(9) 29265111 RECORDER, FRANKLIN CO., OHIO

JUN 9 1995

RICHARD D. METCALF, RECORDER

RECORDER'S FEE $ 58.00

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CODE OF REGULATIONS

OF

HARDESTY HEIGHTS ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the corporation is Hardesty Heights Association, hereinafter referred to as the "Association". The principal office of the corporation shall be located at such place in Franklin County, Ohio, as the Trustees may from time to time designate.

ARTICLE II

DEFINITIONS

Section 1. **"Association" shall mean and refer to Hardesty Heights Association, its successors and assigns.**

Section 2. **"Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.**

Section 3. **"Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the members of the Association.**

Section 4. **"Unit" shall mean and refer to any plot of land submitted as a "unit" to the provisions of Chapter 5311 of the Revised Code of Ohio that is or hereafter becomes a part of the Properties.**

Section 5. **"Member" shall mean and refer to every person or entity who holds a membership in the Association.**

Section 6. **"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Unit which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.**

TRANSFER NOT NECESSARY
JUN 9 1995
JOSEPH W. TESTA
AUDITOR
FRANKLIN COUNTY, OHIO

CONVEYANCE TAX EXEMPT
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JOSEPH W. TESTA
FRANKLIN COUNTY AUDITOR

INDEPENDENT TITLE – AW

Section 7. "Declarant" shall mean and refer to Central Homes, Inc., an Ohio Corporation, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Unit from the Declarant for the purpose of development.

Section 8. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the records of the Recorder of Franklin County, Ohio.

Section 9. "Resident Member" shall mean and refer to a member whose place of residence is a "Unit" in the Association, as defined in Section 4. (As amended 8/29/75).

ARTICLE III

MEMBERSHIP

Section 1. Membership. Every person or entity who is record owner of a fee or undivided fee interest in any Unit which is subject by covenants of record to assessment by the Association, including contract sellers, 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. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment by the Association. Ownership of such Unit shall be the sole qualification for membership. Members shall be entitled to one vote for each Unit they own, but in no event shall more than one vote be cast with respect to any Unit. (As amended 8/11/76).

Section 2. Suspension of Membership. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights and right to use of the common facilities by such member may be suspended by the trustees until such assessment has been paid. The rights of a member may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days, for the violation of any rules and regulations established by the trustees governing the use of the Common Area and facilities. Any suspension of a member's rights shall be applicable to that member regardless of the number of Units owned by that member. (As amended 8/11/76).

ARTICLE IV

PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Section 1. Each member shall be entitled to the use and enjoyment of the Common Area and facilities as provided in the Declaration. Any member may delegate his rights of enjoyment of the

Common Area and facilities to the members of his family, his tenants or contract purchasers, who reside on the property. Such member shall notify the secretary in writing of the name of any such delegee. The rights and privileges of such delegee are subject to suspension to the same extent as those of the member.

Section 2. Irrespective of the fact that Section 1 (b) of Article V of the Declaration gives the Association the right to charge reasonable admission and other fees for the use of any recreational facilities situated upon the Common Area, this right shall not be exercised as to members for a period of five years from the recordation of the Declaration, and after this period, only upon written approval of two-thirds (2/3) of the entire Class A membership.

ARTICLE V

TRUSTEES: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by seven (7) trustees, who must at all times during their tenure of office be resident members or resident spouses of members of the Association. (as amended 8/11/76).

Section 2. Election of Trustees. After the first annual meeting, the members shall elect for terms of three years each that number of Trustees that is equal to the number of Trustees whose terms then expire, and that number of Trustees necessary to fill any vacancies.

The candidates with the largest number of votes shall be elected to the three-year terms and the next highest vote-getter(s) to the unexpired term(s), as provided in Article V, Section 3. (as amended 8/10/73).

Section 3. Removal and Replacement of Trustee. Any Trustee may be removed with or without cause by a majority vote of the members of the Association.

In the event of the death, resignation, or removal of a Trustee, his or her successor shall be the first runner-up of the election held at the preceding annual meeting, who will fill said vacancy until the next annual meeting; and, if for any reason, said successor Trustee shall be unable to serve in that capacity, the remaining Trustees shall fill said vacancy until the next annual meeting of the Association. All other vacancies on the Board of Trustees shall be filled by the remaining Trustees and will be in effect until the next annual meeting. (as amended 8/10/73).

Section 4. Compensation. No trustee shall receive compensation for any service he may render to the Association. However, any trustee may be reimbursed for his actual expenses incurred in the performance of his duties.

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Section 5. Action Taken Without a Meeting. The trustees shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the trustees. Any action so approved shall have the same effect as though taken at a meeting of the trustees.

