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**Transaction Number:** T20220083135
**Document Type:** DECLARATION
**Document Page Count:** 84

**Submitted By (Walk-In):**
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| **First Grantor:** | **First Grantee:** |
|---|---|
| PULTE HOMES OF OHIO LLC | SUGAR FARMS RETREAT |

| **Fees:** | | **Instrument Number:** 202208120117197 |
|---|---|---|
| Document Recording Fee: | $34.00 | **Recorded Date:** 08/12/2022 11:26:23 AM |
| Additional Pages Fee: | $656.00 | |
| Marginal Reference Fee: | $4.00 | |
| **Total Fees:** | $694.00 | |
| **Amount Paid:** | $694.00 | |
| **Amount Due:** | $0.00 | |

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CONVEYANCE TAX
EXEMPT
MICHAEL STINZIANO
FRANKLIN COUNTY AUDITOR

TRANSFER
NOT NECESSARY
AUG 12 2022
MICHAEL STINZIANO
AUDITOR
FRANKLIN COUNTY, OHIO

# SUBAREA DECLARATION
# OF
# COVENANTS, EASEMENTS, RESTRICTIONS, ASSESSMENTS AND ASSESSMENT LIENS

# FOR

# SUGAR FARMS RETREAT

*(A Planned Community Under*
*Chapter 5312 of the Ohio Revised Code)*

Cross Reference: Plat Book 132, Pages 122-127, recorded at Instrument No. 202205240078819, Recorder's Office, Franklin County, Ohio

# INDEX

ITEM PAGE

1. DEFINITIONS. ..... 2

2. GOALS. ..... 7

3. THE ASSOCIATION. ..... 8

3.1. Purposes. ..... 8
3.2. Mandatory Membership. ..... 8
3.3. Governance. ..... 9
3.4. Powers; Authority; Duties. ..... 9
3.5. Other Agreements. ..... 10
3.6. Rules and Regulations; Remedies. ..... 10
3.7. Implied Rights. ..... 11
3.8. Managing Agent. ..... 11
3.9. Insurance. ..... 11
3.10. Condemnation. ..... 13
3.11. Books; Records. ..... 13
3.12. Site Maintenance Services. ..... 13
3.13. Indemnification. ..... 14
3.14. Right of Action. ..... 14
3.15. Indemnification for Association Operations. ..... 15

4. THE MASTER ASSOCIATION. ..... 15

4.1. Purposes. ..... 15
4.2. Mandatory Membership. ..... 15

5. THE COMMON ELEMENTS/CONCEPTUAL PLANS. ..... 16

5.1. Common Elements. ..... 16
5.2. Annual Inspection of Common Elements - Budget. ..... 17
5.3. No Representations or Warranties Regarding Lakes, Creeks or Drainage Areas. ..... 17
5.4. No Representations or Warranties Regarding Natural Areas. ..... 17
5.5. Conceptual Plans. ..... 18

6. ASSESSMENTS. ..... 18

6.1. Operating Fund. ..... 18
6.2. Types of Assessments. ..... 19
6.3. Operating Assessments. ..... 19
6.4. Special Assessments. ..... 21
6.5. Individual Lot Assessments. ..... 21
6.6. Remedies. ..... 23

7. MAINTENANCE. ..... 25
7.1. Maintenance by Association. ..... 25
7.2. Maintenance by Owner. ..... 25
7.3. Right of Association to Repair Lot. ..... 26
7.4. Damage to Common Elements by Owner or Occupant. ..... 26
8. ARCHITECTURAL STANDARDS. ..... 26
8.1. Architectural Review Committee. ..... 26
8.2. Modifications. ..... 27
8.3. Variances. ..... 27
8.4. Improvements by Declarant. ..... 28
8.5. Liability Relating to Approvals. ..... 28
8.6. Liability of Declarant and the Architectural Review Committee; Indemnity. ..... 28
9. USE RESTRICTIONS. ..... 30
9.1. Use of Lots. ..... 30
9.2. Minimum Square Footages. ..... 30
9.3. Use of Common Elements. ..... 30
9.4. Hazardous Actions or Materials. ..... 31
9.5. Signs. ..... 31
9.6. Animals. ..... 31
9.7. Nuisances. ..... 32
9.8. Business. ..... 32
9.9. Storage. ..... 32
9.10. Hotel/Transient Uses/Leases. ..... 32
9.11. Vehicles. ..... 33
9.12. Trash. ..... 33
9.13. Antennae. ..... 34
9.14. Utility Lines. ..... 34
9.15. Tanks. ..... 34
9.16. Street Tree. ..... 34
9.17. Mailbox. ..... 34
9.18. Yard Lights and Lamp Posts. ..... 35
9.19. Fencing. ..... 35
9.20. Swimming Pools/Hot Tubs. ..... 35
9.21. Compliance with Zoning. ..... 35
9.22. Hobbies. ..... 36
9.23. No-Build/No-Disturb/Preservation/Conservation/Protection/Buffer Zones. ..... 36
9.24. Miscellaneous. ..... 36
9.25. Declarant and Builder Development and Construction. ..... 36
9.26. Occupants Bound. ..... 36
10. EASEMENTS AND LICENSES. ..... 37

10.1. Easement of Access and Enjoyment Over Common Elements. ....37
10.2. Right of Entry for Repair. ....37
10.3. Easement for Utilities and Other Purposes. ....37
10.4. Easement for Services. ....38
10.5. Easements Reserved to Declarant. ....38
10.6. Easement for Maintenance. ....39
10.7. Temporary Easement to Complete Construction. ....39
10.8. Easement for Mailboxes. ....39
10.9. Easement to Inspect and Right to Correct. ....39
10.10. General. ....40

11. UTILITY SERVICES. ....40

12. DISPUTE RESOLUTION ....40

12.1. Dispute Resolution. ....40
12.2. Mandatory Procedures. ....42
12.3. Notice of Claim. ....42
12.4. Negotiation. ....42
12.5. Mediation. ....43
12.6. Arbitration. ....43
12.7. Costs. ....44
12.8. Funding Association Claims. ....44
12.9. Claims Relating to Common Elements. ....44
12.10. Claims by Owner(s) Relating to Common Elements. ....47

13. HOME CONSTRUCTION CLAIMS ....47

13.1. Claims Relating to Dwellings and Lots. ....47

14. MISCELLANEOUS. ....52

14.1. Term. ....52
14.2. Enforcement. ....53
14.3. Amendments. ....53
14.4. Declarant's Rights to Complete Development. ....54
14.5. Mortgagee Rights. ....56
14.6. Assignment of Declarant's Rights. ....56
14.7. Security. ....56
14.8. Privacy. ....57
14.9. Adjacent Land Use. ....57
14.10. Mutuality ....58
14.11. Severability. ....58
14.12. Enforcement; Waiver. ....58
14.13. Notices. ....58
14.14. Exhibits. ....59

14.15. Construction.....59
14.16. Captions.....59

Exhibits

Exhibit A.....Property

Exhibit B.....Code of Regulations (Bylaws) of Sugar Farms Retreat Homeowners' Association, Inc.

# SUBAREA DECLARATION OF COVENANTS, EASEMENTS, RESTRICTIONS, ASSESSMENTS AND ASSESSMENT LIENS FOR SUGAR FARMS RETREAT

This Subarea Declaration of Covenants, Easements, Restrictions, Assessments and Assessment Liens for Sugar Farms Retreat (this "**Declaration**") is made on or as of this 29th day of July, 2022 (the "**Effective Date**"), by Pulte Homes of Ohio LLC, a Michigan limited liability company, whose address is 475 Metro Place South, Suite 200, Dublin, Ohio 43017 ("**Declarant**").

## Background

1. Declarant is the owner in fee simple of the real estate identified and described on Exhibit A, attached hereto incorporated herein, and made a part hereof by this reference (such property along with any Additional Property, is referred to herein as the "**Property**").

2. The Property is being developed and built as a residential subdivision of lots for single-family homes known as Sugar Farms Retreat (the "**Community**") and may include public or private streets, associated improvements, storm water drainage facilities landscaped areas, entranceway and Community border features, reserves, open or green spaces, and various other amenities.

3. Declarant desires to restrict the use and occupancy of the Property and provide for the protection of the Property and the future Owners of the Property and to provide for the preservation of the values of and amenities in Sugar Farms and for the maintenance of Common Elements for the benefit of the present and future Owners of the Lots and the Improvements constructed on them.

4. Further, Declarant deems it desirable for the accomplishment of these objectives to create an association to which is delegated and assigned the non-exclusive right and obligation to administer and enforce the provisions hereof, to own and/or maintain certain property, to have easement rights with respect to certain property, to administer such property, and to collect and disburse funds necessary to accomplish these objectives. Accordingly, Declarant shall cause to be incorporated a homeowners' association as a non-profit corporation under and pursuant to the laws of the State of Ohio, whose Members are and will be all of the Owners of any and all Lots in the Community.

5. The Property, and ultimately the entire Community, will be part of a larger development known as "Sugar Farms", which encompasses or may encompass, in addition to the Community, recreational facilities, including a clubhouse and pool area, open spaces and reserves, landscaped areas, storm water detention facilities, one or more areas containing single-family homes or patio homes, all of which such residential units contained in Sugar Farms shall be part of a master association of owners to which is delegated and assigned the non-exclusive

right and obligation to administer and enforce the provisions thereof, to own certain property, to have easement rights with respect to certain property, to administer such property, and to collect and disburse funds necessary to accomplish these objectives.

6. Declarant hereby declares that all of the Property shall be encumbered with the following covenants, easements, restrictions and conditions which shall run with the land and be binding on all parties having any right, title or interest in the Property, or any part thereof, their heirs, successors and assigns, including the future Owner of any Lot, Declarant, Declarant's successors and assigns, and any utility companies, whether public or private, who are granted rights herein.

## COVENANTS, EASEMENTS, RESTRICTIONS, ASSESSMENTS AND ASSESSMENT LIENS

NOW THEREFORE, in pursuance of a general plan for the protection, benefit, and mutual advantages of the property in the Community, Declarant hereby declares that all of the Property (currently being all of the property described on Exhibit A attached to this Declaration), shall be held, developed, improved, encumbered, sold, conveyed and occupied subject to the following covenants, easements, and restrictions, and lien for assessments, which are for the purpose of protecting the values and desirability of, and which shall run with, the land and each part thereof, and be binding on all parties having any right, title or interest including occupancy rights therein and each part thereof, and their respective heirs, successors and assigns, and shall inure to the benefit of and be enforceable by Declarant, each owner of property in the Community and their respective personal representatives, heirs successors and assigns, and the Association.

The provisions of this Declaration of Covenants, Easements, Restrictions, Assessments and Assessment Liens, as from time to time amended, shall be considered to be a part of, and incorporated within, each deed hereinafter conveying the Lots, or any portion thereof.

