liability company, on behalf of said limited liability company, this 19th day of April 2002.

Notary Public

KIMBERLY E. WELTY
Notary Public, State of Ohio
My Commission Expires 10-31-05

22
EXHIBIT A
DECLARATION OF CONDOMINIUM
HOMESTEAD AT HIGHLAND LAKES CONDOMINIUM

Legal Description, Condominium Property
(0.778 acre)

Sitatue in the State of Ohio, County of Delaware, Township of Genoa, lying in Farm Lot No. 13, Section 2, Township 3 North, Range 17 West, United States Military Lands and being part of the 37.521 acre tract conveyed to Homestead Highland Lakes, LLC. by deed of record in Official Record 86, Page 350, records of the Recorder’s Office, Delaware County, Ohio and being more particularly described as follows:

Begin for Reference at an iron pin found at a point on a curve in the northerly right-of-way line of Alston Grove Drive (60 feet-wide), at a common corner of said 37.521 acre tract and Lot No. 5888 as delineated on the plat of “The Oaks at Highland Lakes”, a subdivision of record in Plat Cabinet 2, Slide 608:

Thence along said northerly right-of-way line of Alston Grove Drive and along arc of said curve to the right having a radius of 575.00 feet, a central angle of 08°53’19”, an arc length of 89.20 feet, and a chord bearing N 89°06’56” E, a chord distance of 89.11 feet, to an iron pin found at a point of tangency;

Thence S 86°26’25” E, a distance of 103.58 feet, continuing along said northerly right-of-way line of Alston Grove Drive, to an iron pin set at a point on a curve. Said iron pin being the POINT OF TRUE BEGINNING for the herein described tract;

The following seven (7) courses and distances across said 37.521 acre tract:

1. Thence along arc of said curve to the left having a radius of 25.00 feet, a central angle of 32°41’01”, an arc length of 14.26 feet, and a chord bearing N 19°54’06” E, a chord distance of 14.07 feet, to an iron pin set at a point of tangency;

2. Thence N 03°33’35” E, a distance of 147.50 feet, to an iron pin set at a point of curvature;

3. Thence along arc of said curve to the left having a radius of 15.00 feet, a central angle of 89°56’10”, an arc length of 23.55 feet, and a chord bearing N 41°24’30” W, a chord distance of 21.20 feet, to an iron pin set;

4. Thence N 03°33’35” E, a distance of 26.00 feet, to an iron pin set;

5. Thence N 86°26’25” W, a distance of 52.52 feet, to an iron pin set;

6. Thence N 03°33’35” E, a distance of 114.50 feet, to an iron pin set

7. Thence N 86°26’25” W, a distance of 132.97 feet, to an iron pin set in the line common to said 37.521 acre tract and Lot No. 5888;

Thence N 02°50’08” E, a distance of 75.51 feet, along said line common to 37.521 acre tract and Lot No. 5888, to an iron pin set;

The following seven (7) courses and distances across said 37.521 acre tract:

1. Thence S 86°26’25” E, a distance of 155.32 feet, to an iron pin set;

2. Thence N 03°33’35” E, a distance of 12.00 feet, to an iron pin set;

3. Thence S 86°26’25” E, a distance of 26.00 feet, to an iron pin set at a point on a curve;
EXHIBIT A (Continued)

DECLARATION OF CONDOMINIUM
HOMESTEAD AT HIGHLAND LAKES CONDOMINIUM

Legal Description, Condominium Property
(0.778 acre)

4. Thence along arc of said curve to the left having a radius of 12.00 feet, a central angle of 90°00'00", an arc length of 18.85 feet, and a chord bearing S 41°26'25" E, a chord distance of 16.97 feet, to an iron pin set at a point of tangency;

5. Thence S 86°26'25" E, a distance of 34.10 feet, to an iron pin set;

6. Thence S 03°33'35" W, a distance of 378.50 feet, to an iron pin set at a point of curvature;

7. Thence along arc of said curve to the left having a radius of 25.00 feet, a central angle of 32°41'01", an arc length of 14.26 feet, and a chord bearing S 12°46'55" E, a chord distance of 14.07 feet, to an iron pin set in the aforesaid northerly right-of-way line of Alston Grove Drive;

Thence N 86°26'25" W, a distance of 33.92 feet, along said northerly right-of-way line of Alston Grove Drive, to the POINT OF TRUE BEGINNING. Containing 0.778 acres, more or less, and being subject to all easements, restrictions, and rights-of-way of record.

The bearings hereon are based on the grid bearing o: N 33°53'06" E for the centerline of Worthington road in the Ohio State Plane coordinate system, North Zone, as determined by a series of GPS observations on September 14, 1999.

R.D. ZANDE & ASSOCIATES, INC.