ARTICLE VI

MEETING OF TRUSTEES

Section 1. Regular Meetings. Regular meetings of the trustees shall be held monthly, without notice, at such place and hour as may be fixed from time to time by resolution of the trustees. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. (as amended 8/11/76)

Section 2. Special Meetings. Special meetings of the trustees shall be held when called by the president of the Association, or by any two trustees, after not less than three (3) days notice to each trustee.

Section 3. Quorum. A majority of the number of trustees shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the trustees present at a duly held meeting at which a quorum is present shall be regarded as the act of the trustees.

ARTICLE VII

NOMINATION AND ELECTION OF TRUSTEES

Section 1. Nomination. Nomination for election to the office of trustee shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a trustee, and two or more members of the Association. The secretary of the Association shall also be an ex-officio member of the Nominating Committee. The Nominating Committee shall be appointed by the trustees subsequent to each annual meeting of the members, to serve until the close of the next annual meeting, and such appointment shall be publicized to the members within sixty (60) days thereafter. The Nominating Committee shall make as many nominations for election to the office of trustee as it shall in its discretion determine, but not less than the numbers of vacancies that are to be filled. Such nominations must be made from among resident members and their resident spouses. (as amended 8/11/76).

Section 2. Election. Election to the office of trustee shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

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ARTICLE VIII

POWERS AND DUTIES OF THE TRUSTEES

Section 1. Powers. **The trustees shall have power to:**

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of this Code of Regulations, the Articles of Incorporation, or the Declaration;

(c) declare the office of trustee to be vacant in the event such member shall be absent either from three (3) consecutive regular meetings of the trustees, or from six (6) regular meetings of the trustees within any period of twelve (12) consecutive months; and

(d) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. **It shall be the duty of the trustees to:**

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members at any special meeting, when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided herein, and in the Declaration, to:

(1) fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period, as hereinafter provided in Article XII, and

(2) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the trustees for the issuance of these certificates. If a certificate states an assessment has been paid, such certificates shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibility to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained; and

(h) cause the exterior of the dwellings to be maintained.

ARTICLE IX

COMMITTEES

Section 1. The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in this Code of Regulations. In addition, the trustees shall appoint other committees as deemed appropriate in carrying out its purposes, such as:

(a) A Recreation Committee which shall advise the trustees on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the trustees, in their discretion, determine;

(b) A Maintenance Committee which shall advise the trustees on all matters pertaining to the maintenance, repair or improvement of the Properties, and shall perform such other functions as the trustees, in their discretion, determine;

(c) A Publicity Committee which shall inform the members of all activities and functions of the Association, and shall, after consulting with the trustees, make such public releases and announcements as are in the best interests of the Association; and

(d) An Audit Committee which shall supervise the annual audit of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting, as provided in Article XI, Section 8 (d). The Treasurer shall be an ex officio member of the Committee.

Section 2. It shall be the duty of each committee to receive complaints from members on any matter involving Association functions, duties, and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

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ARTICLE X

MEETING OF MEMBERS

Section 1. Annual Meetings. The annual meeting shall be held on such date and at such time in August as the Trustees shall from time to time deem appropriate. (as amended 8/10/73).

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the trustees, or upon written request of the members who are entitled to vote one-fourth (1/4) of all the votes of the entire membership or who are entitled to vote one-fourth (1/4) of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members 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 15 days before such meeting to each member entitled to vote thereat, addressed to the members' address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or the Code of Regulations. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Unit.

ARTICLE XI

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be trustees, a secretary, and a treasurer, and such other officers as the trustees may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the trustees following each annual meeting of the members.

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Section 3. Term. The officers of this Association shall be elected annually by the trustees and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The trustees 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 trustees may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the trustees. Any officer may resign at any time by giving written notice to the trustees, 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 unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the trustees; shall see that orders and resolutions of the trustees are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the trustees.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the trustees and of the members; serve notice of meetings of the trustees and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the trustees.

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Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the trustees; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the members.

ARTICLE XII

ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. By the Declaration each member is deemed to covenant and agree to pay to the Association; (1) annual assessments or charges, (2) special assessments for capital improvements, and (3) special individual Unit assessments. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest and costs, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due and shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents in the Properties and in particular for the improvement and maintenance of the Properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, and of the homes situated upon the Properties.

Section 3. Basis and Maximum of Annual Operating Assessments. Until January 1 of the year immediately following the conveyance of the first Unit to an owner, the maximum annual operating assessment shall be Two Hundred Sixteen Dollars ($ 216.00) per Unit.

(a) From and after January 1 of the year immediately following the conveyance of the first Unit to an owner, the maximum annual assessment may be increased effective January 1 of each year by the trustees without a vote of the membership in conformance with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington, D.C.) for the preceding month of July.

