Candlewood Lake Association, Inc.

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DEED RESTRICTIONS

As Amended in 2025

All Candlewood Lake handbooks are updated throughout the year. Refer to our website www.candlewoodlake.us (Contact and Info) for the most current version of Candlewood documents.

CANDLEWOOD LAKE ASSOCIATION, INC.
DEED RESTRICTIONS
As amended May 2025

ARTICLE ONE

P100 **AMENDMENT OF PREVIOUS RESTRICTIONS:** These amended Deed Restrictions amend the previous "Declaration of Covenants, Conditions and Restrictions", Candlewood Lake Subdivision recorded in July 12, 1974, and as amended in 1979, 1982, 1983, 1986, 1991, 1992, 1994, 1996, 1999, 2000, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2010, 2011, 2013, 2014, 2015, 2020 and 2021 as recorded in Deed Book 257 Page 505, Deed Book 276 Page 276, Deed Book 284 Pages 907 - 908, Deed Book 308 Pages 256 - 257, Deed Book 310 Pages 345 - 350, Deed Book 327 Page 33-55A, Deed Book 333 Pages 640a - 640b, Deed Book 356 Pages 19 - 21, Deed Book 363 Pages 697 - 700, Deed Book 375 Pages 249 - 256, Deed Book 381 Pages 747 - 752, Deed Book 389 Pages 447 - 452, Deed Book 396 Pages 820-822, Deed Book 621 Pages 911-915, Deed Book 687 Pages 146-152, Deed Book 715 Pages 226-236, Deed Book 752 Pages 602-609, Deed Book 797 Pages127-132, Deed Book 818 Pages 230-236, Deed Book 1029 Pages 809-812 and Deed Book 1055 Pages 137-156 and any other prior deed restrictions relative to the Candlewood Lake Subdivision. These Covenants, Conditions and Restrictions are to be re-titled and called Deed Restrictions.

ARTICLE TWO

P200 **RESTRICTIONS RUNNING WITH THE LAND:**

P201 **Recreational Orientation:** Candlewood Lake Subdivision was established as a Subdivision with a strong recreational orientation, to consist of residential lots, mobile home lots and recreational vehicle lots, roads, parks and common areas shown and described on the plats of the Subdivision recorded with the Recorder of Morrow County, Ohio.

P202 **Purpose Of These Restrictions:** This Subdivision is under the control of the Association. The Association sells numbered lots within the Subdivision, and has imposed upon all land within the Subdivision, and the lots and parcels located therein, certain mutual and beneficial restrictions, easements, liens and charges for the mutual benefit and complement of the various lots and parcels in the Subdivision and for present and future owners of the land.

P203 **Common plan, benefit and limitations:** The Association declares that all of the lots located in the various recorded plats, designated as residential in character,

are held and shall be held, conveyed, pledged or encumbered, leased, rented, used, occupied and improved, subject to these Restrictions, all of which are declared and agreed to be in furtherance of a plan for the Subdivision, so as to enhance and protect the value, desirability and attractiveness of the Subdivision as a whole and of each lot situated therein. The Restrictions shall run with the land and shall be binding upon the Association and upon all parties ("Owners") having or acquiring any right, title or interest in the real property or any part thereof.

P204 Oil and Gas Drilling and Production Activities: No oil/gas drilling or development activity shall be permitted within the Candlewood Lake Subdivision. In addition, the storage of by-products resulting from oil and gas production is also prohibited. This restriction includes both surface and subsurface activity.

P205 Maximum Ownership: To maintain a residential community that is primarily owner-occupied and to protect and preserve the community, property values, and the well-being of owners and occupants, any one person or entity, including, without limitation, any investor group, corporation, limited liability company, partnership, affiliates, or trust, is permitted to have an ownership interest in no more than ten lots at any one time. Direct or indirect ownership of ten or more lots by the same owner, is prohibited and is subject to the following provisions:

(A) As of the date this amendment is recorded with the Morrow County Recorder's Office, an owner that owns ten or more lots is exempt from this restriction until the title conveying their ownership interest is transferred from their lot(s) to another owner of record ("Exempt Lot"). Upon that ownership interest transfer, the transferred lot is no longer an Exempt Lot and no longer excepted from this ownership limit restriction.

(B) This prohibition of ownership of ten or more lots by a single owner does not apply to the Association, to the holder, guarantor, or insurer of an institutional mortgage in one or more lot, or an entity related to the Association, holder, guarantor, or insurer of an institutional mortgage, acquiring the lot(s) pursuant to the remedies provided in this Deed Restrictions, including, without limitation, foreclosure sale or deed-in-lieu of foreclosure.

(C) For the purposes of this Section, "affiliates" includes any corporation, partnership, or business entity owned 50% or more by the member or any immediate family members or any trust whereby the member or immediate family member(s) are a trustee. Immediate Family Members includes any parent, step-parent, brother, sister, step-brother, step-sister, brother-in-law, sister-in-law.

(D) Any lot that is owner occupied, which is defined as the primary or secondary residence of the owner or an owner's immediate family member, that lot is not counted in the 10 lot ownership restriction.

Any conflict between this provision and any other provisions of the Deed Restrictions

and Bylaws will be interpreted in favor of this restriction on the ownership of lots. The invalidity of any part of the above provision does not impair or affect in any manner the validity or enforceability of the remainder of the provision. Upon the recording of this amendment, only owners of record at the time of such filing have standing to contest the validity of this amendment, whether on procedural, substantive, or any other grounds. Any contest or other legal challenge to the validity of this amendment must be brought in the court of common pleas within one year of the recording of this amendment.

P206 Speculative Home Construction Limitation: To maintain architectural diversity and to protect the character of the Subdivision from becoming a tract development, the renovation or construction of Speculative Homes within the Candlewood Lake Subdivision is limited to no more than twenty homes at any one time. As used in these Deed Restrictions, a "Speculative Homes" means any lot upon which a building or developer is building or renovating a new or existing dwelling for the purpose of reselling the lot at a later date to an unknown purchase, and include and are often referred to as spec homes, speculative houses, inventory houses, move in ready homes, house ready now homes, and featured homes. Any owner wishing to renovate or construct a Speculative Home must first request approval to do so from the Association, so that the Association may confirm that the Speculative Home Construction Limitation required by this Section is not violated. Construction or renovation of any Speculative Home may not commence until the owner has received the Association's prior, written, approval to do so.

Any Speculative Home lots will be assessed the annual operations charge that is applied to all residential lots, as well as applicable lot service fees, special lot charges, and reserve contributions.

The Association's Board may adopt and enforce rules and definitions in furtherance, but not in contradiction of the above provisions, including, without limitation, rules to address and eliminate attempts to circumvent the meaning or intent of this Section P206. The Board has full power and authority to deny any owner of a Lot from construction or renovation of any dwelling if the Board, in its sole discretion, determines that the owner is intending or seeking to circumvent the meaning, purpose, or intent of this Section P206. In addition, if the Board determines that an owner is circumventing this Speculative Home Construction Limitation, the Board may levy an enforcement assessment against each violating lot and owner in an amount equivalent to at least ten times the current reserve contributions required at the closing of the lot.

Any conflict between this provision and any other provisions of the Deed Restrictions and Bylaws will be interpreted in favor of this restriction on the purchase and development of Speculative Properties on lots. The invalidity of any part of the above provision does not impair or affect in any manner the validity or enforceability of the remainder of the provision. Upon the recording of this amendment, only owners of record at the time of such filing have standing to contest the validity of this amendment, whether on procedural, substantive, or any other grounds. Any contest or other legal challenge to the validity of this amendment must be brought in the court of common pleas within one year of the recording of this amendment.