## 1. DEFINITIONS.

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

(a) "**Additional Easement Areas**" – those areas, whether or not shown on the plat of the Community, which Declarant has determined shall be subject to further easements for the benefit of the Community.

(b) "**Additional Property**" – property that may in the future be subjected to the plan for the Community provided hereby, and consists of such property as Declarant, in its sole discretion, may from time to time determine and designate as Additional Property.

(c) "**Architectural Review Committee**" – the group of individuals appointed by the Board having the power and authority to establish and enforce architectural standards governing the construction of all subsequent Improvements, modifications, additions to or alterations thereto in the Community.

(d) **"Articles" and "Articles of Incorporation**" – those articles, when filed with the Secretary of State of Ohio, incorporating Sugar Farms Retreat Homeowners' Association, Inc. (the "**Association**") as a non-profit corporation under the provisions of Chapter 1702 of the Revised Code of Ohio ("**Chapter 1702**"), as the same may be lawfully amended from time to time.

(e) "**Assessments**" – charges levied by the Association on Lots and their Owners, consisting of Operating Assessments, Special Assessments, and Individual Lot Assessments or any other assessments required by the Declaration or any Supplemental Declaration.

(f) "**Association**" – an association of all of the Owners of Lots in the Community, at any time, except Owners of Exempt Property with respect to that property. The Association is being incorporated as an Ohio non-profit corporation named "Sugar Farms Retreat Homeowners' Association, Inc." or similar name, and its successors and assigns, which Association is also an "Owners' Association" as that term is defined in the Planned Community Law.

(g) "**Board**" – the Board of Directors or other management body of the Association.

(h) "**Builder**" means any person or entity who purchases or owns one (1) or more Lots for the purpose of constructing a Dwelling for later sale to consumers in the ordinary course of such person's or entity's business.

(i) "**Bylaws**" mean the Bylaws of the Association, as may be lawfully amended from time to time, that provide for the operation and procedures of the Association, as that term is used in the Planned Community Law. The "Bylaws" are the Association's "regulations" or "Code of Regulations" pursuant to Chapter 1702. A copy of the Bylaws is attached as Exhibit B hereto and made a part hereof by this reference.

(j) "**Common Elements**" – all real and personal property or interest therein now or hereafter acquired by the Association in fee or in which the Association has the use of pursuant to a lease or easement or has an obligation to maintain, and property benefited by any easement to it, for the common use and the enjoyment of the Owners, or for the operation of the Association. The Common Elements may include, without limitation, open spaces, Reserves, entranceway and Community border features, landscaping and other flora, detention areas, multi-use paths and other property including the structures and Improvements thereon, designated by Declarant or the Board (as the Board will be constituted following the Turnover Date) to be Common Elements, and benefiting the Owners of the Lots and Improvements in the Community. The Common Elements shall include not only real or personal property owned by the

Association, but also include real and personal property for the maintenance of which the Association has responsibility under this Declaration, pursuant to applicable zoning regulations, approved plat(s), and/or under any agreement entered into by the Declarant or by the Association, the terms of which are binding upon the Association. Common Elements also include Reserves, easements or other property or interests in property dedicated to a political subdivision that are or that are required to be maintained by the Association.

(k) "**Common Expense**" – costs and expenses incurred by the Association in fulfilling its functions pursuant to the provisions of the Governing Documents or funds needed to meet cash requirements of the Association for its operations and reasonable reserves including all costs the Association incurs in the administration, governance and maintenance of the Community and all costs of the purchase, administration, operation, maintenance, repair, and replacement of the Common Elements.

(l) "**Community**" – all property that at any time has been subjected to the provisions of this Declaration, and initially includes all of the property described in Exhibit A, and which may be expanded to encompass all or any part of the Additional Property.

(m) "**Declarant**" – Pulte Homes of Ohio LLC, a Michigan limited liability company, and any successor or assign to which it specifically assigns any of its rights and which assumes its obligations hereunder by a written instrument.

(n) "**Declaration**" or "**Covenants**" means this instrument as it may be subsequently amended.

(o) "**Dwelling Unit**" – a Residence as well as the Lot on which the Residence is constructed.

(p) "**Exempt Property**" – means the portion of the real property comprising the Community (i) now or hereafter dedicated to common public use or owned by the United States, the State of Ohio, Franklin County, City of Columbus, any municipality, school board, or similar governmental body, or any instrumentality or agency or any such entity, for so long as any such entity or any such instrumentality or agency shall be the owner thereof, or (ii) owned by the Association; provided in either such case, the same is not utilized as a residence.

(q) "**Governing Documents**" – the Association's Articles of Incorporation, Bylaws, its Rules, and all amendments thereto, this Declaration, and all amendments thereto, and applicable building and zoning laws and ordinances, and any Recorded plats.

(r) "**Improvements**" – all man made or installed alterations to the Property which cause the Property to deviate from its natural conditions including but not limited to single-family homes, dwellings, all buildings, outbuildings, garages and structures; overhead, aboveground and underground installations, including without limitation, utility facilities and systems, lines, pipes, wires, towers, cables, conduits, poles, antennae and satellite dishes, solar

panels; flagpoles; swimming pools; swing-sets, playground equipment, playhouses and forts; tennis and all other types of permanently installed recreational courts, fixtures and facilities; slope and drainage features, structures and conditions; roads, driveways, uncovered parking areas and other paved areas; fences, trellises, walls, retaining walls, exterior stairs, decks, patios and porches; planted trees, hedges, shrubs and other forms of landscaping; and all other improvements and/or structures of every type.

(s) "**Individual Lot Assessment**" – an assessment that the Board may levy upon a Lot and its Owner to reimburse the Association for costs incurred solely on behalf of that Lot, or the Owner thereof, including without limitation, costs associated with making repairs that are the responsibility of the Owner of that Lot; costs of additional insurance premiums reasonably allocable to an Owner because of use of Improvements on that Lot; costs of any utility expenses chargeable to an Owner but not separately billed by the utility company; administrative charges for violations of the Governing Documents, late charges, and interest on delinquent assessments, and costs of collection of delinquent obligations to the Association, including attorney's fees and court costs, and all other charges reasonably determined by the Association to be chargeable solely to a Lot and its Owner.

(t) "**Lot**" – a separate parcel of real property now or hereafter identified upon a Recorded subdivision plat of property in the Community, or any portion thereof, or Recorded re-subdivision thereof, and any other separate parcel of real property designated as a Lot by Declarant, and subjected to the provisions of this Declaration, excluding the Common Elements, the Master Common Elements, and any portion of the Community dedicated for public use. Declarant reserves the right to split and/or combine currently platted Lots into new platted Lots without the consent or approval of Owners of other Lots in the Community, as Declarant may deem such split or combination to be beneficial to the Property from time to time. Any and all references herein to a "Lot" shall include any such re-platted Lots. Once a split/combination is completed, the former lots shall cease to be "Lots" for any and all purposes hereunder.

(u) "**Manager**" – the Person retained by the Board to assist in the management of the Association.

(v) "**Master Association**" – an association of all present and future owners of residential dwelling units in Sugar Farms, whether being homes on lots, including the Owners of Lots in the Community, condominium units, except Owners of Exempt Property with respect to that property. The Master Association has been, or will be, incorporated as an Ohio non-profit corporation named "Sugar Farms Master Association, Inc." or similar name.

(w) "**Master Common Elements**" – all real and personal property or interest therein now or hereafter acquired by the Master Association in fee or in which the Master Association has the use of pursuant to a lease or easement or has an obligation to maintain, and property benefited by any easement to it, for the common use and the enjoyment of the owners and occupants of Sugar Farms, or for the operation of the Master Association. The Master Common

Elements shall consist of those items outlined in the Master Declaration and may include, without limitation, private roads, swimming pools, open spaces, Reserves, entranceway and border features, landscaping and other flora, detention areas, multi-use paths and other property including the structures and Improvements thereon, designated by Declarant or the board of the Master Association to be Master Common Elements, and benefiting the owners and occupants of Sugar Farms.

(x) "**Master Declaration**" – the instrument by which the property in Sugar Farms is subjected to the provisions thereof, which has been, or will be, recorded at the Recorder's Office, Franklin County.

(y) "**Member**" – any Person meeting the requirement for membership in the Association as provided in this Declaration, as may be amended.

(z) "**Occupant**" – the natural person(s) lawfully residing in a Residence on a Lot, regardless of whether such person(s) is an Owner.

(aa) "**Operating Assessments**" – an assessment that the Board may levy form time to time upon all Lots, other than Exempt Property, and their Owners, pursuant to the terms of this Declaration, to provide funds to pay Common Expenses, that is, funds needed to meet cash requirements of the Association for its operations, capital improvements and reasonable reserves.

(bb) "**Owner**" – the record owner, whether one or more Persons, of fee simple title to a Lot, excluding vendors under Recorded land installment contracts but including the vendees, and excluding Declarant and all others having an interest merely as security for performance of an obligation.

(cc) "**Person**" – a natural individual, trustee, corporation, partnership, limited liability company, or other legal entity capable of holding title to real property.

(dd) "**Planned Community**" – a community to which the Planned Community Law is applicable.

(ee) "**Planned Community Law**" means the statutory law of the State of Ohio relating to the creation and operation of planned communities and is presently Chapter 5312 of the Ohio Revised Code.

(ff) **"Property"** – all of the real property described in Exhibit A attached to this Declaration and incorporated herein by this reference, any other real property that is owned in fee simple by the Association together with all property the Association has the use of pursuant to a lease or easement or has an obligation to maintain and all appurtenances thereto, and any Additional Property.

(gg) "**Record**," "**Recording**" or "**Recorded**" means the filing of a legal instrument in the real property records of Franklin or such other place as may be designated as the official location for filing deeds, plats and similar documents affecting title to real property.

(hh) "**Reserves**" – one or more of the reserves or open spaces in the Community, as delineated and shown on a Recorded plat and subjected to the provisions hereof.

(ii) "**Residence**" – any Improvement to be constructed on a Lot and intended exclusively for occupancy by a single family together with all appurtenances thereto, including private garage and recreational facilities usual and incidental to the use of a single-family residential lot.

(jj) "**Rules**" – the rules and regulations governing use of property and Common Elements in the Community and the conduct of Members and their respective families, guests, licensees and invitees, as may be established by the Board from time to time.

(kk) "**Special Assessment**" – an assessment that the Board may levy upon all Lots, except Exempt Property, to pay for unanticipated operating deficiencies, or to pay for capital expenditures not regularly budgeted and not to be paid out of monetary reserves, such as costs for major capital improvement replacements and for major new capital improvements, or any other similar purpose determined appropriate by the Board.

(ll) "**Sugar Farms**" – the larger development of which the Community is a part and being property that has been or will be subjected to the Master Declaration.