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(b) From and after January 1 of the year immediately following the conveyance of the first Unit to an owner, the maximum annual assessment may be increased above that established by the Consumer Price Index formula by a vote of the members for the next succeeding year and at the end of each such period of one year, for each succeeding period of one year, provided that any such change shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

(c) After consideration of current maintenance costs and future needs of the Association, the trustees may fix the annual assessment at an amount not in excess of the maximum.

(d) The annual operating assessment must be fixed at a uniform rate for all Units and may be collected on a monthly basis.

Section 4. Method of Computation when Using the Consumer Price Index. The Consumer Price Index establishes the United States City Average numerical rating for the month of July, 1969 as 110.2. This will be the base rating. To determine the percentage to be applied to the maximum annual assessment for each subsequent year, divide this base rating into the numerical rating established by the Consumer Price Index for the month of July preceding the proposed assessment year. This adjustment percentage, if in excess of 100 percentum, is multiplied by the original maximum annual assessment to obtain the maximum assessment for the subsequent year.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. Special assessments for capital improvements must be fixed at a uniform rate for all Units and may be collected on a monthly basis.

Section 6. Special Individual Unit Assessments. In addition to the assessments described in Sections 3 and 5 of this Article XII, the Association may levy, from time to time, in any assessment year, a special assessment on an individual Unit to pay for the repair and maintenance of the exterior portion of that Unit, if the Unit Owner fails to repair and maintain the same, to prevent said exterior portions from having a detrimental effect upon other Units, the Common Area, or the full comfort and enjoyment of other Unit Owners, and to pay for the cost of maintaining fire and extended coverage insurance on a Unit, if the Unit Owner fails to maintain such insurance; provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be

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sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting, and provided , further, that any such insurance so paid for by the Association shall be written in the name of the Association as trustee for the Owner, and the Association shall use all proceeds from the same to repair or reconstruct the Unit in the event of damage.

Section 7. Quorum for any Action Authorized under Section 3, 5, and 6. At the first meeting called, as provided in Sections 3, 5, and 6 hereof, the presence at the meeting of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirement set forth in Sections 3, 5, and 6, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 8. Date of Commencement of Annual Assessments: Due Dates. The annual assessment provided for herein shall commence as to each Unit on the first day of the month following the date the Common Area is conveyed to the Association; and in the case of Units in an area annexed pursuant to the provisions of Article II, Sections 1 or 2 of the Declaration, from the time of annexation of such additional area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The trustees shall fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the trustees. The Association shall upon demand at any time furnish a certificate in writing, signed by an officer of the Association, setting forth whether the assessments on a specified Unit have been paid. A reasonable charge may be made by the trustees for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. The due date for monthly assessments is the 1st of each month. If the assessment is not paid by the 10th of each month, a late fee of $ 5.00 will be added to the monthly assessment and will apply to any unpaid balance per month thereafter until the delinquent amount has been paid in full. (as amended 11/07/85). The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest and costs, of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Unit.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages. Sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any unit which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which became due prior to such sale or transfer. No sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.

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Section 11. Exempt Property. The following property subject to the Declaration shall be exempt from the assessments created therein:

(a) all properties dedicated to and accepted by a local public authority, (b) the Common Area, and (c) all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Ohio. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE XIII

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the Code of Regulations of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XIV

CORPORATE SEAL

The Association shall have no seal.

ARTICLE XV

AMENDMENTS

Section 1. These Regulations may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy; except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B membership.

Section 2. In the case of any conflict between the Articles of Incorporation and this Code of Regulations, the Articles shall control;
and in the case of any conflict between the Declaration and this Code of Regulations, the Declaration shall control.

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ARTICLE XVI

MISCELLANEOUS

The fiscal year of the Association shall be as determined from time to time by the Trustees. (as ıded 8/10/73).

- END -

: undersigned Office Manager of Hardesty Heights Association, an Ohio non profit corporation, ıy certify that the foregoing Code of Regulations was adopted and incorporated and constitutes :ode of Regulations of said Association, at a duly called and noticed meeting of Members at ı a quorum was present, by vote of a majority of Members present in person or by proxy.

Linda L. Samson, Office Manager

la L. Samson, Office Manager - JUNE 6th, 1995 - Hardesty Heights Association

n to and subscribed in my presence by LINDA L. SAMSON

6TH day of JUNE 19 95.

Notary Public, State of Ohio

ommission expires _____.

NOTARIAL SEAL STATE OF OHIO

WAYNE T. COLGROVE
NOTARY PUBLIC, STATE OF OHIO
MY COMMISSION EXPIRES AUG. 22, 1997