ARTICLE THREE

P300 RESIDENTIAL CHARACTER OF CANDLEWOOD LAKE: These Amended Deed Restrictions apply throughout the entire Subdivision with special requirements outlined for Unit 4, Recreational Vehicles and Units 5 and 6 Mobile Homes.

P301 Environmental Control Committee Approval: Candlewood is a single family, residential development. No structure shall be erected, placed or permitted to remain upon any lot unless approved in advance in writing by the Environmental Control Committee (ECC). Environmental Control Committee decisions are subject to appeal to the Board of Trustees if disagreements arise. The Environmental Control Committee will publish and keep up to date a Building Code which must be approved by the Board of Trustees.

P302 Outbuildings: The Environmental Control Committee shall approve in writing all outbuildings. Materials of construction shall be wood, vinyl or metal of a type and style approved by the ECC Committee. Storage sheds are permissible and shall not exceed 192 square feet in size with a maximum height of 12 feet. All storage sheds shall meet the setback requirements of the appropriate unit in which it is constructed as recommended by the ECC. Limit of one unattached storage shed per lot which includes two, three, or four contiguous married lots

P302.01 Residential Use of Outbuildings, Boat Houses or Temporary Facilities: No outbuilding, boat house or temporary structure shall ever be used as a place of human habitation. The restriction is not intended to limit the Board's power to authorize the Association Office to grant temporary permits for the use of camping units on lots which already have a house, mobile home or camping units on them, however, at no time will camping units be permitted on vacant lots except in Unit 4. Permits good for 14 days will be issued on a quarterly basis to those property owners that have a current balance.

P303 General Regulations Regarding Construction And Maintenance:

P303.01 Occupancy or residential use of partially completed dwelling houses prohibited: No dwelling being constructed shall be used for human habitation until it is approved habitable in writing by the Environment Control Committee. Since homes or camping units in units 4, 5 and 6 are or should be substantially complete at the time they are placed on lot, they should be habitable at that time. However, the Environmental Control Committee may determine that a dwelling in units 4, 5 or 6 is not habitable until certain conditions are met.

P303.02 Boundary Definitions: All dwelling houses and other structures, except fences (See 303.04), shall be placed on numbered residential lots in accordance with the following standards: "Front Line"--that boundary line which faces on the Subdivision road upon which the lot is located. "Side Line"--is a lot boundary line that extends from the front line at the road in the Candlewood Subdivision along which the lot abuts,

leading away from the road, to the rear line of the lot. "Rear Line"--is the lot boundary line that is farthest from, not vertical to and substantially parallel to, the Candlewood Subdivision road on which the lot abuts, except that on corner lots, the rear line may be determined from either abutting road in the Subdivision.

P303.03 Cul-de-sacs: If the particular line abuts on a cul-de-sac, all parts of any building shall be set back as shown on the recorded plat.

P303.04 Fences: As a general rule, fences and similar enclosures may not be erected. Property lines ought to be kept free and open to owners. Erection of fences and other enclosures shall be denied except where they qualify as an acceptable aesthetic feature consistent with the character of the area, conforming to size, height, composition and location and authorized by a written order by the Environmental Control Committee.

P303.05 Construction And Placement Guidelines: The construction and placement of all dwellings shall be subject to strict compliance with the building code promulgated by the Board of Trustees and administered by the Environmental Control Committee. However, neither the Association, its Trustees, the Environmental Control Committee or any member thereof, or their respective heirs, representative, successors or assigns shall be liable to any person or entity by reason of mistakes in judgment, negligence, malfeasance or nonfeasance arising out of or in connection with the approval, disapproval, or failure to approve any plans or any other exercise or non-exercise of the provisions of the building code.

P303.06 Diligence In Construction: The exterior of every dwelling on every numbered lot in the Subdivision shall be completed within six (6) months after the beginning of such construction. No improvement which has been partially or destroyed by fire or otherwise, shall be allowed to remain for more than three (3) months from the time of such destruction or damage, without exterior repairs or total demolition and cleanup.

P303.07 Used Materials and Structures: Houses and other structures shall be primarily constructed using new materials. Wherever used or old materials are being used in the construction of a house the builder must have the prior written approval of the Environmental Control Committee. If a used house is being moved into the Subdivision, it must have prior written approval of the Environmental Control Committee and the Board of Trustees.

P303.08 Maintenance Of Lots And Improvements: Owners of each lot in the Subdivision shall always maintain their lots and improvements in a neat and tidy condition. Each owner shall use the following as minimum standards for property maintenance and understand that failure to properly maintain the property may result in Association action to bring the property up to standard.

P303.081 Owners shall keep their property mowed and free of unsightly weeds, vegetation, and long grass according to such standards as the Board of Trustees may prescribe.

P303.082 All debris and rubbish shall be moved from the lot and adjacent easements and rights of way. Natural brush and combustible material from building and construction may be burned after notification to Candlewood Security and as permitted by all applicable regulatory agencies.

P303.083 Property owners shall prevent and alleviate any condition on their lots that tend to distract from or diminish the aesthetic appearance of the Subdivision.

P303.084 Lot owners shall prevent the entry of all debris and foreign material from their lots into the lake. Lot owners shall remove all such foreign material and debris which has originated at their lot.

P303.085 Owners shall keep the exteriors of all improvements on their lots in a good state of repair and sightlines.

P303.09 Pavements and Driveways: Plans and specifications for all driveways, culverts, pavement edging or markers shall be first approved in writing by the Environmental Control Committee.

P303.10 Protection of Pipes and Cables: No pipes, conduits, lines, wires equipment or facilities for the transmission or metering of electricity, gas, water, communications or other utilities shall be constructed, placed or permitted to be placed upon any lot unless approved by the Environmental Control Committee.

P303.11 Utility Easements: Easements for installation and maintenance of utilities are hereby reserved by the Association for the benefit of the Association and all lot owners within the Subdivision. Within such easement areas, no structure or other improvement shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities therein.

P303.12 Association's Authority To Perform Maintenance: If the owner of any lot in the Subdivision fails to repair or maintain his lot and any improvements in accordance with the provisions of these Deed Restrictions, the Bylaws, the ruling by the Environmental Control Committee or the Association Board, the Association shall have the right, to enter upon each lot and repair, mow, clean or perform such other acts as may be reasonably necessary to make such lot and improvements conform to the objectives of requirements and these Restrictions. The cost thereof to the Association shall be added to and become a part of the annual operation charges to which the respective lot is subject and may be assessed and collected in the same manner as the annual operation charges. Neither the Association nor any of its trustees, officers, employees, committee persons, agents or contractors shall be liable for any damage which may result from any repair or maintenance work performed under this authority.

P304 RESTRICTIONS CONCERNING THE SIZE AND PLACEMENT OF HOUSES IN UNITS 1, 2, 3, 7, 8, 9, 10, 11, 12:

P304.01 Minimum Living Space Areas: No dwelling place having less than 900 square feet on the foundation, as shown on the plan of the house, shall be constructed on any lot in these units. For this measurement, more than one inclusive level, and all porches, terraces, garages, carports and appendages shall be excluded. No dwelling in which a substantial portion of the living space is below ground level may be erected except with the approval of the Environmental Control Committee.

P304.02 Set Back Requirements

P304.021 Front Yards: All parts of the building facing the roads shall be set back at least twenty-five (25) feet or more from the property line except as shown on the recorded plat map.

P304.022 Side Yards: All parts of the building shall be set back not less than ten (10) feet from the sideline of the lot; except that where the lot is a corner lot, the minimum side yard setback shall be as shown on the recorded plat.