(mm) "**Turnover Date**" – the date on which Declarant relinquishes its exclusive right to appoint all members of the Board, which date shall be no later than the date when the Community has been fully developed, all Lots have been deeded to bona fide purchasers unrelated to the Declarant, and Declarant no longer owns any real property within the Property; provided, however, Declarant reserves the right, in its sole and unfettered discretion, to turn over control of the Association, or selected functions thereof, at such earlier time as it determines in its sole discretion.

## 2. GOALS.

The covenants, easements, conditions and restrictions contained in this Declaration are declared to be in furtherance of the following purposes:

(a) promotion of the health, safety and welfare of all Owners and Occupants of property in the Community;

(b) ownership, administration, preservation, beautification and maintenance of the Community's Common Elements and all Improvements thereon;

(c) enforcement of architectural controls and restrictions applicable to the Community;

(d) compliance with all zoning and similar governmental regulations applicable to the Community;

(e) provide for mandatory membership of Owners in the Community, as it may be constituted, from time to time, in the Association and the Master Association,and the assessment and collection of funds to fulfill its objectives;

(f) establishment of requirements for the development and use of the Property; and

(g) compliance with the Planned Community Law.

## 3. THE ASSOCIATION.

### 3.1. Purposes.

The Association shall apply all funds received by it pursuant hereto, and all other funds and property received by it from any source, to the fulfillment of the purposes of the Association as hereinbefore provided. The purposes of the Association are to:

(a) own, repair, maintain, regulate the use of, and have easements with respect to, various facilities and amenities in the Community that benefit all of the Community and its Owners and Occupants, including, without limiting the generality of the foregoing, the Common Elements and such other Improvements and amenities as designated to be Common Elements by Declarant, and after the Turnover Date, by the Board;

(b) administer and enforce the provisions of the Governing Documents;

(c) all other purposes provided for and permitted by the Planned Community Law; and

(d) assess, collect and disburse funds necessary to fulfill these purposes.

### 3.2. Mandatory Membership.

Every Owner shall be a Member of the Association. In the case of a Lot that is the subject of a Recorded land installment contract, the vendee or vendees under that installment contract and not the vendor, while holding such interest, shall be a Member of the Association. There shall only be one membership per Lot. In the event the fee simple interest in a Lot, or ownership of the vendee interest in a Lot, is held by more than one Person, the co-interest holders of such interests while holding such interests shall have only one membership in the Association, as tenants-in-common, with respect to that Lot. Such membership is appurtenant to and inseparable

from such interests. Status as a Member shall automatically transfer to the transferee of that interest at the time the fee simple interest is transferred of Record. Initially, those Lots to which these membership provisions apply shall be those Lots that are subjected hereby to the provision of this Declaration. However, as portions of the Additional Property or additional portions of the Community are subdivided and platted into Lots, and the Lots therein subjected by amendments hereto to the plan hereof, membership in the Association shall extend to and encompass the holders of fee simple interests in those Lots, and holders of vendee interests under Recorded land installment contracts with respect to those Lots, on the same basis as set forth herein for membership. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation and the giving of a security interest or mortgage shall not terminate the membership of any Owner, provided further, there shall not be a membership appurtenant to a Lot dedicated to common public use or owned by any governmental body, instrumentality or agency for so long as such body, instrumentality or agency owns that Lot and so long as it is not utilized as a residence, nor for a Lot, if any, that becomes a Common Element or Master Common Element, for so long as it remains a Common Element or Master Common Element. Voting and all other matters regarding the governance and operation of the Association shall be as set forth in the Governing Documents.

### 3.3. Governance.

The Association shall be governed by a Board of Directors, initially consisting of three persons. Prior to the Turnover Date, the members of the Board shall be appointed by the Declarant, or the Declarant may elect to act as the Board, or it may appoint a managing agent to act as the Board on its behalf. No Members, other than the Declarant, shall have voting rights in Association matters until the Turnover Date. The Declarant may, in the exercise of its sole discretion and without altering or waiving the foregoing provisions, cause or allow one or more meetings to occur prior to the Turnover Date, for purposes stated by the Declarant, at which the Declarant may consent to the exercise of voting rights by Members. On and after the Turnover Date, voting rights shall be exercisable by Members in accordance with the terms of the Governing Documents. The transfer of control on the Turnover Date shall take place at a meeting which shall occur no later than the date when the Community has been fully developed and all Lots have been deeded to bona fide purchasers unrelated to Declarant. Voting and all other matters regarding the governance and operation of the Association following the Turnover Date shall be set forth in the Governing Documents.

### 3.4. Powers; Authority; Duties.

The Association shall have all the rights, powers, and duties established, invested, or imposed on it pursuant to the Governing Documents, and the laws of the State of Ohio applicable to Ohio non-profit corporations and Planned Communities. Among other things, the Association, through its Board (and, unless otherwise provided herein, without the consent of the Members), shall have the power to acquire, own and convey real estate including any fee interest or any security interest in any portion of the Common Elements; hold easements with respect to,

and maintain the Common Elements; enforce and administer this Declaration, Rules, restrictions and covenants applicable to the Community; sue and be sued; levy and collect assessments; collect and maintain reserves for replacements or anticipated expenditures; perform the site maintenance services set forth in Section 3.12 below; enter into contracts; mortgage and pledge all revenue received and to be received and/or to assign and pledge all revenues received or to be received by it under any provisions of these covenants, including, but not limited to, the right to the assessments and the proceeds therefrom, including common assessments and any future income from assessments payable hereunder; and take such other actions as it deems appropriate to its purposes. The Association shall not be obligated to spend in any particular time period all the sums collected or received by it in such time period or in any other time period and may carry forward, as surplus, any balances remaining; nor shall the Association be obligated to apply any such surpluses to the reduction of the amount of the assessment in any year, but may carry forward from year to year and time to time such surplus as the Board in its absolute discretion may determine to be desirable for the greater financial security of the Association and the effectuation of its purposes. Notwithstanding the foregoing, the Association may not convey any fee interest or any security interest in any portion of the Common Elements unless seventy-five percent (75%) of the voting power of the Members approves the conveyance.

### 3.5. Other Agreements.

The Association shall have the power and authority to contract with any Person for the exercise of any one or more of the various powers and authority granted to and duties to be performed by the Association hereunder, and to delegate such powers and authority to any agent or employee of the Association, and the exercise of those powers and authority by such Person, agent or employee shall be deemed the exercise of those powers and authority by the Association, except that no independent contractor shall be deemed by virtue of these provisions to be the agent of the Association. There shall be no requirement of any bond or surety for the Association, its agents, employees, or others assuring the exercise of the powers and authority granted hereunder, except as the Board shall in its sole discretion deem necessary or desirable for the safeguarding of any funds received by the Association. The Association may enter into agreements with other community, subdivision and condominium associations and/or master associations pursuant to which the Association agrees (i) to share in the cost of maintaining, repairing and replacing landscaping, storm water retention facilities, mounding, fencing and any other Improvements or services that benefit the Community or the Members; and (ii) to grant reciprocal rights, licenses and/or easements to members of such other associations to use and enjoy each other's common elements, subject to such rules and regulations, restrictions and fees as the Association may determine from time to time.

### 3.6. Rules and Regulations; Remedies.

The Association may make and enforce reasonable Rules governing the use, operation and/or maintenance of the property which is a part of the Community, which shall be consistent with the other provisions of the Governing Documents. The Association shall have the power to

impose sanctions on Members and Owners for any infraction of the Governing Documents, including the provisions hereof and the Rules, which such sanctions may include without limitation: (i) reasonable monetary administrative charges which shall be considered Individual Lot Assessments; (ii) suspension of the right to vote as a Member of the Association; and (iii) suspension of the right of the Owner and that Owner's Occupants, licensees and invitees, to use the Common Elements or any part thereof. In addition, the Board shall have the power to seek relief, including injunctive relief, in any court for violations or to abate violations of the provisions of the Governing Documents. If the Board expends funds for attorneys' fees or litigation expenses in connection with the enforcement of any provision of the Governing Documents, the amount so expended shall be due and payable by the Owner of the Lot whose Occupant, licensee or invitee violated the provisions of the Governing Documents, and the same shall be an Individual Lot Assessment against such Owner's Lot.

### 3.7. Implied Rights.

The Association may exercise any other right or privilege given to it expressly by the laws of the State of Ohio or any provision of the Governing Documents or given to it as an "owners association" by the Planned Community Law, and every other right or privilege reasonably implied from the existence of any right or privilege granted thereby or in this Declaration, or reasonably necessary to effect any such right or privilege.

### 3.8. Managing Agent.

The Board may retain and employ on behalf of the Association a Manager, which may be Declarant, and may delegate to the Manager such duties as the Board might otherwise be authorized or obligated to perform. The compensation of the Manager shall be a Common Expense. The term of any management agreement shall allow for termination by either party, without cause and without penalty, upon no more than ninety (90) days prior written notice.

### 3.9. Insurance.

(a) Fire and Extended (Special Form) Coverage. The Association shall, with respect to insurable property or interests owned by it, obtain and maintain insurance for all buildings, structures, fixtures and equipment and common personal property, now or at any time hereafter constituting a part of the Common Elements, against loss or damage by fire, lightning, and such other perils as are ordinarily insured against by standard coverage endorsements, with such limits, deductibles, and coverage as is deemed appropriate by the Board or as required by applicable Planned Community Law. This insurance:

(i) shall provide that no assessment may be made against a first mortgage lender, or its insurer or guarantor, and that any assessment under such policy made against others may not become a lien on any Lot, or other property, and its appurtenant interest, superior to the lien of a first mortgage;

(ii) shall be obtained from an insurance company eligible to write such insurance in the State of Ohio which has a current rating of Class A-/VII, or better, as determined by the then latest edition of Best's Insurance Reports or its successor guide;

(iii) shall be written in the name of the Association;

(iv) shall not be cancelled upon less than thirty (30) days' prior notice to the Association; and

(v) unless otherwise determined by the Board, shall contain a waiver of subrogation of rights by the carrier as to the Association, its officers and directors, and all Owners.

(b) Liability Coverage. The Association shall obtain and maintain a Commercial General Liability policy of insurance covering all of the Common Elements and the functions of the Association insuring the Association, the officers and directors (including the Board), and its Members, with such limits as the Board may determine, but no less than the greater of (a) the amounts generally required by private institutional mortgage investors for projects similar in construction, location and use, and (b) $1,000,000, for bodily injury, including deaths of persons, and property damage, arising out of a single occurrence. This insurance shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of any Member because of negligent acts of the Association, the Board, or other Members, and shall include, without limitation, coverage for legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the Common Elements, and other legal liability, including liability under contractual indemnity clauses and liability arising out of lawsuits related to any employment contracts of the Association. Each such policy must provide that it may not be canceled or substantially modified by any party, without at least thirty (30) days prior written notice to the Association.

(c) Directors' and Officers' Liability Insurance. To the extent reasonably available, the Board shall obtain, or cause to be obtained, directors' and officers' liability insurance.