JAMES M.
PEARSALL
7840

P:\149\SURVEY\CONDO\DESCRIPTIONS\3149\0718\ACRES.DOC

2 of 2
EXHIBIT C
DECLARATION OF CONDOMINIUM
HOMESTEAD AT HIGHLAND LAKES CONDOMINIUM

Unit Information

Initial Stage:

<table>
<thead>
<tr>
<th>Unit Designation</th>
<th>Type</th>
<th>Par Value</th>
<th>Undivided Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>5550-3*</td>
<td>Fairfield</td>
<td>1.10</td>
<td>51.163</td>
</tr>
<tr>
<td>5544-4</td>
<td>Brandon*</td>
<td>1.05</td>
<td>48.837</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>100.000%</strong></td>
<td></td>
</tr>
</tbody>
</table>

* Unit will be remodelled to include a standard garage door.
(1) Unit with Florida Room
(2) Unit with Florida Room containing an additional 178 square feet.
### EXHIBIT D

**DECLARATION OF CONDOMINIUM**

**HOMESTEAD AT HIGHLAND LAKES CONDOMINIUM**

#### Unit Types and Par Values

<table>
<thead>
<tr>
<th>Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Devon</td>
<td>Unit containing two bedrooms, two baths, kitchen, living room and dining area, and a two car attached garage at street level, a basement, and contains approximately 3,018 gross interior square feet. In addition, some Units may have a screened porch or sunroom containing an additional 120 gross interior square feet.</td>
</tr>
<tr>
<td>Salem</td>
<td>Unit containing three bedrooms, two baths, kitchen, with dining area, laundry room and a two car attached garage at street level, a basement, and contains approximately 3,128 gross interior square feet. In addition, some Units may have a screened porch or sunroom containing an additional 202 gross interior square feet.</td>
</tr>
<tr>
<td>Devonshire</td>
<td>Unit containing three bedrooms, two baths, kitchen, living room and dining area, and a two car attached garage at street level, a basement, and contains approximately 3,131 gross interior square feet. In addition, some Units may have a screened porch and/or Florida room containing an additional 126 gross interior square feet, and/or a sun room containing an additional approximately 171 gross interior square feet.</td>
</tr>
<tr>
<td>Cassingham</td>
<td>Unit containing three bedrooms, two baths, kitchen with dining area, living room, laundry room, and a two car attached garage at street level, a basement, and contains approximately 3,454 gross interior square feet. In addition, some Units may have a screened porch or Florida room containing an additional 168 gross interior square feet.</td>
</tr>
<tr>
<td>Waltham</td>
<td>Unit containing three bedrooms, two baths, a kitchen with dining area, living room, eating area, laundry room, and a two car attached garage at street level, a basement, and contains approximately 3,456 gross interior square feet. As an option, some Units may have an additional living area containing an additional approximately 140 gross interior square feet. In addition, some Units may have a screened porch and/or a Florida room containing either an additional 174, 177 or 275 gross interior square feet.</td>
</tr>
<tr>
<td>Somerset</td>
<td>Unit containing a bedroom, one and one-half baths, a laundry room, kitchen, living room, and a two car attached garage at street level, a bedroom, a bath, and a loft on the partial second level, a basement, and contains approximately 3,456 gross interior square feet. As an option, some Units may have an optional bedroom containing an additional approximately 350 gross interior square feet. In addition, some Units may have a screened porch and/or Florida room containing an additional 241 gross interior square feet.</td>
</tr>
<tr>
<td>Brandon</td>
<td>Unit containing a bedroom, one and one-half baths, kitchen, great room, laundry room, breakfast/ study area, and a two car attached garage at street level, two bedrooms and a bath on the partial second level, a basement, and contains approximately 3,465 gross interior square feet. In addition, some Units may have one or more sun room, screened porches, and/or Florida rooms containing either an additional 178, 182, or 282 gross interior square feet.</td>
</tr>
<tr>
<td>Fairfield</td>
<td>Unit containing a bedroom, one and one-half baths, kitchen, living room with dining area, laundry room, and a two car attached garage at street level, two bedrooms and a bath on the partial second level, a basement, and contains approximately 3,526 gross interior square feet. In addition, some Units may have a screened porch and/or Florida room containing an additional 169 gross interior square feet.</td>
</tr>
<tr>
<td>Hampton</td>
<td>Unit containing a bedroom, one and one-half baths, living room, study, kitchen with dining area, laundry room, and a two car attached garage at street level, two bedrooms and a bath on the partial second level, a basement, and contains approximately 3,522 gross interior square feet. Some Units may also have an optional extension of the owners' suite containing an additional 127 gross interior square feet. In addition, some Units may have a screened porch containing an additional 216 gross interior square feet and/or a Florida room containing an additional 120 or 216 gross interior square feet.</td>
</tr>
</tbody>
</table>
EXHIBIT D (Continued)