P304.023 Rear Yards: All parts of any residential building or out building (not including boat houses) shall be set back from the lot line at least twenty (20) feet or twenty-five percent (25%) of the main depth of the lot, reasonably determined, whichever is greater. If the rear of the lot abuts a road, whether public or private, all parts of any building shall be set back from the rear lot line for a total of at least one-half of the width of the right-of-way of the roads plus all adjacent easements. If any of the lot abuts Candlewood Lake, all parts of any residence or outbuilding (not including boat houses) shall be set behind the set-back line adjacent to the lake as shown on the recorded plat and indicated by the abbreviation "S.B.L."

P305 GENERAL REGULATIONS FOR THE USE OF RESIDENTIAL PROPERTY AND ASSOCIATION FACILITIES BY MEMBERS AND GUESTS.

P305.01 In General: No noxious or offensive activities shall be conducted on any lot in the Association nor shall anything be done on any lot that shall become or be an unreasonable annoyance or nuisance to any owner of another lot in the Association. Behavior or activity by members or their guests that becomes annoying or obnoxious to another member or Association officials will be reported to Security and the Board of Trustees shall take appropriate action after an investigation. However, in the event this behavior or activity is life threatening or potentially physically injurious to person or property, CWL Staff or Security has the right to intervene immediately in any appropriate manner.

P305.02 Advertising And For Sale Signs: Advertising and For Sale signs: No sign advertising, a product or service shall be placed on any property except as follows: (1) Owners or their authorized agents or builders may advertise property for sale that has a dwelling on it in whatever state of completion. Dwelling is defined as a house, mobile home or RV, if the RV is being sold with the lot. For sale signs are limited to one sign per dwelling or two signs for those dwellings bounded by the lake or two roads. (2) Contractors, builders, or remodelers may advertise their activity while directly involved in building or placing a dwelling on lots. Signs for this purpose are limited to one. (3) The Association may place a sign or signs advertising services or products available in the development at or near the Association Office or Main entrance gate. All of the above signs must have a prior written approval of the Association Office before being placed on a lot. (4) House for sale signs, with an arrow, are permitted at the intersection of any subdivision road that intersects with Candlewood Drive or Candlewood Blvd. One additional house for sale sign, with an arrow may be placed at the intersection of a second road from Candlewood Drive. Signs for this purpose are limited to one sign per intersection and must be placed a minimum of six (6) feet from the road (s). Realtor's signs are not permitted at the road intersections. For uniformity of size, color, etc., all house for sale signs with an arrow, must be purchased at the Association Office. Signs may be in place for a maximum of 180 days and subject to renewal. Signs are to be removed 24 hours after closing. Offsite property signs must be removed 24 hours after closing and on-site signs must be removed within 14 days after closing.

P305.03 Animals: No animals, fish, or birds other than those usually considered as household pets may be kept overnight or longer or maintained on private or Association property. All such household pets shall be under the control of the owner at all times and shall not be permitted to become a nuisance by barking, noise making or being vicious. Animals considered by any political subdivision or governmental agency as exotic or traditionally vicious will not be permitted. In the event there is a question or dispute whether a particular animal is permitted or not, the Board of Trustees will make the determination which shall be final and binding.

P305.04 Vehicle Parking and Storage: Parking and storing of vehicles, private or commercial, camping units and boats will be regulated by action of the Board of Trustees. Facilities to store vehicles, boats and camping units when not in use may be provided by the Board.

P305.05 Disposal Of Garbage And Other Household Refuse: Accumulations of garbage and other household trash must be stored in appropriate containers and disposed of without burning or burying on the owner's or Association property. The Association may either approve arrangements with private contractors to pick up this garbage and household refuse or provide the service to property owners for a commensurate fee.

P305.06 Concealment Of Trash Receptacles, Fuel Storage Tanks Satellite Dishes, etc.:
All trash receptacles being used for garbage or other household refuse must be concealed so as not to be visible from any street or the lake within the Subdivision except at scheduled time of a refuse collection either by the Association or a private contractor. Fuel tanks must either be buried in accordance with governmental regulations or concealed so as not to be visible from the street or the lake. Satellite dishes must be concealed or at least disguised as well as possible so as not to be an eyesore. All of the above must be concealed to the satisfaction of the Environmental Control Committee.

P305.07 Restrictions On Construction Of Model Homes: No owner of any lot in the Subdivision shall build or permit the building or replacement of any house, camping unit or mobile home on their lot for the purpose of using it as a model home without first obtaining written permission from the Environmental Control Committee and the Board of Trustees.

P305.08 Restrictions On Camping And Use Of Vacant Lots: No camping will be permitted on any lot except in Unit 4 or as provided for in P 302.01. A temporary campground has been provided in the development for the use of members and guests of members for a fee, as set annually by the Board of Trustees. Members may place a storage shed (refer to P302), picnic tables and decks or patios on vacant lots, which do not have a dwelling on them, for day use only with prior written Environmental Control Committee approval.

P305.09 Removal of trees: No tree over three inches in diameter may be removed from any lot in the Subdivision except with the written consent of the Environmental Control Committee.

P305.10 Limited access: No access to any lot on the perimeter of the Subdivision shall be permitted except from designated roads within the Subdivision.

P305.11 Docks, piers, etc.: No dock, pier, boat house or the other structure may be erected from any residential lot without prior written approval of the Environmental Control Committee and in general, floating docks and piers shall be encouraged and preferred. No dock, pier, boat house may be constructed on any residential lots so that any portion thereof extends more than twenty (20) feet from the normal shoreline of the lake (elevation 1205 feet) into Candlewood Lake from the Subdivision, except where special circumstances exist which interfere with the safe use of the lake. All boat houses shall be and open type structure and not exceed fifteen (15) feet in height from the normal shoreline of the lake (elevation 1205 feet).

P305.12 Water Skiing, Power Boating And Lake Swimming: Water skiing and power boating is restricted to areas, times and types of boats and motors as determined from time to time by the Board of Trustees. All boats shall carry the appropriate safety equipment and when towing a skier, a third person at least 12 years old shall be the

observer. Members or their guest may not swim in the power boating area during the time power boating and water skiing is active. Other boats should stay in the "No Wake" areas as much as possible during these hours.

P305.I3 Non-ski Areas: Portions of Candlewood Lake outside the water-skiing area may be used by canoes, rowboats, small sailboats of the day sailor class and inboard and outboard motorboats as regulated by the Trustees.

All boats shall be operated in accordance with rules and regulations promulgated from time to time by the Candlewood Lake Association and the State Division of Watercraft.

P306 CONTIGUOUS LOTS: A “Contiguous Lot” is defined as, any adjacent lots having a common boundary. Simply stated, the lots must be touching each other to qualify for contiguous lot status. Whenever contiguous lots in the subdivision are owned by the same person (s), the owner (s) may apply in writing to the Association for contiguous lot status for a maximum of four (4) lots or the equivalent of four (4) lots. Half or split lots may be considered for contiguous lot status. If approved, the first pair of contiguous lots shall be treated as a single lot thereafter for determining the various fees. The operation fee, reserve fund, and debt reduction fund fees for the approved third and fourth lots shall be calculated at one half (1/2) the single lot rate for each lot. No utility fees for the third and fourth lot shall be charged.

Once combined as contiguous lots under this provision, this “single” lot may not be again combined with other adjacent lots to create another “single” lot. These persons must also execute a legal document stating that if the lots are ever separated after contiguous lot status is obtained, then the owner shall have to pay the operations charges, utility charges, and such other fees which would have applied for the current and all previous years as if the lots had never received contiguous lots exemption. Lots that have had permanent structures added to them, or grade alterations (driveways connected to the existing home are considered grade alterations) may not be separated into individual lots once contiguous status has been obtained.