(d) Other. The Association may, in the Board's discretion, obtain and maintain the following insurance: (i) fidelity bond coverage for all officers, directors, Board members and employees of the Association and all other Persons handling or responsible for handling funds of the Association, (ii) workers' compensation insurance, (iii) additional insurance against such other hazards and casualties as is required by law, and (iv) any other insurance the Board deems necessary.

(e) Use of Proceeds. In the event of damage or destruction of any portion of the Common Elements, the Association shall promptly repair or replace the same, to the extent that insurance proceeds are available. Each Member hereby appoints the Association as its attorney-in-fact for such purpose. If such proceeds are insufficient to cover the cost of the repair or

replacement, then the Board may levy a Special Assessment pursuant to the provisions hereof to cover the additional costs.

(f) Declarant Coverage. The foregoing provisions of this Section 3.9 notwithstanding, prior to the Turnover Date the Declarant may (but shall not be obligated to) elect to cause or allow the Association and its insurable interests in the Association's property, rights and obligations, to be covered by Declarant's existing insurance polic(ies), which may or may not meet the monetary limitations described herein, and which may or may not include 'self-insurance' by the Declarant, all as deemed appropriate by the Declarant in the exercise of its sole discretion.

**3.10. Condemnation.**

The Association shall represent the Members in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Elements, or any portion thereof. Each Member hereby irrevocably appoints the Association as its attorney-in-fact for such purpose. The awards or proceeds of any condemnation action shall be payable to the Association, to be held and used for the benefit of the Members, as determined by the Board.

**3.11. Books; Records.**

Upon reasonable request of any Member, the Association shall be required to make reasonably available for inspection and copying by any Member all books, records and financial statements of the Association, except, unless approved by the Board, a Member may not inspect the following: (1) information that pertains to personnel matters; (2) communications with legal counsel's attorney work product pertaining to proposed or pending litigation; (3) information that pertains to contracts or transactions currently under negotiation, or information that is contained in a contract or other agreement containing confidentiality requirements and that is subject to those requirements; (4) information that relates to the enforcement of the Governing Documents against Owners; (5) information the disclosure of which is prohibited by any applicable laws, rules, or regulations; and (6) any other information the Board deems privileged, protected, or confidential. The Association may charge a reasonable fee to cover the administrative costs of handling, copying, delivering, etc., the requested documents.

**3.12. Site Maintenance Services.**

The Association shall cause the following site maintenance services to be provided for all Lots in the Community:

(a) Lawn mowing and trimming as deemed appropriate in the judgment of the Board;

(b) Fertilization of lawn areas as deemed appropriate in the judgment of the Board;

(c) Once-per-year edging and mulching of planting beds adjacent to the home on each Lot as installed by the builder of the home on the Lot. Edging, and mulching of other beds (if any) installed by a Lot's Owner after the completion of the construction of the home on the Lot, and all weeding of all beds on the Lot and the care of all plant material located in the beds on the Lot, shall be the responsibility of the Lot Owner at such Owner's expense, provided however that if a Lot Owner fails to maintain the beds and the plant material in the beds on such Owner's Lot to a reasonable minimum standard adopted by the Board, the Association shall have the right (but not the obligation) to cause the necessary work to be done on the Owner's Lot, and to charge the Owner for the cost of such work (plus a reasonable administrative service fee for having to cause such work to be done); and

(d) Such other services for the general maintenance of the Community as shall be determined by the Board from time to time, including without limitation snow/ice removal and sidewalk maintenance.

### 3.13. Indemnification.

The Association shall indemnify, defend and hold every officer, director, and employee of the Association harmless against any and all claims, liabilities, and expenses, including attorneys' fees, reasonably incurred by or imposed upon any officer, director, or employee in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the Board) to which he/she may be a party by reason of being or having been an officer, Director, or employee. The officers, directors, and employees of the Association shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misconduct, bad faith or gross negligence. The officers, directors, and employees of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify and forever hold each such officer, director, and employee free from and harmless against any and all liability to others on account of any such contract or commitment. The Association may also indemnify any agent or volunteer of the Association as provided in the Bylaws. Any right to indemnification provided herein shall not be exclusive of any other rights to which any officer, director, employee, agent, or former officer, director, or agent may be entitled by law or the provisions of any other Governing Document.

### 3.14. Right of Action.

The Association shall not have the power to institute, pursue, join, intervene in, settle or compromise litigation, arbitration or other proceedings: (a) in the name of or on behalf of any Owner (whether one or more); or (ii) pertaining to a claim relating to the design, construction or repair of a Dwelling, a Lot or any improvements on a Lot (other than a Common Element Claim

(as defined below)). This Section may not be amended or modified without Declarant's written and acknowledged consent and the consent of Members entitled to cast at least one hundred percent (100%) of the total number of votes of the Association, both of which must be part of the Recorded amendment instrument.

### 3.15. Indemnification for Association Operations.

**THE ASSOCIATION SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE DECLARANT AND ITS PARTNERS, MEMBERS, MANAGERS, DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS AND DECLARANT'S SUCCESSORS AND ASSIGNS (COLLECTIVELY, THE "DECLARANT PARTIES") FROM AND AGAINST ALL CLAIMS, CAUSES OF ACTION, DAMAGES, COSTS AND EXPENSES, INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COSTS, IN CONNECTION WITH ANY THREATENED, INITIATED OR FILED CLAIM, SUIT, ARBITRATION OR OTHER PROCEEDING (INCLUDING THE SETTLEMENT OF ANY CLAIM, SUIT, ARBITRATION OR OTHER PROCEEDING) ASSERTED AGAINST ANY OF THE DECLARANT PARTIES OR TO WHICH ANY OF THEM MAY BECOME A PARTY ARISING OUT OF OR RELATED TO THE MANAGEMENT OR OPERATION OF THE ASSOCIATION, INCLUDING WITHOUT LIMITATION, THE ENFORCMENT OF THE GOVERNING DOCUMENTS, THE COLLECTION OF ASSESSMENTS, AND THE OPERATION, MAINTENANCE AND REPAIR (OR FAILURE TO OPERATE, MAINTAIN OR REPAIR) THE COMMON ELEMENTS.**

## 4. THE MASTER ASSOCIATION.

### 4.1. Purposes.

The purposes of the Master Association are to own and have easements with respect to, and repair, maintain and regulate the use of, the Master Common Elements.

### 4.2. Mandatory Membership

The Master Association is an association of present and future owners of residential dwelling units in Sugar Farms, whether homes on lots, including the Owners of Lots in the Community or condominium units. All Owners shall be members of the Master Association and subject to the Master Declaration. All property in Sugar Farms shall be held, sold, and conveyed subject to the requirement that the owner or owners thereof be members of the Master Association, and subject to the provisions of the Master Association Declaration, and the articles of incorporation, code of regulations, and lawful rules and regulations of the Master Association.

## 5. THE COMMON ELEMENTS/CONCEPTUAL PLANS.

### 5.1. Common Elements.

Declarant may, from time to time, at Declarant's option, convey to the Association, for the use and benefit of the Association and the Owners and Occupants, real or personal property, or any interest therein, as part of the Common Elements. All or any real or personal property assigned, transferred and/or conveyed by the Declarant to the Association shall be deemed accepted by the Association upon Declarant's or its assignee's assignment, transfer or conveyance to the Association without consent or action by the Association, and shall be considered Common Elements without regard to whether such real or personal property is designated by the Declarant as Common Elements. If requested by the Declarant, the Association will execute a written instrument, in a form requested by the Declarant, evidencing acceptance of such real or personal property; provided, however, execution of a written consent by the Association shall in no event be a precondition to acceptance by the Association. The assignment, transfer, and/or conveyance of real or personal property to the Association may be by deed without warranty, may reserve easements in favor of the Declarant or a third party designated by Declarant over and across such property, and may include such other provisions, including restrictions on use, determined by the Declarant, in the Declarant's sole and absolute discretion. Property assigned, transferred, and/or conveyed to the Association may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests. **ALL PROPERTY CONVEYED TO THE ASSOCIATION WILL BE DEEMED CONVEYED IN ITS THEN "AS-IS" CONDITION, WITH ALL FAULTS, AND WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, EXCEPT TO THE EXTENT DECLARANT OR ASSIGNEE PROVIDES AN EXPRESS, WRITTEN WARRANTY IN THE DEED OR OTHER DOCUMENT MAKING SUCH CONVEYANCE. TO THE FULLEST EXTENT PERMITTED BY LAW, ALL WARRANTIES PERTAINING TO COMMON ELEMENTS, INCLUDING BUT NOT LIMITED TO STATUTORY AND IMPLIED WARRANTIES (INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF HABITABILITY, MERCHANTABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS FOR A PARTICULAR PURPOSE), ARE HEREBY DISCLAIMED BY DECLARANT AND WAIVED BY THE ASSOCIATION AND EACH OWNER.** Upon Declarant's written request, the Association will re-convey to Declarant any unimproved real property that Declarant originally conveyed to the Association for no payment. In addition, Declarant may also grant such easements to the Association as Declarant, in its sole discretion, determines to be of benefit to the Community, as the Community may be constituted from time to time. Declarant may obligate the Association to maintain real or personal property not owned or to be owned by the Association, and may also grant such easements to the Association as the Declarant, in its sole discretion, determines to be of benefit to the Community, as the Community may be constituted from time to time. The Association may also acquire, hold, manage, operate, maintain, improve, mortgage and dispose of tangible and intangible personal property and real property in addition to that property conveyed to it by Declarant. The Association, subject to the rights of the Owners set forth in

this Declaration and the Governing Documents, shall be responsible for the exclusive management and control of the Common Elements owned by the Association, if any, and all improvements thereon, and shall keep it in good, clean, attractive, and sanitary condition, order, and repair in accordance with the terms and conditions of this Declaration. The Association shall each have the right to grant easements to third parties over, across, under and/or through the Common Elements owned by the Association, including but not limited to easements for the construction, extension and/or expansion of utilities, and conservation easements, all as the Association may be legally obligated or voluntarily disposed to grant.

### 5.2. Annual Inspection of Common Elements - Budget.

From the period commencing on the Turnover Date until ten (10) years thereafter, the Association shall at least annually examine the condition of the Common Elements to evaluate the quality, frequency and adequacy of maintenance performed during the preceding year, and to recommend maintenance for the upcoming year. The examination and report may be performed by one or more experts hired by the Association for this purpose, such as a professional property manager, an engineer or professional contractors such as landscapers and brick masons. Within fifteen (15) days after performing the inspection, the expert should submit to the Board a written report with findings and recommendations. The Board should evaluate the Association's operating budget and reserve accounts for maintenance, repair and replacement in light of the expert's findings and recommendations. Any decision by the Board to reduce or defer recommended maintenance should be made with an evaluation of the potential consequences for future costs and deterioration. Any expert's report shall be a record of the Association that is available to Owners for inspection and copying.