DECLARATION OF CONDOMINIUM
HOMESTEAD AT HIGHLAND LAKES CONDOMINIUM

Unit Types and Par Values

<table>
<thead>
<tr>
<th>Unit Types</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashton</td>
<td>Unit containing three bedrooms, two baths, dining room, kitchen, living room, laundry room, and a two car attached garage at street level, one bedroom on the partial second level, a basement, and contains approximately 3,844 gross interior square feet. In addition, some units may have a screened porch and/or Florida room containing an additional 168 gross interior square feet.</td>
</tr>
<tr>
<td>Lexington</td>
<td>Unit containing a bedroom, one and one-half baths, a laundry room, kitchen, living room, and a two car attached garage at street level, a bedroom, a bath, and a loft on the partial second level, a basement, and contains approximately 3,420 gross interior square feet. In addition, some units may have an optional family room containing an additional 427 gross interior square feet, an optional bedroom containing an additional 350 gross interior square feet, and/or an optional enclosed or screened porch and/or Florida room containing an additional approximately 241 gross interior square feet.</td>
</tr>
<tr>
<td>Cambridge</td>
<td>Unit containing three bedrooms, two baths, kitchen, laundry room, dining area, and a two car attached garage at street level, a basement, and contains approximately 3,580 gross interior square feet. Some units may have an optional enclosed or screened porch containing an additional approximately 120 gross interior square feet, and/or a screened porch or Florida room containing an additional approximately 278 gross interior square feet. In addition, some units may have an optional family room containing an additional approximately 260 gross interior square feet.</td>
</tr>
<tr>
<td>Croyden</td>
<td>Unit containing a bedroom, one and one-half baths, laundry room, kitchen, dining area, and a two car attached garage at street level, two bedrooms and a bath on the partial second level, a basement, and contains approximately 3,850 gross interior square feet. Some units may have an optional enclosed or screened porch containing an additional approximately 120 gross interior square feet, an optional screen porch or Florida Room containing an additional approximately 278 gross interior square feet. In addition, some units may have an optional family room containing an additional approximately 260 gross interior square feet.</td>
</tr>
<tr>
<td>Darby</td>
<td>Unit containing a bedroom, one and one-half baths, laundry room, kitchen, dining area, and a two car attached garage at street level, two bedrooms and a bath on the partial second level, a basement, and contains approximately 3,750 gross interior square feet. Some units may have an optional enclosed or screened porch containing an additional approximately 150 gross interior square feet, and/or a screened porch or Florida room containing an additional approximately 278 gross interior square feet.</td>
</tr>
<tr>
<td>Norwich</td>
<td>Unit containing three bedrooms, two baths, laundry room, kitchen, dining area, and a two car attached garage at street level, two bedrooms and a bath on the partial second level, a basement, and contains approximately 3,180 gross interior square feet. Some units may have an optional enclosed or screened porch containing an additional approximately 120 gross interior square feet or a screened porch or Florida room containing an additional approximately 278 gross interior square feet. In addition, some units may have an optional family room containing an additional approximately 278 gross interior square feet.</td>
</tr>
</tbody>
</table>

* Some units have partial finished basements and/or sunrooms.

II. Par Values:

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>Par Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Devon, Salem, Devonshire, Cassingham, Weltham, Lexington</td>
<td>1.00</td>
</tr>
<tr>
<td>Somerset, Brandon, Ashton, Norwich</td>
<td>1.05</td>
</tr>
<tr>
<td>Darby, Cambridge, Croyden, Fairfield, Hampton</td>
<td>1.10</td>
</tr>
</tbody>
</table>
EXHIBIT E
DECLARATION OF CONDOMINIUM
HOMESTEAD AT HIGHLAND LAKES CONDOMINIUM

Legal Description, Additional Property

Part I (1.259 acres)

Situate in the State of Ohio, County of Delaware, Township of Genoa, lying in Farm Lot No. 13, Section 2, Township 3 North, Range 17 West, United States Military Lands and being part of the 37.521 acre tract conveyed to Homestead Highland Lakes, LLC., by deed of record in Official Record 86, Page 350, records of the Recorder’s Office, Delaware County, Ohio and being more particularly described as follows:

Beginning at an iron pin found in the northerly right-of-way line of Alston Grove Drive (60 feet wide) at a common corner of said 37.521 acre tract and Lot No. 5888 of “The Oaks at Highland Lakes,” a subdivision of record in Plat Cabinet 2, Slide 608;

Thence N 02°50’08” E, a distance of 323.44 feet, along the line common to said 37.521 acre tract and Lot No. 5888, to an iron pin set;

The following seven (7) courses and distances across said 37.521 acre tract:

1. Thence S 86°26’25” E, a distance of 132.97 feet, to an iron pin set;
2. Thence S 03°33’35” W, a distance of 114.50 feet, to an iron pin set;
3. Thence S 86°26’25” E, a distance of 52.52 feet, to an iron pin set;
4. Thence S 03°33’35” W, a distance of 26.00 feet, to an iron pin set at a point of curvature;
5. Thence along arc of said curve to the right having a radius of 15.00 feet, a central angle of 89°56’10”, an arc length of 23.55 feet, and a chord bearing S 41°24’30” E, a chord distance of 21.20 feet, to an iron pin set at a point of tangency;
6. Thence S 03°33’35” W, a distance of 147.50 feet, to an iron pin set at a point of curvature;
7. Thence along arc of said curve to the right having a radius of 25.00 feet, a central angle of 32°41’01”, an arc length of 14.38 feet, and a chord bearing N 19°54’06” E, a chord distance of 14.07 feet, to an iron pin set in the aforesaid northerly right-of-way line of Alston Grove Drive;

Thence N 86°26’25” W, a distance of 103.58 feet, along said northerly right-of-way Alston Grove Drive, to an iron pin set at a point of curvature;

Thence along said northerly right-of-way line of said Alston Grove Drive, and along arc of said curve to the left having a radius of 575.00 feet, a central angle of 08°53’19”, an arc length of 89.20 feet, and a chord bearing S 89°06’56” W, a chord distance of 89.11 feet, to the POINT OF TRUE BEGINNING. Containing 1.259 acres, more or less, and being subject to all easements, restrictions, and rights-of-way of record.