This document shall be binding on the property and successive title owners. Members with the contiguous lot status as of May 9, 1992, are exempt from this provision until the property is transferred, at which time the new owners must reapply for contiguous lot status on the terms described above. Members who add a third lot or a third and fourth lot to their contiguous lot unit must reapply for contiguous lot status on the terms described above.

Owners who build a home across the lot line so that it is located on two contiguous lots automatically receive contiguous lot status without the need to apply according to the above-described procedure, providing the Environmental Control Committee (ECC) has approved all construction. However, if this contiguous lot unit includes more than two contiguous lots, then the member must apply for contiguous lot status on the terms described above.

Exception: Members with two (2) contiguous lot agreements approved prior to May 18, 2003 who wish to separate those contiguous lots at a future date, shall have to pay the operation fees, utility fees, and such other fees which would have applied for the current and past four (4) years, as if the lots had never received contiguous lot exemption.

ARTICLE FOUR

P400 ASSOCIATION UTILITIES AND OTHER SERVICES: The Candlewood Lake Association through its Board of Trustees operates a community water and sewage disposal system for the benefit of the lot owners (members) and their guests. Any owner who builds, places or has a dwelling on property within the Subdivision must hook into this water and sewer system. The Board did grant permission for lot owners who had an active well to continue to use that well, providing they paid the minimum user charges for water until the ownership of the property changes, at which time the new owner must hook into the water system. There are no exceptions to using the sewage system and no further drilling of wells is permitted except for the purpose of providing geothermal heating and then only with Environmental Control Committee permission in writing.

P401 DISPOSAL OF UNSANITARY WASTE, ETC.: No unsanitary waste, trash and junk shall be disposed within the Subdivision except by permitted pick-up arrangements. No outside toilets shall be erected or used, and no sanitary waste or other waste shall be permitted to enter Candlewood Lake. Any violation of this provision constitutes a nuisance which may be abated by the Association in any manner provided by law or in equity.

The cost or expense of abatement, including costs and attorney's fees, awarded by the Court shall become a charge and lien upon the lot, and may be collected in any manner provided by law or in equity for collection of a liquidated debt.

Neither the Association, nor any trustee, officer, employee, committee person, agent or contractor thereof shall be liable for any damage which may result from enforcement of this provision.

P402 WATER AND SEWER SYSTEM CHARGES: Since the community water and sewer system is owned by the members and is located in a private development, it does not receive tax funds in the traditional manner to support its operation. Therefore, all lot owners will pay for services provided or available from the system. Failure to pay will result in appropriate legal action being taken to collect. There will be charges for users including tap-in and hook-up fees and an availability fee charged to non-users, those lot owners who do not have a dwelling on their lot, whenever the water and sewer lines are in front of or adjacent to their lots.

The trustees shall determine schedules along with terms of payment and condition of service and make the information available to members or prospective buyers through

the office.

P403 ADDITIONAL SERVICES: The Association may provide additional services such as mowing, installing water and sewer lines, landscaping, etc., to lot owners as approved by the Board of Trustees. These services may be provided on a published cost basis.

The Association by decision of its Board of Trustees may also provide water and sewer system service outside Candlewood providing it is legal and benefits the membership, as well as the community.

ARTICLE FIVE

P500 SPECIAL REGULATIONS AS TO UNITS FOUR, FIVE AND SIX:

P501 REGULATIONS AS TO UNIT FOUR: These provisions shall apply only to those lots within the Candlewood Lake Subdivision which are included within the recorded description of Unit Four. Year around living in Unit Four is not permitted. All lots in Unit Four are designated as "Seasonal Recreation Campsite Lots for Travel Trailers and Recreation Vehicles". Unit Four will be open for recreational use from April 1st through October 31st. After October 31st, and before April 1st, no permanent resident will be permitted. Permanent Residents during the period between October 31st and April 1st will be defined as anyone residing in Unit Four for more than three (3) nights during any 30-day period. Effective May 19, 2002, the permanent residents currently living year around will be allowed to stay year around, however, should ownership ever change, the lot and or structures will revert to recreational living only at the designated dates set by the Board. Special permits will be issued for special living conditions as set by the Board of Trustees.

Candlewood Lake Association, Inc. may take legal action against any property owner who stays on his property more than three (3) days each month during the off season. Candlewood Lake Association, Inc. shall be entitled to any and all remedies under law or equity including but not limited to:

1. Impose a fine of $50.00 against the property owner per day for each day he uses his lot in excess of the three (3) day limit.

2. Evict the property owner from the lot for the remainder of the off season. Candlewood Lake Association, Inc. shall be permitted to file an eviction in the Morrow County Municipal Court in the event the property owner uses his lot more than the three (3) day limit. The Ohio Landlord / Tenant rules shall apply and the basis for the Three Day Notice shall be “Violation Of P501 Candlewood Lake Association Deed Restrictions” In the event the property owner is evicted for the remainder of the off season, the property owner will not be permitted reentry onto the grounds until the following 1st day of April.

3. In the event legal action is filed, seek a judgment against the property owner for legal fees and court costs.

P501.01 Authorized Camping Units: All lots in Unit Four shall be used only for mobile camping units such as folding tent-type trailers, campers mounted on pick-up trucks, travel trailers, motor homes, folding tents, or other similar units, all of which are hereafter referred to as the "Principal Camping Facility".

P501.02 Outbuildings: The Environmental Control Committee shall approve in writing all outbuildings and other structures temporary or permanent. Such outbuildings or structures shall be made of wood, vinyl, or metal and be of a style and type approved by the ECC Committee and shall not exceed 192 sq. ft in size with a maximum height of 12 feet

P501.03 Condition of the premises: Tables, benches, fireplaces, and grills may be installed on the lots, but no personal property shall be permitted to remain where it can be seen by other campers or visitors to the area, except during such times as the Principal Camping Facility is actually in use.

P501.04 Camping facilities: The Principal Camping Facility may remain on the lot when not in use; however, each facility shall thereafter be inspected, and the Association's approval thereof obtained, at least semi-annually. Only one Principal Camping Facility may be located on each lot. All such facilities shall be kept in a mobile condition and no foundations of any kind shall be installed. Folding tents, not mounted on wheels, may be erected on lots, as the Principal Camping Facility, but such tents shall be removed when not being occupied.

P502 REGULATIONS AS TO UNITS FIVE AND SIX: These additional provisions shall apply only to those lots within the Candlewood Lake Subdivision which are included within the recorded description of Units Five and Six. All lots in Units Five and Six of the Candlewood Lake Subdivision are designated as "Prefabricated Home Lots".

P502.01 Restrictions on prefabricated home units: All lots in Units Five and Six shall be used only for single family prefabricated home residential purposes. No prefabricated home shall be constructed, erected, placed, altered, or maintained on any lot, unless first approved by the Environmental Control Committee subject to appeal to the Board of Trustees. The owner of each lot shall make provision for one automobile prefabricated parking space. Additional automobile prefabricated parking spaces may be installed as shall be first approved in writing by the Environmental Control Committee. Any garage or parking spaces shall be used solely by the owners or occupants and guests of the prefabricated home to which they are appurtenant. Accessory buildings may be erected only after approval in writing has been obtained from the Environmental Control Committee.