### 5.3. No Representations or Warranties Regarding Lakes, Creeks or Drainage Areas.

Declarant has informed and hereby informs the Association that any lakes, creeks or drainage areas located within or adjacent to the Property (the "**Drainage Areas**") are intended primarily for drainage purposes and are not intended as a recreational feature or an amenity with specific aesthetic qualities. DECLARANT MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE DRAINAGE AREAS AND HEREBY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES REGARDING THE DRAINAGE AREAS, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES AND ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. THE ASSOCIATION AND EACH OWNER ACCEPTS THE DRAINAGE AREAS IN THEIR "AS-IS" CONDITION.

### 5.4. No Representations or Warranties Regarding Natural Areas.

Declarant has informed and hereby informs the Association that certain Common Element or portions thereof, such as existing wetlands, creeks and waterways, drainage areas,

water detention facilities and open spaces, may be intended to be unimproved open space to be left or maintained in a natural or semi-natural condition ("**Natural Areas**") and are not necessarily intended to be a recreational feature or an amenity with specific aesthetic qualities. Neither Declarant nor the Association shall have any obligation to landscape, repair or otherwise improve any Natural Area. DECLARANT MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE NATURAL AREAS AND HEREBY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES REGARDING THE NATURAL AREAS, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES AND ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. THE ASSOCIATION AND EACH OWNER ACCEPTS THE NATURAL AREAS IN THEIR "AS-IS" CONDITION.

### 5.5. Conceptual Plans.

All master plans, site plans, brochures, illustrations, information and marketing materials relating to the Property or the Common Elements (collectively, the "**Conceptual Plans**") are conceptual in nature and are intended to be used for illustrative purposes only. The land uses and improvements, including but not limited to any amenity centers and open spaces, reflected on the Conceptual Plans are subject to change at any time and from time to time, and it is expressly agreed and understood that land uses within the Property or the Common Elements or outside of the Property may include uses which are not shown on the Conceptual Plans. Neither Declarant nor any Builder or other developer of any portion of the Property or the Common Elements makes any representation or warranty concerning such land uses and improvements shown on the Conceptual Plans or otherwise planned for the Property or the Common Elements and it is expressly agreed and understood that no Owner will be entitled to rely upon the Conceptual Plans or any statements made by the Declarant or any of Declarant's representatives regarding any existing or proposed land uses, or proposed or planned improvements in making the decision to purchase any land or improvements within the Property. Each Owner who acquires a Lot within the Property acknowledges that development of the Property and/or the Common Elements will likely extend over many years, and agrees that the Association may not engage in, or use Association funds to support, any protest or challenge, or make any form of objection to, development of the Property or the Common Elements or changes in the Conceptual Plans as they may be amended or modified from time to time.

## 6. ASSESSMENTS.

### 6.1. Operating Fund.

The Board shall establish an Operating Fund for financing the operation of the Association, for paying necessary costs and expenses of operating the Association and repairing and maintaining the Common Elements. The Board may establish a Reserve Fund to which a portion of the Operating Assessments shall be credited to cover the costs of future capital expenditures and/or other non-recurring items not intended to be funded from the Operating Fund.

### 6.2. Types of Assessments.

Subject to the provisions of this Section 6, each Owner, shall be subject to the following Assessments, which by acceptance of a deed to a Lot (whether or not it shall be so expressed in such deed) covenants and agrees to pay to the Association: (a) Operating Assessments, (b) Special Assessments, and (c) Individual Lot Assessments, all of which are to be established and collected as hereinafter provided. No Owner may gain exemption from liability for any Assessment by waiving or foregoing the use or enjoyment of any of the Common Elements or by abandoning that Owner's Lot. Operating and Special Assessments shall be fixed at a uniform rate for all Lots. No Assessments shall be charged against any portion of the Property that has not been subdivided into Lots via a Recorded final plat. In addition, at each initial closing of the sale of a Lot with a Residence constructed thereon by the Declarant to a purchaser for value (or in the case that the first sale is a sale under a land installment contract, at the time a land installment contract, for value, for a Lot is Recorded), the purchasing Owner shall pay an initial Assessment to the Association in an amount set by the Board, where such amount shall be added to the cash reserves of the Association to be used for the uses set forth in Section 6.3 below. Such initial Assessment is not in lieu of any other Assessments, and is not refundable when a Lot is transferred.

### 6.3. Operating Assessments.

Operating Assessments may be made for the purposes of providing funds to pay any of the following:

(a) the cost of the maintenance, repair, replacement, and other services to be provided by the Association, including the site maintenance services set forth in Section 3.12;

(b) the costs for insurance and bond premiums to be provided and paid for by the Association;

(c) the cost for utility services, if any, charged to or otherwise properly payable by the Association;

(d) the estimated Assessments of the Master Association allocable to the Lots in the Community;

(e) the costs for construction of new capital improvements on Common Elements not replacing capital improvements installed by Declarant;

(f) the estimated amount required to be collected to maintain a general operating reserve to assure availability of funds for normal operations of the Association, in an amount deemed adequate by the Board;

(g) the costs associated with the enforcement of the Declaration or the Rules of the Association, including but not limited to, attorneys' fees, court costs, and other expenses;

(h) if deemed necessary by the Board, an amount deemed adequate by the Board to maintain a reserve for the cost of unexpected repairs and replacements of capital improvements and for the repair and replacement of major improvements for which cash reserves over a period of time in excess of one year ought to be maintained; and/or

(i) the costs for the operation, management and administration of the Association, including, but not limited to, real estate taxes and assessments for Common Elements (but not individual Owner Lots), fees for property management; landscaping, mowing, planting, lighting, pavement maintenance, snow and ice removal and mitigation; fees for legal and accounting services; costs of mailing, postage, supplies and materials for operating the Association, and the salaries, wages, payroll charges and other costs to perform these services; and any other costs of operations of the Association not otherwise specifically excluded.

The Board shall establish, levy and collect Operating Assessments against each Lot and its Owner in accordance with the following:

(a) Initial Period. Commencing the first day of the first full month after a Lot with a Residence constructed thereon has been conveyed by Declarant to a home purchaser, each Owner shall be subject to and pay to the Association an Operating Assessment for the remainder of the calendar year, as determined by the Board, prorated in the proportion that the number of full calendar months remaining in the calendar year from the date of the closing of the conveyance of the Lot is to twelve (12). This amount may have been prepaid by Declarant and if so, a credit back to Declarant will be collected at the closing on the Lot.

(b) Subsequent Calendar Year. Prior to January 1 (or a reasonable time thereafter) of each calendar year thereafter, the Board shall establish a budget for anticipated operating expenses for the next following Operating Assessment period commencing January 1 and ending the following December 31, and apportion the amount so determined in equal shares among all Lots in the Community that have had a Residence constructed thereon and that have been conveyed to a bona fide home purchaser, and assess each such Lot and its Owner for the apportioned amount.

For each year during which the Declarant continues to own Lots, the Declarant may pay, but shall not be in any way obligated to pay in the exercise of its sole and absolute discretion, (a) an amount equal to the per Lot Operating Assessment multiplied by the number of Lots owned by Declarant as of the first day of such year; or (b) an amount necessary to fund the actual difference between the Association's actual cost of operations for such year, and the amount of Operating Assessments assessed to Lot Owners for the year. If and to the extent funds provided by the Declarant to the Association are necessary as a result of the failure of Lot Owner(s) to pay all or any portion of duly levied Assessments to the Association, such amounts provided by

Declarant may be characterized as non-interest bearing 'advances' or 'loans' by the Declarant to the Association, which the Association shall be obligated to repay to the Declarant upon demand, or which may be credited to the Declarant's payment of deficit(s) in any future year(s). Except as provided herein, until the Turnover Date, all Lots owned by Declarant shall be exempt from all assessments (annual assessments, special assessments and/or specific assessments) and Declarant shall not be obligated to pay any assessments for the Lots. Notwithstanding anything contained herein to the contrary, Declarant shall never be obligated to pay assessments for any portion of the Property owned by Declarant.

(c) Due Dates. The Operating Assessments shall be due in monthly, quarterly, semi-annual, or annual installments, as the Board may determine. Except for the initial payment of Operating Assessments, notice of Operating Assessments, or if payable in installments, the dates those installments are due, shall be given to an Owner not less than thirty (30) days prior to the date the Operating Assessment, or first installment thereof, is due.

### 6.4. Special Assessments.

The Board may levy against all Lots subject to Operating Assessments, and their Owners, Special Assessments to pay for capital expenditures, interest expense on indebtedness incurred for the purpose of making capital expenditures (not to be paid out of reserves), unanticipated operating deficiencies or any other purpose determined appropriate by the Board in furtherance of its functions hereunder. Those Special Assessments shall be allocated among Lots on the same basis as Operating Assessments are to be allocated, and shall be due and payable on such basis and at such times as the Board directs, provided that no such Special Assessment shall be due and payable on fewer than thirty (30) days written notice. The Association may render statements therefore to the Subarea Associations in the same manner as the Operating Assessments.

### 6.5. Individual Lot Assessments.

The Board may levy an Individual Lot Assessment against any Owner to reimburse the Association for costs incurred on behalf of that Owner's Lot, including assessments for utility services that are imposed or levied in accordance with this Declaration, as well as the expenses the Board incurs in collecting those assessments, and costs of maintenance, repair or replacement incurred due to the willful or negligent act or omission by any Owner, Occupant, or invitee thereof, or their family members, tenants, and guests, including without limitation, costs associated with making repairs that are the responsibility of the Owner; costs of additional insurance premiums specifically allocable to an Owner; costs of any utility expenses chargeable to an Owner but not separately billed by the utility company; all other administrative and enforcement charges, including attorneys' fees, court costs and other expenses due or incurred by the Association reasonably determined to be an Individual Lot Assessment by the Board; and all costs or charges the Governing Documents, Planned Community Law or Ohio law permits. By way of illustration, and not of limitation, the Board may levy an Individual Lot Assessment in

the nature of an administrative charge reasonably determined by the Board against any Owner who violates any provision of the Governing Documents, or who suffers or permits the Members, guests, invitees or tenants of that Owner's Lot to violate the same or any provision of the Governing Documents, including the restrictions contained herein and in the Rules.

(a) Notice of Assessment. Except in the case of Individual Lot Assessments for utility charges, interest, late charges, returned check charges, court costs, arbitration costs, and/or attorney fees, prior to levying an Individual Lot Assessment, the Board shall give the Owner or Owners written notice of the proposed Individual Lot Assessment that includes:

1. a description of the property damaged or of the violation of the restriction, rule or regulation allegedly violated;

2. the amount of the proposed Individual Lot Assessment;

3. a statement that the Owner has a right to a hearing before the Board to contest the proposed Individual Lot Assessment by delivering to the Board a written notice requesting a hearing within ten (10) days after the Owner receives written notice of the proposed Individual Lot Assessment; and

4. in the case of a charge for violation of a restriction, rule or regulation, a reasonable date by which the Owner must cure the alleged violation to avoid the proposed Individual Lot Assessment.