The bearings hereon are based on the grid bearing of N 33°53’06” E for the centerline of Worthington road in the Ohio state plane coordinate system, North zone, as determined by a series of GPS observations on September 14, 1999.

JAMES M. PEARSELL
7840
Registered Surveyor No. 7840

1 of 3
EXHIBIT E (Continued)

DECLARATION OF CONDOMINIUM
HOMESTEAD AT HIGHLAND LAKES CONDOMINIUM

Legal Description, Additional Property

Part II (35.464 acres)

Situate in the State of Ohio, County of Delaware, Township of Genoa, lying in Farm Lot No. 13, Section 2, Township 3 North, Range 17 West, United States Military Lands and being part of the 37.521 acre tract conveyed to Homestead Highland Lakes, LLC. by deed of record in Official Record 86, Page 350, records of the Recorder's Office, Delaware County, Ohio and being more particularly described as follows:

Beginning for Reference at an iron pin found at a point on a curve in the northerly right-of-way line of Alston Grove Drive (60 feet-wide), at a common corner of said 37.521 acre tract and Lot No. 5888 as delineated on the plat of "The Oaks at Highland Lakes", a subdivision of record in Plat Cabinet 2, Slide 608:

Thence along said northerly right-of-way line of Alston Grove Drive and along arc of said curve to the right having a radius of 575.00 feet, a central angle of 08°53'19", an arc length of 89.20 feet, and a chord bearing N 89°06'56" E, a chord distance of 89.11 feet, to an iron pin found at a point of tangency;

Thence S 86°26'25" E, a distance of 137.50 feet, continuing along said northerly right-of-way line of Alston Grove Drive, to an iron pin set at a point on a curve. Said iron pin being the POINT OF TRUE BEGINNING for the herein described tract;

The following seven (7) courses and distances across said 37.521 acre tract:

1. Thence along arc of said curve to the right having a radius of 25.00 feet, a central angle of 32°41'01", an arc length of 14.26 feet, and a chord bearing N 12°46'55" W, a chord distance of 14.07 feet, to an iron pin set at a point of tangency;

2. Thence N 03°33'35" E, a distance of 378.50 feet, to an iron pin set;

3. Thence N 86°26'25" W, a distance of 34.10 feet, to an iron pin set at a point of curvature;

4. Thence along arc of said curve to the right having a radius of 12.00 feet, a central angle of 90°00'00", an arc length of 18.85 feet, and a chord bearing N 41°26'25" W, a chord distance of 16.97 feet, to an iron pin set;

5. Thence N 86°26'25" W, a distance of 28.00 feet, to an iron pin set;

6. Thence S 03°33'35" W, a distance of 12.00 feet, to an iron pin set;

7. Thence N 86°26'25" W, a distance of 155.32 feet, to an iron pin set in a line common to said 37.521 acre tract and Lot No. 5888;

Thence N 02°50'08" E, a distance of 56.88 feet, along said line common to 37.521 acre tract and Lot No. 5888, to an iron pin found;

Thence N 32°00'19" E, a distance of 180.72 feet, along a line common to said 37.521 acre tract and Lot No. 5888, to an iron pin found in the southerly line of a 20.99 acre tract conveyed to Harold B. and Joan C. Derstine by deed of record in Deed Volume 498, Page 644, at a common corner of said 37.521 acre tract and Lot No. 5888;

The following two (2) courses and distances along the lines common to said 37.521 and 20.99 acre tracts:

1. Thence N 89°12'17" E, a distance of 1124.93 feet, to an iron pin found;

2. Thence N 03°21'06" E, a distance of 838.38 feet, to an iron pin found at a point on a curve in the southerly right-of-way line of Big Walnut Road (County Road 109);

The following three (3) courses and distances along the southerly right-of-way lines of said Big Walnut Road;
EXHIBIT E (Continued)

DECLARATION OF CONDOMINIUM
HOMESTEAD AT HIGHLAND LAKES CONDOMINIUM

Legal Description, Additional Property

Part ii (35.484 acres) (Continued)

1. Thence along arc of said curve to the right having a radius of 605.00 feet, a central angle of 12°03'23", an arc length of 127.31 feet, and a chord bearing S 76°17'10" E, a chord distance of 127.07 feet, to an iron pin found at a point of tangency;

2. Thence S 70°15'28" E, a distance of 547.76, to an iron pin found;

3. Thence S 69°55'32" E, a distance of 33.89 feet, to an iron pin found at a point of curvature at a common corner of said 37.521 acre tract and an original 178.908 acre tract conveyed to M/I Schottenstein Homes, Inc. by deed of record in Official Record 38, Page 248;

The following ten (10) courses and distances along the lines common to said 37.521 acre tract and original 178.980 acre tract;