P502.02 Characteristics of prefabricated home units:

P502.021 Physical standards: The exterior dimensions of each prefabricated home, exclusive of garages, carports, open terraces, open patios, open porches, and breeze ways, shall be not less than twelve (l2) feet in width and not less than forty-seven (47) feet in length. Carports shall contain a minimum of l50 square feet. In no event shall the covered floor area of buildings on a lot, including the floor area of the prefabricated home, exceed seventy percent (70%) of the land area of such lot. Deviations from the foregoing standards may be approved in writing by the Environmental Control Committee subject to appeal to the Board of Trustees.

P502.022 Location: Except as authorized otherwise by the development plat maps, the Environmental Control Committee or the Board of Trustees, no mobile home shall be located nearer the front line than twenty (20) feet or a side or rear lot line than five (5) feet. For purposes of this provision, eaves, steps, porches, and decks shall be considered to be part of the building/mobile home.

P502.023 Pavements and driveways: Plans and specifications for all driveways, culverts, pavement edging, or markers shall be first approved in writing by the Environmental Control Committee.

P502.024 Protection of pipes and cables: No pipes, conduits, lines, wires, equipment or facilities for the communication, transmission or metering of electricity, gas, water, telephonic current or other utilities shall be constructed, placed or permitted to be placed anywhere or upon any lot, other than within approved buildings, structures or mobile homes, unless contained in pipes, conduits, cables or vaults constructed, placed and maintained underground or concealed in or under buildings, mobile homes, or other approved structures.

P502.025 Utility Easements: Easements for installation and maintenance of utilities are hereby reserved by Association for the benefit of Association and all lot owners within the Subdivision. Within such easement areas, no structure, mobile home, or other improvement shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities therein.

P502.026 Skirting: Each owner of a mobile home lot shall, within thirty (30) days of the installation of a mobile home on his lot, skirt his mobile home by enclosing the entire area between the mobile home and the ground, by using good and substantial materials, in workmanlike manner to the written approval of the Environmental Control Committee.

P503 GENERAL REGULATIONS ALSO APPLICABLE: All other provisions of the Restrictions shall apply to the lots in Units Five and Six, except requirements applicable to residential dwelling houses, minimum living space areas, building setback lines, and other such provisions which are not reasonably required for the maintenance and preservation of the interests of the members of the Association, at large, and the mobile

home areas.

P504 RESOLUTION OF DISPUTES: If a dispute should arise as to the interpretation, intent, or applicability of these provisions or the provisions in the Restrictions, the dispute shall be determined by the Board of Trustees of the Association following notice to the parties, and a reasonable opportunity to be heard.

ARTICLE SIX

P600 ASSOCIATION MANAGEMENT OF COMMUNITY AFFAIRS

P601 CANDLEWOOD LAKE ASSOCIATION, INC. The Association is a not-for-profit corporation created under the laws of the State of Ohio.

P602 MEMBERSHIP: Membership shall be appurtenant to and required as incidental to ownership to each lot in the Subdivision. The first and second name on the deed shall be designated as Voting Members. In the case of a corporation, partnership, or organizational ownership, only one vote will be granted. In addition, in regard to Trusts, there will be two votes and the Voting Members must be identified in writing to the Association Office.

P602.01 Membership upon Foreclosure of Security: No creditor of a lot owner shall be a member by reason of a mortgage of other security interest in a lot. Whenever any creditor forecloses or otherwise takes title so as to become the beneficial owner of a lot within the Subdivision, he will thereupon be subject to all requirements and limitations imposed in these Restrictions on owners of lots within the Subdivision and upon Members of the Association, including provisions with respect to alienation and to payment of assessments.

P603 LOTS: For purposes of determining membership, "lots" shall mean: each numbered lot described and set forth in the plat maps of the Subdivision filed with the Recorder of Morrow County, Ohio, as of May 9, 1992, excluding lots owned by the Association and used or held for use for Members at large. Each separate lot designated for a single-family home, mobile home or individually owned campsite shall be treated as a "lot" within the meaning of this paragraph.

P604 CLASSES: These shall be three (3) classes of membership in the Association, i.e., Voting Members, Associate Members, and Limited Members.

P604.01 Voting Members: The first and second name on the deed shall be designated as Voting Members. In the case of a corporation, partnership, or organizational ownership, only one vote will be granted. In addition, regarding Trusts, there will be two votes and the Voting Members must be identified in writing to the Association Office. Voting rights and privileges of Voting Members and any Associate Members shall be suspended automatically so long as any assessments, charges, or

fines levied by the Board of Trustees, due from the member, are unpaid.

P604.02 The first and second name on the deed shall be designated as Voting Members. In the case of a corporation, partnership, or organizational ownership, only one vote will be granted. In addition, in regard to Trusts, there will be two votes and the Voting Members must be identified in writing to the Association Office. The first named grantee of legal or equitable title to all lots in the Subdivision shall thereby be a Member of the Association, unless designated otherwise. Each Voting Member shall provide the Association with a current address at all times.

P605 POWER OF ASSOCIATION TO LEVY AND COLLECT ASSESSMENTS, FINES AND IMPOSE LIENS:

P605.01 Annual Operations Charge: The Association shall have all powers set forth in its amended Articles of Incorporation and Bylaws to levy a uniform annual operations charge against each lot in the Subdivision together with special assessments, fees or other charges. The operations charge shall be published along with the annual budget by the Board of Trustees.

P605.02 Charges for Damages to Property and Enforcement Assessments: The Association shall have all powers set forth in these amended Deed Restrictions, together with all powers set out by the Bylaws, ordinances, policies or rules of the Association, to levy and collect fines, penalties, assessments and charges from any owner/member for (a) damages to the Association's common use or other property and (b) violations of the Bylaws, Deed Restrictions, CLOs, policies or rules of regulations of the Association, by an owner/member, associate member, family member, tenant, or guest. Prior to imposing a charge for damages or an enforcement assessment, the owner/member will be notified in writing (generally through a citation) that will include (1) a description of the property damage or violation; (2) the amount of the proposed charge or assessment; (3) the right to a hearing to contest the proposed charge or assessment; (4) a statement setting forth the procedures to request a hearing; and (5) a date by which the owner must cure a continuing violation to avoid the proposed charge or assessment, if such an opportunity to cure is applicable.. To request a hearing, the owner/member shall deliver a written notice to the CWL Association not later than the 30th day after the date of the citation. The Board in its sole discretion and for good cause shown, can extend the time by which an owner/member can request a hearing.

If the owner/member fails to make a timely request for a hearing, the right to that hearing is waived, and the Board of Trustees immediately may impose a charge for damages or an assessment pursuant to this section. If an owner/member timely requests a hearing, the owner/member will be provided written notice at least 7 days prior to the hearing of the date, time, and location for the hearing before the CWL Association Committee If following a hearing before CWL Association Committee the owner/member is not satisfied with the CWL

Association Committee's decision, the owner/member may appeal the CWL Association Committee's decision to the Board of Trustees, in which case the owner/member will be provided written notice of the date, time and location of the hearing before the Board of Trustees. A decision by the Board of Trustees is final and conclusive of the matter.

The owner/member will be provided written notice of the amount of the charge or assessment within 30 days following the Board's imposition of any charge or assessment. Any fine, penalty, charge or assessment levied under this section shall be due and payable within 30 days of the Board's imposition of any charge or assessment. Any fine, penalty charge or assessment levied under this section that remains delinquent for more than 30 days will be added to the member's account and subject to P606 of the Deed Restrictions, Suspension of Privileges of Membership, which permits the Board to suspend the member/owner's voting privileges and use of recreational facilities.