The notice by the Board given pursuant to the foregoing may be delivered personally to the Owner to whom an Individual Lot Assessment is proposed to be charged, personally to an Occupant of a Dwelling Unit, by certified mail, return receipt requested, or by regular mail.

(b) Hearing on Assessment.

1. To request a hearing, the Owner shall deliver a written notice to the Board not later than the tenth ($10^{th}$) day after receiving the notice of assessment from the Board. If the Owner fails to make a timely request for a hearing, the right to that hearing is waived, and the Board immediately may impose a charge for damages or an enforcement assessment pursuant to this section.

2. If the Owner requests a hearing, the Board shall provide the Owner with a written notice at least seven (7) days prior to the hearing that includes the date, time, and location of the hearing.

3. The Board shall not levy the charge or assessment before holding any hearing requested pursuant to this section.

4. Within thirty (30) days following a hearing at which the Board imposes a charge or assessment, the Association shall deliver a written notice of the charge or assessment to the Owner.

5. Any written notice that this section requires shall be delivered to the Owner or any Occupant of the Dwelling Unit by personal delivery, by certified mail, return receipt requested, or by regular mail.

**6.6. Remedies.**

(a) Acceleration. If any installment of an Assessment, or portion thereof, is not paid within ten (10) days after the same has become due, the Board, at its option, without demand or notice, may call the entire balance of the Assessment due.

(b) Late Charge. If any Assessment or portion of any Assessment remains unpaid for ten (10) days after all or any part thereof became due and payable, the Board at its option, without demand or notice, may charge a reasonable uniform late fee in an amount determined by the Board and/or interest on the entire unpaid balance from and after that date at the lesser of (i) twelve percent (12%) per annum; and (ii) the highest rate permitted by law. In addition, reasonable administrative collection charges may also be assessed for any payment remaining unpaid for ten (10) days after it is due, which charge may be payable to the Association or its Manager, as determined by the Board.

(c) Application of Payments. Unless otherwise provided by the Bylaws or Rules, the Association shall credit any amount it receives from a Lot Owner in the following priority: (i) to interest accrued on the delinquent Assessment(s), or installments or portions of installments thereof; (ii) to administrative late fees charged with respect to the delinquency; (iii) to reimburse the Association for enforcement charges and collection costs, including, but not limited to, attorney fees and paralegal fees incurred by the Association in connection with the delinquency; and (iv) to the delinquent Assessment, or installment or portion thereof, applying to the oldest principal amounts first.

(d) Liability for Unpaid Assessments. Each Assessment or installment of an Assessment, together with interest thereon and any and all costs of collection, including reasonable attorneys' fees, shall become the joint and several personal obligation of each Person constituting an Owner of the Lot, beginning on the date the Assessment or installment thereof becomes due and payable. The Board may authorize the Association to institute and prosecute to completion an action at law on behalf of the Association against the Owner personally obligated to pay any delinquent Assessment, and/or an action to foreclose the Association's lien or liens against a Lot or Lots for unpaid Assessments owed by that Lot and the Owner thereof. In any such action, interest and costs of such action, including reasonable attorneys' fees, shall be added to the amounts owed by the Owner and the Lot to the extent permitted by Ohio law. An Owner's personal obligation for a Lot's delinquent Assessments (including accrued interest, late fees and

costs of collection including attorneys' fees) shall also be the personal obligation of his/her successors in title who acquire an interest after an Assessment becomes due and payable, and both such Owner and his/her successor in title shall be jointly and severally liable therefor. Except as otherwise provided herein, the transfer of an interest in a Lot shall neither impair the Association's lien against that Lot for any delinquent Assessment nor prohibit the Association from foreclosing that lien.

(e) Liens. All unpaid Assessments, or portions thereof, together with any interest and charges thereon or costs of collection, including but not limited to attorneys' fees, shall constitute a continuing charge in favor of the Association and a lien on the Lot against which the Assessment was levied. If any Assessment, or portion thereof, remains unpaid for ten (10) days after it is due, then the Board may authorize any officer or appointed agent of the Association to file a certificate of lien for all or any part of the unpaid balance of that Assessment, together with interest and collection costs, including attorneys' fees, with the appropriate governmental office. The certificate shall contain a description of the Lot which the lien encumbers, the name of the Owner or Owners of that Lot, and the amount of the unpaid portion of the Assessment. The certificate may be signed by any officer, authorized agent or the Manager of the Association or its authorized representative. Upon the filing of the certificate, the subject Lot shall be encumbered by a continuing lien in favor of the Association. The Assessment lien shall remain valid for a period of five (5) years from the date such certificate is duly filed, unless the lien is continued, released earlier or satisfied in the same manner provided by the law of the State of Ohio for the release and satisfaction of mortgages on real property, or until the lien is discharged by the final judgment or order of any court having jurisdiction.

(f) Subordination of Lien. The lien for Assessments provided for herein shall be subject and subordinate to the lien of any duly executed first mortgage on a Lot Recorded prior to the date on which such lien of the Association is perfected by Recording a certificate of lien.

(g) Effect of Foreclosure. The foreclosure of a first mortgage or a deed in lieu thereof will extinguish the lien for Assessments provided herein as to payments attributable to the period prior to the foreclosure or deed in lieu thereof. However, a foreclosure of a first mortgage or a deed in lieu thereof will not relieve such Lot or Owner thereof from liability for any assessment attributable to the period after the foreclosure or deed in lieu thereof. The foreclosure of a first mortgage or a deed in lieu thereof shall not release the Owner whose Lot is being foreclosed, or sold or conveyed pursuant to a deed in lieu, from the Owner's obligation to pay assessments attributable to the period prior to the date of such foreclosure or deed in lieu thereof. For purposes of this Declaration, the use of the term "first" in connection with a mortgage shall refer to the lien priority as compared to other mortgages.

(h) Contested Lien. Any Owner who believes that an Assessment chargeable to that Owner or Owner's Lot, and for which a certificate of lien has been filed by the Association has been improperly charged against that Lot, may bring an action in the Court of Common Pleas in the county where the Lot is located for the discharge of that lien and/or for a declaratory

judgment that such Assessment was unlawful. The filing of such action shall not be grounds for an offset or to withhold payment. In any such action, if it is finally determined that all or a portion of the Assessment has been improperly charged to that Lot, the Court shall make such order as is just, which may provide for a discharge of record of all or a portion of that lien and a refund of an Assessment or portion thereof determined to be unlawful.

(i) Estoppel Certificate. The Board, within a reasonable time following receipt of a written demand and for a reasonable charge, shall furnish a certificate signed by the President or other designated representative of the Association, setting forth whether the Assessments on a specified Lot have been paid. This certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

(j) Suspension of Vote and Use of Common Elements. If any Assessment remains unpaid for thirty (30) days after it becomes due, then the delinquent Owner's voting rights upon Association matters and privileges to use the Common Elements, shall be suspended until such Assessment is paid. In any case, suspension of any such rights shall be subject to the right of an Owner, Occupant, or their licensees or invitees, to necessary ingress and egress to and from that Owner's Lot.

## 7. MAINTENANCE.

### 7.1. Maintenance by Association.

Subject only to budgetary limitations and the right of the Board to exercise reasonable business judgment, the Association shall maintain and keep the Common Elements in good, clean, attractive, and sanitary condition, order and repair. Such maintenance shall include, without limitation, maintenance, repair, and replacement of all Improvements situated upon the Common Element(s), including but not limited to the Reserves, any open spaces, signage, entranceways, the Community border areas, the maintenance, repair and replacement of any Additional Easement Areas, and the maintenance, repair and replacement of all personal property used in connection with the operation of the Association or that the Association has the obligation to maintain pursuant to applicable zoning or other Recorded instruments or Governing Documents. Further, the Association may, in its discretion and to the extent determined by the Board, choose to maintain property that it does not own, the maintenance of which would, in the opinion of the Board, benefit the Community.

### 7.2. Maintenance by Owner.

Each Owner or Occupant shall repair, replace, and maintain in good order and condition, at that Person's expense, the Owners' Lot and all portions of Improvements (including any related equipment and components) located on that Owner's Lot. This maintenance responsibility includes, without limitation, promptly furnishing all necessary materials and performing or causing to be performed at that Owner's expense all maintenance, repairs and

replacements of Improvements on such Lot. No Lot or other Improvement shall be permitted to become overgrown, unsightly or fall into disrepair. Each Owner shall maintain that Owner's Lot in accordance with the Rules and the requirements set forth by the Association as provided for herein and in accordance with applicable law.

### 7.3. Right of Association to Repair Lot.

In the event any Owner fails to maintain that Owner's Lot in the manner required herein, and that Lot remains in disrepair for a period of thirty (30) days after notification by Declarant or the Association to said Owner, and if the Board or Declarant determines that any maintenance of that Lot or Improvements thereon is necessary to ensure public safety, to permit reasonable use or enjoyment of the Common Elements by Owners, to prevent damage to or destruction of any other part of the Common Elements, to preserve the value of the Community, or to comply with the Rules or the terms of this Declaration, then the Board or Declarant may authorize its employees or agents to enter the Lot at any reasonable time to complete the necessary maintenance, and the Board may levy an Individual Lot Assessment for all reasonable expenses incurred or, if performed by Declarant, those expenses shall be reimbursed by the Owner to Declarant. The notice provisions hereof shall be reduced as necessary to allow reasonable entry on shorter notice, if the Board reasonably determines that an 'emergency' exists, or that imminent harm to person or property may occur if the standard waiting periods are observed.

### 7.4. Damage to Common Elements by Owner or Occupant.

In the event the need for maintenance or repair of any part of any Common Element is caused by the negligent or intentional act of any Owner or Occupant, or that Person's licensees or invitees, or in the event any Common Element is damaged by any Owner or Occupant, or that Person's licensees, or invitees, then the Board may maintain, repair, and/or replace the same and the cost thereof shall constitute an Individual Lot Assessment against such Lot and its Owner. The determination that such maintenance, repair or replacement is necessary and/or has been caused by such Owner, shall be made by the Board in its sole discretion. The Association shall be entitled to enter a Lot to repair or maintain any Common Elements adjacent to such Lot.