1. Thence along arc of said curve to the right having a radius of 30.00 feet, a central angle of 88°19'39", an arc length of 46.25 feet, and a chord bearing S 25°45'42" E, a chord distance of 41.80 feet, to a iron pin found at a point of reverse curvature;

2. Thence along arc of said curve to the left having a radius of 830.00 feet, a central angle of 20°49'22", an arc length of 301.65 feet, and a chord bearing S 07°59'27" W, a chord distance of 299.99 feet, to an iron pin found at a point of tangency;

3. Thence S 02°25'14" E, a distance of 242.63 feet, to an iron pin found;

4. Thence S 33°32'12" W, a distance of 53.64 feet, to an iron pin found;

5. Thence S 18°31'06" W, a distance of 218.08 feet, to an iron pin found;

6. Thence S 36°49'28" W, a distance of 305.09 feet, to an iron pin found;

7. Thence S 46°44'05" W, a distance of 168.90 feet, to an iron pin found;

8. Thence S 11°21'49" E, a distance of 38.99 feet, to an iron pin found;

9. Thence S 44°13'48" W, a distance of 89.08 feet, to an iron pin found;

10. Thence S 28°27'26" W, a distance of 32.39 feet, to an iron pin found;

Thence N 86°26'25" W, a distance of 1251.16 feet, along the southerly line of said 37.521 acre tract, partly along the northerly line of said original 178.908 acre tract and partly along the northerly line of aforesaid "The Oaks at Highland Lakes", to the POINT OF TRUE BEGINNING. Containing 35.484 acres, more or less, and being subject to all easements, restrictions, and rights-of-way of record.

The bearings hereon are based on the grid bearing of N 33°53'06" E for the centerline of Worthington road in the Ohio state plane coordinate system, North zone, as determined by a series of GPS observations on September 14, 1999.

JAMES M. PEARSSALL
7840

ZANDE & ASSOCIATES, INC.

DATE: 3/24/02

REGISTERED SURVEYOR No. 7840

3 of 3
EXHIBIT F
DECLARATION OF CONDOMINIUM
HOMESTEAD AT
HIGHLAND LAKES CONDOMINIUM
Sketch Drawing, Entire Tract
BYLAWS

(Code of Regulations)

CF

HOMESTEAD AT HIGHLAND LAKES

CONDOMINIUM ASSOCIATION
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| Quorum; Adjournment (Section 6)               | a |
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OF

HOMESTEAD AT HIGHLAND LAKES CONDOMINIUM ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the Association is Homestead at Highland Lakes Condominium Association, ("the Association"), which corporation, not-for-profit, is created pursuant to the provisions of Chapter 1702 of the Revised Code of Ohio, and which Association is also created pursuant to the provisions of Chapter 5311 of the Revised Code of Ohio as the unit owners' association for Homestead at Highland Lakes Condominium. The principal office of the Association shall be as set forth in its Articles of Incorporation ("the Articles"), and the place of meetings of Unit owners (members) and of the Directors (Board of Managers) of the Association shall be at such place in Delaware County as the Board of Directors ("the Board"), may from time to time designate.

ARTICLE II

DEFINITIONS

All of the terms used herein shall have the same meanings as set forth in the Declaration of Condominium, ("the Declaration"), recorded simultaneously herewith with the Recorder of Delaware County, Ohio.

ARTICLE III

UNIT OWNERS (MEMBERS)

Section 1. Composition. Each Unit owner, as defined in the Declaration, is a member of the Association.

Section 2. Annual Meetings. Regular annual meetings of the Unit owners shall be held in the second calendar quarter of each year hereafter, on a date and at an hour established, from time to time, by the Board, provided, that, in any event, there shall be no more than fourteen (14) months between annual meetings of the members.

Section 3. Special Meetings. Special meetings of the Unit owners may be called at any time by the president or by the Board, or upon written request of Unit owners entitled to exercise one-fourth (1/4) or more of the voting power of Unit owners, and when required by the Condominium Act.

Section 4. Notice of Meetings. Written notice of each meeting of Unit owners shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least five days before such meeting, to each Unit owner entitled to vote at such meeting, addressed to the Unit owner's address last appearing on the books of the Association, or supplied by such Unit owner to the Association for the purpose of notice, or by delivering a copy of that notice at such address at least five (5) days before the meeting. The notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the specific purposes of the meeting, and, in the case of special meetings called by the petition and written request of Unit owners, the specific motion or motions (other than procedural) to be voted upon.

Section 5. Conduct of Meetings. All meetings of the members shall be conducted by the Board, and presided over by the president of the Association, or as otherwise directed by the Board.

Section 6. Quorum. Ad, and the Unit owners present, in person or by proxy, at any duly called and noticed meeting of Unit owners, shall constitute a quorum for such meeting. Unit owners entitled to exercise a majority of the voting power of Unit owners represented at a meeting may, at any time, adjourn such meeting. If any meeting is so adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting.