P605.03 Payment of the Annual Operations Charges: Lot owner accounts shall be billed for the monthly and quarterly assessments as approved by the Board of Trustees by the end of the first working day of each month. The monthly and quarterly operation charges shall be due to the Association on or before the 25th of each month. Lot owners may request a payment booklet, otherwise the statement from the member's bank is his/her receipt. These payment books will be addressed to the last known address of the lot owner.

P605.04 Liabilities for Charges and Fines Assessments, Fees and Fines: The Association shall have a lien upon the estate or interest in any lot for the payment of any assessment or charge levied in accordance with section P605.02 that remains unpaid 30 days after any portion becomes due and payable, as well as any related interest, administrative late fees, enforcement assessments, collections costs, and attorneys' fees, that are chargeable against the lot. All charges, assessments, fees and fines levied upon the lot of any owner/member shall be the personal liability of the Owner(s) and shall constitute a lien upon the owner's estate or interest in any lots.

All fees, fines, assessment and charges provided for in these Restrictions shall bear interest at a rate determined by the Board of Trustees after a due date established by the Board of Trustees, until paid in full.

P605.05 Enforcement: Whenever the Board of Trustees of the Association in their sole discretion determine that the fees, assessments or charges are 30 days or more past due, the Association may institute, in any court of competent jurisdiction, such procedures or suits for money damages, foreclosure of liens or all other relief otherwise available to the Association, to collect the amount of the unpaid fees, assessments and charges.

The owner of the lot subject to the fees, penalties, fines assessments and charges, shall be obligated to pay for any and all expenses or costs that the Association incurs in the

collection of the amount of the unpaid fees, assessments and charges, including attorney's fees.

Nothing in these Restrictions shall be construed to limit the Association's legal remedies to the owner's lot or the Association's lien on said lot in that all charges remain the personal obligation of the owner(s) of said lot.

P605.06 Imposition of Liability: Every person who shall become the owner of any lot subject to these restrictions, whether such ownership shall be legal or equitable, and any person who may acquire any interest in such lot, whether as an owner or otherwise, is hereby notified that, by acquisition of such interest, he or she consents and agrees that any such liens, assessments or charges which may exist upon said lot or lots at the time of the acquisition of such interest are valid liens, and that they must be paid. Every person who shall become an owner of a lot in the Subdivision will be conclusively held to have covenanted to pay the Association all charges made by the Board of Trustees pursuant to these Restrictions.

P605.07 Certificate of Payment: Upon request, the Association shall certify that the charges on a specified lot have been paid, or that specified charges against the lot remain unpaid as the case may be. A reasonable charge may be made by the Association for the service. Any bona-fide purchaser may rely upon the contents of the certificate.

P606 SUSPENSION OF PRIVILEGES OF MEMBERSHIP: The Voting Member and any Associate Members may have privileges revoked for violation of the Bylaws, Deed Restrictions, or other infractions as determined by the Board, for non-payment of any operating charges, assessments, fine, or utility charges following notice from the Association to the member having their privileges revoked and an opportunity, if requested in writing, to be heard at an open meeting of the Board of Trustees. In all cases the decision of the Board of Trustees shall be final and binding.

Privileges - defined as, but not limited to:

A. Lake use, for any purpose.
B. Lodge and Community Center use, whether RV Lodge or Main Lodge.
C. Pool use, whether RV Pool or Main Pool.
D. Beach use for any purpose.
E. Tennis courts, basketball courts, and baseball field use.
F. Use of any common property. Members having their privileges revoked to the use of the common property would be permitted to enter the grounds by pedestrian access (by foot) for the sole purpose of accessing their property.
G. Serving as a Trustee or Committee Member.
H. Receiving ballots and voting rights.
I. Receiving notices regarding special meetings or ballots.
J. Receiving any permits.
K. Water & Sewer Services

P607 NOTICE: No notice or hearing shall be required to suspend privileges for the nonpayment of charges. Privileges shall automatically be suspended when charges are past due.

P608 REPAIR AND MAINTENANCE OF PROPERTY:

P608.01 Abandoned Property: The Association shall have the authority to remove, move, destroy, or dispose of any unregistered, unidentifiable, abandoned, junked, dilapidated, or disabled vehicles, mobile homes, boats, or other personal property from Association property without any liability whatsoever. The cost of such removal, move, destruction or disposal shall be borne by the owner of such personal property and shall be assessed against him.

The Association shall further have the authority to remove, move, destroy, or dispose of any unregistered, unidentifiable, abandoned, junked, dilapidated, or disabled vehicles, mobile homes, boats or other personal property from private property within the Subdivision without any liability whatsoever so long as the following procedure is followed. The owner of the lot where the offending personal property is located shall receive written notice from the Board of Trustees or their representative, by any method that evidences receipt, to remove the offending property or otherwise resolve the problem within seven (7) calendar days, or a longer period of time if expressly provided for in the notice. If the problem is not resolved to the satisfaction of the Board of Trustees, or its designated representative, during that time, the Association shall be entitled to remove, move, destroy, or dispose of the property without any liability whatsoever with the cost of such removal, move, destruction or disposal to be borne by the owner of the lot from which the property is removed and shall be assessed against him.

ARTICLE SEVEN

P700 ENVIRONMENTAL CONTROL COMMITTEE

P701 CONTROLS OF THE ENVIRONMENTAL CONTROL COMMITTEE: No dwelling, building, structure, improvement or installation of any type or kind may be constructed or placed on any lot in the Subdivision without the prior written approval of the Committee.

Approval shall be granted only after written application has been made to the Committee by the owner of the lot requesting authorization. The Committee may publish standards, information, and guidance manuals.

Applications shall be in the manner and form prescribed from time to time by the Committee and shall be accompanied by two (2) complete sets of plans and specifications for any such proposed construction or improvement. The plans shall include plot plans showing the locations of all improvements existing upon the lot and

the location of the improvement proposed to be constructed or placed, each properly and clearly designated.

The plans and specifications shall set forth the color and composition of all exterior materials proposed to be used, together with any other material plans and information, including proposals for landscaping, sidewalks, driveways and exterior features which the Committee may require. All requests for permits required by these Restrictions shall be submitted for approval. The Committee may require that plat plans be approved by a registered land surveyor, engineer, or architect. No change in the grade of the lot shall be permitted without approval of the Committee.

P702 ACTION BY COMMITTEE: The Committee shall approve or disapprove of proposed improvements within thirty (30) days after all required information has been submitted. Within thirty days after receipt by the Committee, applications shall receive at least a tentative approval or a tentative rejection by reason of incompleteness. Final approval shall be withheld until all required information has been submitted, and when it has been determined to be complete, shall be acted upon within thirty days. A completed copy of submitted material shall be retained by the Committee for its permanent file. All notifications to applicants shall be in writing and, in the event that the application is disapproved, the Committee shall specify the reasons for such disapproval, subject to appeal to the Board of Trustees.

P703 DISAPPROVAL OF PROPOSED IMPROVEMENTS: The Committee may refuse to grant permission to construct, place or make requested improvements when:

P703.01 The plans, specifications, drawings, or other material submitted are themselves inadequate or incomplete, or show the proposed improvement to be in violation of these Restrictions: or

P703.02 The design or color scheme of a proposed improvement is not in harmony with the general surroundings of the lot or with adjacent buildings or structures: or

P703.03 If the proposed improvements, or any part thereof, are, in the opinion of the Committee, contrary to the interest, welfare or rights of owners of other lots in the Subdivision or presents a potential health or safety risk to the occupants or others, subject to appeal to the Board of Trustees.

P704 AUTHORITY TO GRANT VARIANCES: The Committee may allow reasonable variances or adjustment of these deed restrictions where literal application would result in unnecessary hardship. However, any such variance or adjustment shall be granted in conformity with the general intent and purposes of these Deed Restrictions and the granting of the variance or adjustment will not be materially detrimental or injurious to other lots in the Subdivision or in conflict with state or local laws regarding granting variances.