## 8. ARCHITECTURAL STANDARDS.

All property at any time subject to the provisions hereof shall be governed and controlled by the following:

### 8.1. Architectural Review Committee.

The Architectural Review Committee shall be a committee consisting of three (3) natural persons. Until the Turnover Date, Declarant shall have the sole and exclusive right to appoint and remove all three (3) members of the Architectural Review Committee, at will and may elect in the exercise of its sole discretion, to act itself as the Architectural Review Committee, or

appoint an agent to act in its place, in lieu of appointing individuals. After the Turnover Date, the Board shall have the right to appoint all three (3) members to the Architectural Review Committee. The Architectural Review Committee shall have the exclusive authority, by action of two (2) or more of the members thereof, at a private or public meeting, to determine the architectural standards which shall govern the construction of any and all Improvements on a Lot. Each Owner covenants and agrees by acceptance of a deed to a Lot, to comply with, and to cause that Owner's Lot and any Occupant thereof to comply with, the standards adopted by the Architectural Review Committee. No Improvement shall be placed, erected or installed on a Lot, and no construction (which term shall include in its definition staking, clearing, excavation, grading and other site work) shall be commenced or continued until and unless the Owner first obtains the written approval thereof by the Architectural Review Committee and otherwise complies with any applicable zoning and building regulations and all provisions hereof.

### 8.2. Modifications.

Except as otherwise provided herein, the Architectural Review Committee shall have jurisdiction over all construction, modifications, additions or alterations of Improvements on or to any and all Lots. No Person shall construct any Improvement on any Lot, including without limitation, alter surfaces of existing Improvements, change paint colors or roofing materials, construct or modify fencing, install any permanent recreational device, swing-set, playground, basketball hoop, or other similar Improvement, change the grade or contour of any Lot, change the material of any driveway, modify the exterior lighting, change the mailbox or address marker, construct any porch, deck, patio, gazebo, or pool, modify any landscaping, install any signs or satellite dishes not otherwise permitted herein or by federal law, without the prior written consent of the Architectural Review Committee; provided, however, that the consent of the Architectural Review Committee is not required for any Improvements constructed, erected, altered, added onto or repaired by Declarant, or a Builder designated in writing by Declarant prior to the Turnover Date. Owners shall submit plans and specifications showing the nature, kind, shape, color, size, materials and location of proposed Improvements and alterations to the Architectural Review Committee for its approval. The Architectural Review Committee may charge a reasonable fee in connection with the review of plans for a proposed Improvement. Nothing contained herein shall be construed to limit the right of an Owner to remodel or decorate interior Improvements without such approval.

### 8.3. Variances.

To avoid unnecessary hardship and/or to overcome practical difficulties in the application of the provisions of these provisions, the Architectural Review Committee shall have the authority to grant reasonable variances from the provisions hereof, provided that the activity or condition is not prohibited by applicable law, including but not limited to applicable zoning or building regulations; and provided further that, in the judgment of the Architectural Review Committee, the variance is in the best interests of the Community and is within the spirit of the standards of the Architectural Review Committee. No variance granted pursuant hereto shall

constitute a waiver of any provision hereof as applied to any other Person or any other part of the Community.

**8.4. Improvements by Declarant.**

Notwithstanding the foregoing to the contrary, all Improvements and landscaping constructed by Declarant, its agents, or its successors and/or assigns shall be deemed to comply in all respects with this Declaration and the requirements of the Architectural Review Committee. Declarant, its successors and assigns, shall have the exclusive right to approve the initial construction of a residence upon any Lot even following the Turnover Date.

**8.5. Liability Relating to Approvals.**

None of Declarant, the Association, the Board, the Architectural Review Committee, or any member thereof, or any of their respective heirs, personal representatives, successors and assigns, shall be liable to anyone submitting plans and specifications for approval by reason of mistakes of judgment, negligence, or nonfeasance arising out of, or in connection with the approval, disapproval, or failure to approve the same. Every Person and Owner who submits plans and/or specifications or otherwise requests approval from the Architectural Review Committee agrees, by submission thereof, that they will not bring any action or suit, seek damages, or otherwise attempt to compel the approval of the same. Each Owner shall be responsible for ensuring that any Improvements constructed on their Lot comply with any zoning ordinances and any easements, covenants, reservations, and conditions of record.

**8.6. Liability of Declarant and the Architectural Review Committee; Indemnity.**

(a) Decisions of Declarant and Architectural Review Committee. Declarant and the members of the Architectural Review Committee shall have no liability for decisions made by them so long as such decisions are not discriminatory, arbitrary or capricious. Any errors in or omissions from the documents submitted to Declarant or the Architectural Review Committee shall be the responsibility of the entity or person submitting the documents, and neither Declarant nor the Architectural Review Committee shall have any obligation to check for errors in or omissions from any such documents, or to check for such documents' compliance with the general provisions of this Declaration, applicable laws, rules, or regulations, whether the same relate to Lot lines, building lines, easements, building standards or any other issue.

(b) NO LIABILITY OF DECLARANT OR ARCHITECTURAL REVIEW COMMITTEE. DECLARANT SHALL HAVE NO RESPONSIBILITY OR LIABILITY FOR (I) THE CREATION, SELECTION, MANAGEMENT OR OPERATION OF THE ARCHITECTURAL REVIEW COMMITTEE, (II) ANY ACTIONS TAKEN OR OMITTED TO BE TAKEN BY OR ON BEHALF OF THE ARCHITECTURAL REVIEW COMMITTEE IN CONNECTION WITH THIS MASTER DECLARATION OR THE PROPERTY, OR (III) ANY LIABILITIES, OBLIGATIONS, DEBTS, ACTIONS, CAUSES OF ACTION, CLAIMS,

DEBTS, SUITS OR DAMAGES INCURRED BY OR ON BEHALF OF OR ARISING IN CONNECTION WITH THE ARCHITECTURAL REVIEW COMMITTEE, THE PROPERTY OR THE DUTIES AND OBLIGATIONS OF THE ARCHITECTURAL REVIEW COMMITTEE PURSUANT TO THIS MASTER DECLARATION. FURTHERMORE, NEITHER DECLARANT, THE ASSOCIATION, MEMBERS OF THE ARCHITECTURAL REVIEW COMMITTEE, THE BOARD NOR THE OFFICERS, DIRECTORS, MEMBERS, MANAGERS, EMPLOYEES AND AGENTS OF ANY OF THEM, SHALL BE LIABLE IN DAMAGES TO ANYONE SUBMITTING PLANS AND SPECIFICATIONS TO ANY OF THEM FOR APPROVAL, OR TO ANY OWNER BY REASON OF MISTAKE IN JUDGMENT, NEGLIGENCE OR NONFEASANCE ARISING OUT OF OR IN CONNECTION WITH THE APPROVAL OR DISAPPROVAL OR FAILURE TO APPROVE OR DISAPPROVE ANY SUCH PLANS OR SPECIFICATIONS. EVERY PERSON WHO SUBMITS PLANS OR SPECIFICATIONS AND EVERY OWNER AGREES THAT SUCH PERSON WILL NOT BRING ANY ACTION OR SUIT AGAINST DECLARANT, THE ASSOCIATION, THE ARCHITECTURAL REVIEW COMMITTEE, THE BOARD OR THE OFFICERS, DIRECTORS, MEMBERS, MANAGERS, EMPLOYEES OR AGENTS OF ANY OF THEM, TO RECOVER ANY SUCH DAMAGES AND HEREBY RELEASES AND QUITCLAIMS ALL CLAIMS, DEMANDS AND CAUSES OF ACTION ARISING OUT OF OR IN CONNECTION WITH ANY JUDGMENT, NEGLIGENCE OR NONFEASANCE AND HEREBY WAIVES THE PROVISIONS OF ANY LAW WHICH PROVIDES THAT A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS, DEMANDS AND CAUSES OF ACTION NOT KNOWN AT THE TIME THE RELEASE IS GIVEN. PLANS AND SPECIFICATIONS ARE NOT REVIEWED, APPROVED AND/OR REJECTED FOR ENGINEERING OR STRUCTURAL DESIGN, ADEQUACY OF MATERIALS OR ADEQUACY OF SOILS OR DRAINAGE, AND BY APPROVING SUCH PLANS AND SPECIFICATIONS, NEITHER DECLARANT, THE ASSOCIATION, THE ARCHITECTURAL REVIEW COMMITTEE, THE BOARD NOR THE OFFICERS, DIRECTORS, MEMBERS, MANAGERS, EMPLOYEES AND AGENTS OF ANY OF THEM ASSUMES LIABILITY OR RESPONSIBILITY THEREFOR, NOR FOR ANY DEFECT IN ANY STRUCTURE CONSTRUCTED FROM SUCH PLANS AND SPECIFICATIONS.

(c) INDEMNIFICATION OF DECLARANT AND ARCHITECTURAL REVIEW COMMITTEE. WITHOUT LIMITING THE FOREGOING PROVISIONS OF THIS SECTION, SUBJECT TO ANY LIMITATIONS IMPOSED UNDER APPLICABLE LAW OR IN THE BYLAWS, THE ASSOCIATION SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE ARCHITECTURAL REVIEW COMMITTEE AND DECLARANT PARTIES FROM AND AGAINST ALL DAMAGES, CLAIMS AND EXPENSES, INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, REASONABLY INCURRED IN CONNECTION WITH ANY THREATENED, INITIATED OR FILED ACTION, SUIT OR OTHER PROCEEDING (INCLUDING THE SETTLEMENT OF ANY SUIT OR PROCEEDING, IF APPROVED BY THE THEN BOARD) TO WHICH ANY MEMBER OF THE ARCHITECTURAL REVIEW COMMITTEE OR ANY OF THE DECLARANT PARTIES MAY BECOME A PARTY BY

REASON OF ITS ACTIVITIES UNDER OR IN CONNECTION WITH THIS MASTER DECLARATION.

## 9. USE RESTRICTIONS.

The following restrictions and covenants concerning the use of each Lot and occupancy of Improvements thereon shall run with the land and be binding upon Declarant and every Owner and/or Occupant, their respective heirs, successors and assigns, as well as their family members, guests, licensees and invitees:

### 9.1. Use of Lots.

Except as otherwise specifically provided in this Declaration, no Dwelling Unit, nor any portion of any Lot, shall be used for any purpose other than that of a residence for individuals living together as a single housekeeping unit, and uses customarily incidental thereto, Specifically, and without limiting the generality of the foregoing, no Dwelling Unit may be used as a rooming house, group home, commercial foster home, fraternity or sorority house, or any similar type of lodging, care or treatment facility or licensed facility to the maximum extent permitted by law. In addition, no building shall be erected, altered, placed, or permitted to remain on any Lot other than one single-family dwelling not to exceed two and one-half stories in height, and each such dwelling shall have an attached (minimum) two car garage. No Residence shall be constructed on any Lot having a garage with a lower elevation than the street elevation such that the garage and/or driveway are depressed below the finished grade of the Lot. No structure of a temporary character, such as a trailer, tent, shack, vehicle port, barn, pet dwelling including pet fenced in pet areas behind houses, or other outbuilding shall be used on any Lot at any time as a residence either temporarily or permanently; provided, however, that nothing herein shall prevent the use of trailers or temporary buildings by Declarant or builders approved by Declarant, for sales and construction management and related uses during the construction and sale of homes in the Community or home remodeling after initial construction. All Dwelling Units shall comply with material standards as approved under the applicable zoning regulations and/or by a regulating governmental authority for the Community and by the Architectural Review Committee.