Section 7. Voting Rights. Each Unit owner shall be entitled to one vote for each Unit owned in fee simple, and, in the case of a Unit owned by more than one person, a proportionate part of a vote for ownership of an undivided fee simple interest in that Unit, provided, that unless timely challenged by an owner of a fee simple interest in a Unit, any owner of a fee simple interest in that Unit may cast the entire vote with respect to that Unit. The Board, from time to time, may suspend the right of a member to vote with respect to his, her, or its Unit for failure to pay assessments when due, or for failure to observe either of the terms hereof, the Declaration, or rules and regulations of the Association, pursuant to rules and regulations duly adopted by the Board from time to time.
Section 8. Voting Power. Except as otherwise provided in the Condominium organizational documents, or by law, a majority of the voting power of Unit owners voting on any matter that may be determined by the Unit owners at a duly called and noticed meeting shall be sufficient to determine that matter. The rules of Robert's Rules of Order shall apply to the conduct of all meetings of Unit owners except as otherwise specifically provided in the Condominium organizational documents or by law.

Section 9. Proxies. At any meeting of Unit owners, a Unit owner may vote in person or by proxy. All proxies shall be in writing and filed with the secretary prior to the meeting. A telegram or cablegram appearing to have been transmitted by a Unit owner, or a telephone, facsimile, or equivalent reproduction of a writing, appointing a proxy, is a sufficient writing. Every proxy shall be revocable and shall automatically vest conveyance by a Unit owner of his, her or its Unit, and, in any event, shall not be valid after the expiration of ten months after it is made unless it specifies the date on which it is to expire or the length of time it is to continue in force.

Section 10. Action in Writing Without Meeting. Any action that could be taken by Unit owners at a meeting may be taken without a meeting with the affirmative vote or approval, in a writing or writings, of Unit owners having not less than seventy-five percent (75%) of the voting power of Unit owners, or such greater proportion of the voting power as may be required by the Condominium organizational documents, or by law.

ARTICLE IV

BOARD OF DIRECTORS: (BOARD OF MANAGERS)

Section 1. Initial Directors. The initial Directors shall be those three persons named as the initial Directors in the Articles, or such other person or persons as may from time to time be substituted by the Declarant.

Section 2. Successor Directors. No later than the time that Units to which twenty-five percent (25%) of the undivided interests in the Common Elements appertain have been sold and conveyed by the Declarant, the Unit Owners shall meet, and the Unit owners other than the Declarant shall elect one Director at such meeting to replace whichever Director Declarant designates. Within the earlier of (a) five years from the date of the establishment of the Association, and (b) thirty (30) days after the sale and conveyance to purchasers in good faith and for value, of Units to which seventy-five percent (75%) of the undivided interests in the Common Elements appertain, the Association shall meet and all Unit owners, including the Declarant, shall elect six Directors to replace all of those Directors earlier elected or designated by the Unit owners or Declarant, respectively. The terms of the six Directors shall be staggered so that the terms of one-third (two) of the Directors will expire and successors will be elected at each annual meeting of the Association. Thereafter, at such annual meetings, successors to the two Directors whose terms then expire shall be elected to serve three-year terms. Notwithstanding the foregoing, the Unit owners, by the vote of Unit owners exercising not less than a majority of the voting power of Unit owners, may, from time to time, change the number and terms of Directors, provided, that in any such event the terms of not less than one-third of the Directors shall expire annually. For purposes of computing undivided interests pursuant to the provisions of this section, those interests shall be computed by comparing the number of Units sold and conveyed to the maximum number of Units, one hundred thirteen (113) Units, that may be in the Condominium. Notwithstanding the foregoing, Declarant shall have the right at any time to waive its right to select one or more Directors or to vote in an election of Directors. In addition, notwithstanding any requirement as to the maximum time period during which Directors appointed by Declarant may serve, Declarant reserves the right, at any time prior thereto to have the Unit owners elect Directors and for Declarant to turn over the functions of operation of the Association to those elected Directors.

Section 3. Removal. Excepting only Directors named in the Articles or selected by Declarant, any Director may be removed from the Board with or without cause, by the holders of not less than seventy-five percent of the voting power of Unit owners. In the event of the death, resignation or removal of a Director other than one named in the Articles or a substitute selected by the Declarant, that Director's successor shall be selected by the remaining members of the Board and shall serve until the next annual meeting of Unit owners, when a Director shall be elected to complete the term of such deceased, resigned or removed Director. In the event of removal of all Directors, the Unit owners shall, at the meeting at which all Directors are removed, elect Directors to complete the terms of the removed Directors. Declarant shall have the sole right to remove, with or without cause, any Director designated in the Articles, or a substitute selected by the Declarant, and select the successor of any Director so selected who dies, resigns, is removed or leaves office for any reason before the election of Directors by all of the Unit owners as provided in the Declaration.

Section 4. Qualification. To qualify for nomination, election or appointment as a Director (other than by Declarant), the prospect must be an individual who is a Unit owner or co-owner of a Unit, the spouse of a Unit owner or co-owner of a Unit, or a designated officer of an entity that is a Unit owner, and such Unit owner or co-owner of a Unit or the Unit owner of such spouse must not then be debarred in the payment of any obligation to the Association, or then be in an adverse party to the Association, or its Board or any member thereof (in that member's capacity as a Board member) in any litigation involving one or more of those parties.
Section 5. Nomination. Nominations for the election of Directors to be elected by the Unit owners shall be made by a nominating committee appointed by the Board, or, if the Board fails to appoint a nominating committee, by the Board itself. Nominations may also be made from the floor at the meetings. The nominating committee, or Board, shall make as many nominations for election to the Board as it shall, in its discretion, determine, but no fewer than the number of vacancies that are to be filled.