P705 SPECIAL LIMITATIONS CONCERNING PIERS: The construction or placement of a pier or other water-placed structure from or adjacent to a lot within the Subdivision shall constitute a mere license from the Association and may be terminated or restricted on reasonable notice, with right of appeal to the Board of Trustees.

P706 DUTY TO INSPECT: To the extent that inspection of improvements under construction is not provided by governmental agencies, the Committee shall inspect work in progress to assure compliance with its authorizations, these Restrictions and applicable laws and regulations. The "Committee" shall have the basic right to enter property to inspect while under construction.

If the inspector and/or the Environmental Control Committee in their sole discretion determine after an inspection that certain work fails to comply with the provisions of the building code, they may issue an order stopping all or part of the work until such time as the provisions of the code are fully complied with.

This stop work order shall be served by hand-delivery upon the builder and/or owner or posted conspicuously on the premises.

Upon service of the order, the work designated shall stop immediately until such time as the remedial work is performed to the satisfaction of the inspector and/or the Environmental Control Committee.

Any failure to strictly comply with the stop work order shall result in a fine per day against the offender, said fine to be determined and set annually by the Board of Trustees.

P707 SERVICES, EMPLOYMENT AND COMPENSATION: The Committee may hire various persons to assist it in the discharge of its duties and may retain the services of professional persons as need requires. No funds may be expended except with the prior approval by the Trustees, or from a prior grant of available funds.

P708 AUTHORITY TO CHARGE FEES: When the Trustees deem it necessary for the accomplishment of the duties and responsibilities of the Committee, they may require payment of a reasonable fee, established from time to time by the Trustees, for considering the application of any person under this section. Fees shall be charged uniformly to all applicants similarly situated, and all funds collected shall be paid to the Association, or to its order.

P709 LIABILITY OF COMMITTEE: Neither the Committee nor any agent thereof, nor the Association, shall be responsible in any way for any defects in any plans, specifications or other materials submitted to it, nor for any defects in any work.

P710 SEWER GRINDER STATIONS (aka, "can") INSTALLATION, SERVICE, AND REPLACEMENT: When a new residence is constructed, Candlewood Lake Association, Inc. (CWL) shall provide, install, and/or connect to the Association's

sewage collection system a sewer pressure system grinder station, aka, “can,” and its associated electronic controls and electricity connections, for the dwelling.

Such grinder station and controls will remain the property of Candlewood Lake Association, Inc., while all piping/electrical systems from the grinder station and/or from the property line, whichever is closer, to the dwelling and any connections within the dwelling are the responsibility of the dwelling owner or owners when a grinder is shared.

P711 RIGHT OF APPEAL TO TRUSTEES: Any action by the Committee, whether or not specified as subject to review, may be appealed to the Trustees for review. Action by the Committee shall be presumed to be correct and in the best interest of the development and shall be reversed only for clear and convincing reason.

ARTICLE EIGHT

P800 ASSOCIATION'S AUTHORITY TO MAINTAIN AND ENFORCE COMMUNITY INTERESTS:

P801 OWNERSHIP AND ENJOYMENT OF STREETS, PARKS, AND RECREATION FACILITIES: Each street with the exception of those otherwise indicated on the record plat, and each lake, park, recreation facility or other amenity depicted on the recorded plats of the Subdivision is and shall remain private.
Neither the Developer's execution or recording of the plats nor the doing of any other act by the Developer was intended to be, or shall be construed as, a dedication to the public of any of the streets, lakes, parks, recreation facilities or other amenities. A license upon such terms and conditions as the Association shall grant for the use and enjoyment of streets, lakes, parks, recreational facilities and other amenities is granted to the persons who are from time to time Members of the Association. Ownership of the streets, lakes, parks, recreational facilities, and other amenities shall remain with the Association.

P802 EASEMENTS: The Association shall have the continuing authority to use certain easements along, across, over, under and upon the real estate that constitutes the Subdivision. The easements so reserved by the Association are described as follows:

P802.01 Rights-of-way: The Association reserves a ten (l0) foot wide easement on each lot along all road rights-of-way, and a five (5) foot easement along the side and rear lines of each and every platted lot in the Subdivision for the purpose of installing, maintaining and operating utility lines and mains thereon, together with the right to trim, cut or remove any trees and brush and the right to locate any guy wires, braces, and anchors wherever necessary upon all platted lots for installation, maintenance and operations, together with the right to install, maintain and operate utility lines, mains and appurtenances thereto. The Association reserves the right to ingress and egress to

such areas for any of the purposes mentioned. No permanent building shall be placed on such easements; but the easements may be used for gardens, shrubs, landscaping and other purposes, provided that such use or uses do not interfere with the use of such easements for their intended purposes. Where an owner of two or more adjoining lots erects and constructs a dwelling or building which will cross over or through a common lot line, the same shall not be subject to the aforementioned five (5) feet easement along or upon the contiguous or common lot line except where a utility installation has been made or proposed.

P802.02 Lake shore easements: The Association further reserves for itself, an easement ten feet wide, for lake and shoreline maintenance and control, along the above-water portion of each platted lot contiguous to the shoreline of Candlewood Lake. All such platted lots shall also be subject to a flowage easement to an elevation on the lot equal to the normal water elevation of Candlewood Lake, l205 feet above sea level.

P802.03 Roads: The Association reserves an easement fifteen (l5) feet in width along both sides of all road rights-of-way for the purpose of cutting, filling and drainage.

The Association further reserves the right to cause or permit drainage of surface water over and through all lots, and an easement on, over and under all road rights-of-way for the purpose of installing, maintaining and operating utilities or drainage, and such additional easements for drainage as may be shown on the recorded plat.

P802.04 Slopes: Each lot shall further be subject to an easement for the maintenance and permanent stabilization control of slopes.

P802.05 No cause of action: No owner of any lot in the Candlewood Lake Subdivision shall have any claim or cause of action against the Association, either in law or in equity, and arising out of the exercise of any easement reserved hereby, excepting in cases of willful or wanton negligence.

P802.06 Radius for Utilities: The Association reserves a three-foot (3-foot) work access area in any direction around the entire perimeter of any water/sewer infrastructure above or below ground on a resident's property of no structures, permanent paths, plantings and/or other landscaping. The Association also reserves the right to ingress and egress to such areas for the purpose of replacement or repair.

Any structure, permanent path, plantings and/or other landscaping in place within the easement at the time of the adoption of this Deed Restriction shall be allowed with notice to the resident that the Association has access to this area and is not responsible for any damage or loss to the existing items caused by the Association for the aforementioned purposes.

P803 LAKES AND CONTIGUOUS LOTS:

P803.01 In General: Certain lots in the Subdivision are contiguous to Candlewood Lake, within the boundaries of the Subdivision. The water in, and the land under Candlewood Lake, depicted on the recorded plats of the Subdivision, is owned by the Association.

The normal pool water elevation of the lake is at elevation 1,205 feet, and the 100 year high water elevation of the lake is at elevation 1,210 feet. The title acquired by the grantee of all contiguous lots in the Subdivision, and by the successors and assigns of such grantee, shall extend only to the shoreline provided on the recorded plats of the Subdivision. No grantee, nor his successors or assigns, shall have any right with respect to any stream that is a tributary to the lake, or with respect to the lake, or with respect to the land there under, the water therein, or its elevation, use, or condition, and no lots shall have any riparian rights or incidents appurtenant. Title shall not pass by accretion, or reliction, or submergence or changing water elevations. The Association shall have the right, but not the duty, at any time to dredge or otherwise remove any accretion or deposit from any lots in order that the shoreline of the lake to which the lot is contiguous may be moved toward, or to, but not inland beyond the location of the shoreline as it existed as of the date hereof, if the water elevation of the lake was at an elevation one vertical foot above the normal pool water elevation indicated in the Subdivision plats; and title shall pass with such dredging or other removal as by erosion.

P803.02 Reservation of easement in Association for operation of lake: The Association reserves unto itself, and its successors, assigns, and licensees, an easement upon, across and through all lots in the Subdivision and contiguous to the lake, in connection with operating the lake. Without limiting the generality of the immediately preceding sentence, it is declared that the Association shall not be liable for damages caused by ice, erosion, washing or other action of the water or for any damage caused through the exercise of any easement.

P803.03 Reservation of right in Association to change water elevation in lake: The Association reserves to itself the right to raise and lower the elevation of the lake for the purpose of maintenance or flood prevention. The Association shall have no easement to raise, by increasing the height or any dam or spillway, or otherwise, the high-water elevation of the lake to an elevation above that indicated on the Subdivision plats.

P804 WATER AND SEWER UTILITY SERVICES:

P804.0l Charges for utilities: Owner agrees to pay to the public utility serving the Subdivision a minimum monthly availability charge of four dollars ($4.00) for water service and four dollars ($4.00) for sewer service, and the accommodation afforded by these systems.

All payments shall commence upon the availability of such services in mains or lines located in front of or adjacent to the lots and continuing thereafter so long as water or sewer service is available for use, whether or not taps or connections have actually been made to the systems and whether or not the owner is actually using the sewer or taking water. Availability charges shall apply to and be charged for each lot owned. The amount of the availability charges, the times and methods of payment and other matters shall be as provided in Tariffs or Rate Schedules and Regulations and Conditions of Service published by the Association.

Upon written request in accordance with Regulations and Conditions of Service and payment to the public utility of not less than one hundred ninety-five dollars ($195.00) for water connections and not less than four hundred ninety-five dollars ($495.00) for sewer connections, a tap to the system mains and connections to the lot line may be installed by the utility. The amount of the availability charge and any change from an availability charge to another type of rate or rate structure for water or sewer service, and all other charges may be changed as necessary.

Unpaid utility charges will become a lien upon the lot, or lots served as of the date the same became due. After the availability of this utility service, owners shall not drill or permit the drilling of a water well or installation of holding tank system upon his lot. Nothing in these Restrictions shall ever be construed as a limitation on the rights of any such public utility to sell and assign its property and assets in accordance with law.

P805 SPEED LIMITS: No motor driven vehicle shall be driven on any street within the Subdivision at a speed in excess of the posted limits. Appropriate postings of these speed limits shall be made by the Association.

The Association shall have the power to assess fines for the violation of speed limits in accordance with a schedule of fines promulgated by the Association. All such fines shall be paid in accordance with the rules of the Association. The Association may add the amount of any unpaid fine to the annual charge made by the Association as an additional assessment. The amount of such fine shall be collectible by the same means as are prescribed for the collection of delinquent annual assessments of the Association or through any enforcement assessment prescribed in the rules, ordinances, policies, Bylaws and/or Deed Restrictions of the Association.

P806 Driving Under the Influence

No person shall operate any state licensed motor vehicle within the geographic limits of Candlewood Lake under the influence of alcohol and or a drug of abuse or any combination thereof.

ARTICLE NINE

P900 INTERPRETATION, ENFORCEMENT AND AMENDMENT OF RESTRICTIONS:

P901 EFFECT OF GRANTEE'S ACCEPTANCE OF DEED: The grantee of any lot subject to these Restrictions, by acceptance of a deed conveying title thereto or the execution of a contract for the purchase thereof, whether from the Association or a subsequent owner of such lot, accepts such deed and executes such contract to each and every Restriction and agreement herein contained. Further, by acceptance of such deed or execution of such contract, such persons do acknowledge the rights and powers of the Association with respect to these Restrictions, and also, for themselves, their heirs, personal representatives, successors, and assigns, covenant and agree and consent to and with the Association and to and with the grantees and subsequent owners of each of the lots affected by these Restrictions to keep, observe, comply with and perform such Restrictions and agreements.

P902 ASSUMPTION OF RISK: Each such person also agrees, by such acceptance of a deed or execution of a contract for the purposes thereof, to assume, as against the Association, all of the risks and hazards of ownership or occupancy attendant to such lot, including, but not restricted to, its proximity to Candlewood Lake.

P903 REMEDIES AND ENFORCEMENT: The Association or any party to whose benefit these Restrictions inure may resort at law or in equity to prevent the occurrence or continuation of any violation of these Restrictions, and shall have the right to obtain a prohibitive or mandatory injunction to enforce observance of these Restrictions in addition to and cumulative with any other remedy provided for herein, or by law, or in equity, and to recover damages for the breach of these

Restrictions: provided that the Association shall not be liable to any person for damages of any kind for failing either to abide by, enforce or carry out any of these Restrictions.

P904 NON-WAIVER BY FORBEARANCE: No delay or failure on the part of an aggrieved party to invoke any available remedy with respect to a violation of any one or more of these Restrictions shall be held to be a waiver or an estoppel to assert any right available to him upon the occurrence, recurrence, or continuation of any violations of these Restrictions.

P905 DURATION: The foregoing covenants and restrictions shall run with the land and shall be binding on all parties and all persons claiming under them until December 3l, 1999, at which time the Restrictions shall be automatically extended for successive periods of ten (l0) years, unless changed in whole or in part by vote of those persons who are then the owners of a majority of the numbered lots in the Subdivision.

P906 SEVERABILITY: Every one of the Restrictions is hereby declared to be independent of and severable from all other Restrictions, and of and from each other part of the Restrictions, and of and from every combination of the Restrictions. If any of the Restrictions shall be held to be invalid or to be unenforceable, or to lack the quality of running with the land, that holding shall be without effect upon the validity, enforce ability or "running" quality of any other one of the Restrictions.

P907 AMENDMENT OF DEED RESTRICTIONS: These Deed Restrictions may be amended or repealed in whole or in part and new Deed Restrictions adopted by a majority, defined as 51% of the votes cast in person or by absentee ballot, of the Voting Members in good standing, responding to a written vote solicitation of all Voting Members in good standing, providing that lawful notice shall first have been served by mail on all Voting Members of record at their last known address and according to procedures outlined in the Bylaws.

P908 MAILING ADDRESS FOR NOTICES: Upon acquisition of a lot, each owner shall provide the Association with his correct mailing address and shall promptly notify the Association in writing of any subsequent change of address. The Association shall maintain a file of all current addresses. A written notice deposited in a United States Post Office, sent by certified mail, return receipt requested, or registered mail, with postage prepaid and addressed to any Member at the last address filed by such owner shall be sufficient and proper notice to such Member wherever notices are required in these Restrictions.

The mailing address of the Association for the purpose of all notices required or permitted to be given hereunder is Candlewood Lake Association, Inc., 7326 State Route l9 Unit 1507, Mount Gilead, Ohio 43338. The Association shall specify changes of address from time to time by a Supplemental Declaration executed by the Association and recorded in the office of the Recorder of Morrow County, Ohio.

P909 CAPTIONS AND CONSTRUCTION: The titles preceding the various paragraphs and sub-paragraphs of the Restrictions are for convenience or reference only, and none of them shall be used as an aid to the construction of any provision of the Restrictions. Whenever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or to the neuter.