Section 6. Election. Unless there are no more nominees than vacancies, election to the Board by the Unit owners shall be by secret written ballot. At such elections, the Unit owners or their proxies may cast, in respect to each vacancy, such number of votes as they are entitled to under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected, and, likewise, those receiving the largest number of votes shall be elected to the longest terms. In cases of ties, the winner shall be determined by lot. Cumulative voting is not permitted.

Section 7. Compensation. Unless otherwise determined by the Unit owners at a meeting duly called and noticed for such purpose, no Director shall receive compensation for any service rendered to the Association as a Director. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of duties.

Section 8. Regular Meetings. Regular meetings of the Board shall be held on such dates and at such places and times as may be fixed from time to time by resolution of the Board, but not less than quarterly.

Section 9. Special Meetings. Special meetings of the Board shall be held when called by the president of the Board, or by a majority of the Directors, after not less than three days notice to each Director.

Section 10. Quorum. The presence at any duly called and noticed meeting of Directors entitled to cast a majority of the voting power of Directors, in person and/or by participation by means of communications equipment if all persons participating can hear each other and participate, shall constitute a quorum for such meeting.

Section 11. Voting Power. Each Director shall be entitled to a single vote, and, except as otherwise provided in the Condominium organizational documents, or by law, vote of a majority of the Directors voting on any matter that may be determined by the Board at a duly called and noticed meeting at which a quorum is present, in person or by participation as provided in Section 10, above, shall be sufficient to determine that matter.

Section 12. Action In Writing Without Meeting. Any action that could be taken by the Board at a meeting may be taken without a meeting with the affirmative vote or approval, in a writing or writings, of all of the Directors.

Section 13. Powers and Authority. The Board shall exercise all powers and have all authority, under law, and under the provisions of the Condominium organizational documents, that are not specifically and exclusively reserved to the Unit owners by law or by other provisions thereof, and without limiting the generality of the foregoing, the Board shall have the right, power and authority to:

(a) take all actions deemed necessary or desirable to comply with all requirements of law, and the Condominium organizational documents;
(b) obtain insurance coverage no less than that required pursuant to the Declaration;
(c) enforce the covenants, conditions and restrictions set forth in the Declaration;
(d) repair, maintain and improve the Common Elements;
(e) establish, enforce, levy and collect assessments, late fees, delinquent interest, and such other charges as are provided for in the Declaration;
(f) adopt and publish rules and regulations governing the use of the Common Elements and the personal conduct of Unit owners, occupants and their guests thereon, and establish and levy enforcement charges for the infliction thereof;
(g) suspend the voting rights of a Unit owner during any period in which such Unit owner shall be in default in the payment of any charge levied by the Association (such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for each infraction of published rules and regulations or of any provisions of the Condominium organizational documents);
(h) declare the office of a member of the Board to be vacant in the event such Director shall be absent from three consecutive regular meetings of the Board;
subject to such approvals, if any, as may be required pursuant to the provisions of the Condominium organizational documents, authorize the officers to enter into one or more agreements necessary or desirable to fulfill the purposes and objectives of the Association, including, without limitation, management agreements, purchase agreements and loan documents, all on such terms and conditions as the Board in its sole and absolute discretion may determine;

cause funds of the Association to be invested in such reasonable investments as the Board may from time to time determine;

borrow funds, as needed, and pledge such security and rights of the Association as might be necessary or desirable to obtain any such loan; and

do all things and take all actions permitted to be taken by the Association by law, or the Condominium organizational documents not specifically reserved thereby to others.

Section 14. Duties. It shall be the duty of the Board to:

cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Unit owners at each annual meeting of Unit owners, or at any special meeting when such statement is requested in writing by Unit owners representing one-half (1/2) or more of the voting power of Unit owners;

supervise all officers, agents and employees of the Association and see that their duties are properly performed;

cause an annual budget to be prepared;

as more fully provided in the Declaration, to establish, levy, enforce and collect assessments;

issue, or to cause an appropriate representative to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid;

procure and maintain insurance and bonds as provided in the Declaration, and as the Board deems advisable;

cause the property subject to the Association's jurisdiction to be maintained within the scope of authority provided in the Declaration;

cause the restrictions created by the Declaration to be enforced; and

take all other actions required to comply with all requirements of law and the Condominium organizational documents.

Section 15. Delegation of Authority; Management; Contracts. The Board may delegate all or any portion of its authority to discharge its responsibilities to a managing agent. This delegation of authority and responsibility to a managing agent may be evidenced by one or more management contracts which may provide for the payment of reasonable compensation to such managing agent as a common expense, provided, however, that any agreement for professional management shall be terminable by the Association for cause on thirty (30) days' written notice, shall be terminable by either party without cause and without penalty, on written notice of ninety (90) days or less; shall not exceed one year unless renewed by agreement of the parties for successive one-year periods; and shall be bona fide and commercially reasonable at the time entered into under the circumstances then prevailing, provided that, in the case of any professional management contract entered into before control of the Association is vested in Unit owners other than Declarant, the contract must give the Association the right to terminate it without cause and without penalty at any time after control of the Association has been transferred to or assumed by Unit owners other than Declarant. Subject to the foregoing, nothing contained herein shall prejudice Declarant, or any other entity designated by Declarant, from being employed as managing agent. The managing agent, or the Board, if there is no managing agent, shall have the authority to enter into contracts with Declarant or an affiliate of Declarant, as defined by an institutional first mortgagee or an agency or organization which purchases or insures first mortgages, for goods, services, or for any other thing, including, without limiting the generality of the foregoing, contracts for the providing of maintenance and repair services, provided the same are bona fide and commercially reasonable to the Unit owners at the time entered into under the circumstances then prevailing. In any case, no agreement by the Association executed prior to the transfer to or assumption of the Association by Unit owners other than Declarant shall extend more than one year subsequent to that transfer or assumption of control unless renewed by vote of Unit owners pursuant to the provisions of the Bylaws.
ARTICLE V

OFFICERS

Section 1. Enumeration of Officers. The officers of this Association shall be a president, a secretary, a treasurer and such other officers as the Board may from time to time determine. No officer need be a member of the Association or a Director. The same person may hold more than one office.

Section 2. Selection and Term. Except as otherwise specifically provided in the Declaration or by law, the officers of the Association shall be selected by the Board, from time to time, to serve until the Board selects their successors.

Section 3. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 4. Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board. 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 receipt of such notice or at any later time specified therein, and the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Duties. The duties of the officers shall be as the Board may from time to time determine. Unless the Board otherwise determines, the duties of the officers shall be as follows:

(a) President. The president shall preside at all meetings of the Board, shall have the authority to see that orders and resolutions of the Board are carried out, and shall sign all legal instruments on behalf of the Association.

(b) Secretary. The secretary shall record the votes and keep the minutes and proceedings of meetings of the Board and of the Unit owners, serve notice of meetings of the Board and of the Unit owners, keep appropriate current records showing the names of Unit owners of the Association together with their addresses, and shall act in the place and stead of the president in the event of the president's absence or refusal to act.

(c) Treasurer. The treasurer shall assume responsibility for the receipt and deposit in such bank accounts, and investment of funds in such vehicles, as the Board directs, the disbursement of such funds as directed by the Board, the keeping of proper books of account, the preparation of a proposed annual budget and a statement of income and expenditures to be presented to the Unit owners at annual meetings, and the delivery or mailing of a copy of each to each of the Unit owners.

ARTICLE VI

COMMITTEES

The Board shall appoint a nominating committee and may appoint such other committees as it deems appropriate in carrying out its purposes.

ARTICLE VII

BOOKS AND RECORDS

The books, records and financial statements of the Association, including annual audited financial statements when such are prepared, shall be available during normal business hours or under other reasonable circumstances, upon request to the Association, for inspection by Unit owners and the holders, insurers and guarantors of first mortgages on Units. Likewise, during normal business hours or under other reasonable circumstances, the Association shall have available for inspection by Unit owners, holders, insurers and guarantors of first mortgages on Units, and prospective purchasers, current copies of the Condominium organizational documents and the rules and regulations governing operation of the Condominium.

ARTICLE VIII

AUDITS

The Association (through its Board) shall cause the preparation and furnishing of an audited financial statement for the immediately preceding fiscal year, within a reasonable time following request (provided that no such statement need be furnished earlier than one hundred twenty (120) days following the end of such fiscal year), in the following circumstances:
1. to each requesting Unit owner, at the expense of the Association, upon
   the affirmative vote of Unit owners exercising a majority of the voting power of Unit
   owners;

2. to each holder, insurer, or guarantor of a first mortgage upon a Unit who
   requests the same, in writing, provided the audit, if an audited statement is not already
   available, shall be prepared at the expense of such requesting party; and

3. during such time, if any, as the Condominium contains fifty (50) or more
   Units, to each holder, insurer or guarantor of a first mortgage on a Unit who makes
   written request therefor, at the expense of the Association.

ARTICLE IX

FISCAL YEAR

Unless otherwise changed by the Board, the fiscal year of the Association shall begin on the first
day of January and end on the 31st day of December of every year, except that the first fiscal year shall
begin on the date of incorporation of this Association.

ARTICLE X

AMENDMENTS

Any modification or amendment of these Bylaws shall be made only by means of an amendment
to the Declaration, in the manner and subject to the approvals, terms and conditions set forth therein, and
shall be effective from the time a certificate setting forth such modification or amendment is delivered for
recording to the Delaware County Recorder.

IN TESTIMONY WHEREOF, the undersigned, the sole member of the Association, has caused
these Bylaws to be duly adopted on or as of the____day of April 2002.

HOMESTEAD HIGHLAND LAKES, LLC.

By

John A. Rothschild, Jr., President

Sole Member