### 9.2. Minimum Square Footages.

No Residence shall be permitted on any Lot on which the floor area of the main structure is less than what is required by the applicable zoning and subdivision control requirements governing Lots located in the Community.

### 9.3. Use of Common Elements.

The Common Elements may be used only in accordance with the purposes for which intended and for any reasonable purposes incidental to the residential use of Lots. All uses of the

Common Elements shall benefit or promote the health, safety, welfare, convenience, comfort, recreation, and/or enjoyment of the Owners and/or Occupants, and shall comply with the provisions of this Declaration and all other Governing Documents, and the laws of the State of Ohio.

### 9.4. Hazardous Actions or Materials.

Nothing shall be done or kept in or on any Lot or in or on any portion of the Common Elements that is unlawful or hazardous, that might reasonably be expected to increase the cost of casualty or public liability insurance covering the Common Elements, or that might or that does unreasonably disturb the quiet occupancy of any Person residing on any other Lot. These provisions shall not be construed so as to prohibit Declarant or any other builder in the Community from construction activities consistent with reasonable or customary residential construction practices in accordance with applicable law.

### 9.5. Signs.

No signs of any character shall be erected, posted or displayed upon property in the Community, except: (i) marketing signs installed by Declarant while marketing Lots and residences for sale; (ii) street and identification signs installed by the Association, Declarant, or any governmental agency; (iii) on the Common Elements, signs regarding and regulating the use of the Common Elements, provided they are approved by the Board; (iv) on any Lot, one temporary real estate sign not to exceed six (6) square feet in area advertising that such Lot is for sale; and (v) up to three (3) temporary political signs of not more than six (6) square feet each, expressing support for or opposition to an individual candidate or issue which is the subject of a current election, except to the extent preempted by federal law, and provided the same comply with any local ordinances and any Rules established by the Board. Except as set forth above, no signs shall be placed in the Common Elements.

### 9.6. Animals.

Except as hereinafter provided, no animals, reptiles, livestock or poultry of any kind shall be raised, bred or kept on any Lot, or in or upon any part of the Common Elements. Notwithstanding the foregoing, household domestic pets, not bred or maintained for commercial purposes, may be maintained in a Dwelling Unit, provided that: (i) the maintaining of animals shall be subject to the Rules and such other rules and regulations as the Board may from time to time promulgate, including, without limitation, the right to place limitations on the size, number and type of such pets, and the right to levy administrative and enforcement charges against Persons who do not clean up after their pets; and (ii) the right of an Owner or Occupant to maintain an animal in a Dwelling Unit shall be subject to termination if the Board, in its full and complete discretion, determines that maintenance of the animal constitutes a nuisance, creates a detrimental effect on the Community or other Lots or Occupants, or possession of which violates any law, rule or ordinance promulgated by a governmental or quasi-governmental entity. Any

animal defined as "vicious" or "dangerous" pursuant to the provisions of Ohio Revised Code Chapter 955, as the same may be amended from time to time, is specifically prohibited. Outdoor doghouses, animal cages or runs are prohibited without the express prior approval of the Architectural Review Committee.

**9.7. Nuisances.**

No noxious or offensive trade or activity shall be permitted on any property in the Community or within any Residence, building or structure located on any Lot. No use shall be made or condition allowed to exist on any Lot which unreasonably disturbs or interferes with the quiet occupancy of any person residing on any other Lot. No soil shall be removed for any commercial purpose.

**9.8. Business.**

No industry, business, trade, occupation or profession of any kind may be conducted, operated or established on any Lot, without the prior written approval of the Board. Notwithstanding the foregoing, (i) a "home office" use is permitted, provided such use does not entail any non-resident employees, generate any traffic or additional parking, require any signage, and is operated in compliance with all laws including any Rules established by the Board and applicable governmental regulations; (ii) an Owner or Occupant may maintain a personal or professional library, keep personal business or professional records or accounts, conduct personal business, make professional telephone calls or correspond in or from a residence; and (iii) during the construction and initial sales period, Lots, including Residences and Improvements constructed thereon, and Common Elements may be used for construction and sales purposes, including the construction and operation of sales models and/or trailers by Declarant and by builders approved by Declarant, in its sole discretion, until Residences have been constructed on all Lots and all Lots with Residences on them have been conveyed to bona fide residential home purchasers.

**9.9. Storage.**

No storage buildings, barns or sheds of any kind are permitted on any Lot. This section shall not apply to any storage as may be necessary during the construction or remodeling of homes on the Lots.

**9.10. Hotel/Transient Uses/Leases.**

No Lot or Improvement thereon may be used for hotel or transient uses, including without limitation, uses in which an Occupant is provided customary hotel services such as room service for food and beverage, maid service, furnishing laundry and linen, or similar services, or leases to roomers or boarders (rental to one or more persons of a portion of a Dwelling Unit

only). No lease may be of less than an entire Dwelling Unit. No Dwelling Unit may be rented for any period of less than thirty (30) days.

**9.11. Vehicles.**

The Board is granted the power and the authority to create and enforce reasonable Rules concerning placement and the parking of any vehicle permitted on or in the Community. In addition to its authority to levy Individual Lot Assessments as administrative charges for the violation of the Rules, the Board shall be authorized to cause the removal of any vehicle violating this Declaration or such Rules.

Except as specified below, no trucks, no prohibited commercial vehicles, no boats, no trailers, no campers and no mobile homes shall be parked or stored on any street or on any Lot in the Community (except in the attached garage) for any time period longer than forty-eight (48) hours in any thirty (30) day period, provided, however, that nothing contained herein shall prohibit the reasonable use of such vehicles as may be necessary during construction of Residences on the Lots.

For the purpose of this section, the terms "truck" and "prohibited commercial vehicle" shall include all vehicles that have a length of more than 21 feet and all vehicles that include any visible exterior storage of tools or materials; provided, however, that up to two (2) ladders may be visible. Dump trucks, tow trucks, flat bed car hauling trucks, panel trucks and vans larger than one ton capacity, pickup trucks larger than one ton capacity, and semi-type tractors and trailers, shall in every instance be considered to be a prohibited truck and/or a prohibited commercial vehicle. For the purpose of this section, the word "trailer" shall include landscaping trailer, open bed trailer, trailer coach, house trailer, mobile home, automobile trailer, camp car, camper or any other vehicle, whether or not self-propelled, constructed or existing in such a manner as would permit use and occupancy thereof, or for storage or the conveyance of personal property, whether resting on wheels, jacks, tires or other foundation.

Furthermore, no automobile, truck, or other motor-driven vehicle, or trailer, in a condition where it is unlicensed, unregistered, apparently inoperable, extensively damaged, disabled, dismantled, or otherwise not in a condition to be lawfully operated upon the public highway, or any vehicle component or part, shall be placed, parked or stored in any visible location on or in front of a Lot or Residence for a period of time longer than thirty (30) days. After this time the vehicle, trailer or part shall be deemed to be a nuisance, and shall be removed. The Board shall have the right and authority to cause the vehicle, trailer, or part to be removed at the Owner's expense.

**9.12. Trash.**

Except for the reasonably necessary activities of Declarant during the original development of the Community, no burning or storage of trash of any kind shall be permitted in

the Community. All trash shall be deposited in covered, sanitary containers, and these containers shall at all times be screened from view from any other Lot or street, except when temporarily placed outside for trash collection. No emptied trash containers shall be allowed to remain visible for more than eight hours following the trash pick-up.

**9.13. Antennae.**

No outside television or radio aerial or antenna, or other aerial or antenna, whether for reception or transmission (including satellite receiving dishes), shall be maintained on a Lot, to the extent permissible under applicable statutes and regulations, including those administered by the Federal Communications Commission, except that this restriction shall not apply to satellite dishes with a diameter less than one (l) meter, erected or installed to minimize visibility from the street on which the Dwelling Unit fronts. Notwithstanding the foregoing, roof-mounted satellite dishes are to be limited to the maximum extent possible by law.

**9.14. Utility Lines.**

All new utility lines in the Community shall be underground, subject only to the exceptions required by governmental authorities having jurisdiction, utility companies, Declarant, and the Board.

**9.15. Tanks.**

No tanks for the storage of propane gas, fuel oil or any other combustible substance shall be permitted to be located above or beneath the ground of any Lot except that propane gas grills are permitted. This section shall not apply during the construction of any homes on the Lots or to any Lot containing Declarant's sales trailer.

**9.16. Street Tree.**

Declarant may require an Owner to plant one or more "street trees" of a type and size determined by Declarant in specified locations along the street in front of such Owner's Lot, or Declarant may designate one or more trees planted by Declarant, as deemed necessary by Declarant along the street in front of any Owner's Lot, as a "street tree". If Declarant directs any Owner to plant street tree(s) on such Owner's Lot, or if Declarant designates tree(s) planted by Declarant on any Lot to be street tree(s), the Owner shall maintain and replace such street trees, as necessary.

**9.17. Mailbox.**

Declarant or the Association may designate and require a curbside mailbox for each Lot, with a design and composition that will provide uniformity to the subdivision. Each mailbox shall have the street numbers for the Lot on each side of such mailbox. If the mailbox is

damaged, destroyed or deteriorates, then each Owner, at such Owner's expense, shall repair or replace such mailbox with an identical mailbox, or if unavailable, with another of a like-kind, design, pattern and color as the initial mailbox. Alternatively, if required by the United States Postal Service or other applicable governmental authority, Declarant or the Association shall install central bulk mailbox units at one or more Common Elements. Any such central bulk mailbox units shall be maintained by the Association.

**9.18. Yard Lights and Lamp Posts.**

All yard lights and lamp posts, if any, shall conform to the standards set forth by the Architectural Review Committee. If a yard light or lamp post is damaged, destroyed or deteriorates, then each Owner, at such Owner's expense, shall repair or replace such yard light and/or lamp post with an identical yard light or lamppost, or if unavailable, with another of a like-kind, design, pattern and color as the initial yard light and/or initial lamp post.

**9.19. Fencing.**

No perimeter fencing shall be allowed on any Lot. Fencing may be permitted for privacy around decks, patios, hot tubs, etc., and shall not exceed 48 inches in height. Fences may be required to include landscaping screening where utilized and approved by the Architectural Review Committee. No chain link and no wire fencing shall be permitted. Fence posts may be no higher than 6 inches above the top rail. Fences shall be at least 50% open, with the exception of privacy fencing as approved by the Architecural Review Committee. Declarant may install fencing as part of entry feature improvemetns and landscape buffering and/or screening along adjacent properties, which shall be maintained by the Association. Any such entryway fencing may exceed 42 inches in height, but shall not exceed 6 feet in height. Fences located forward of the rear corners of any home are prohibited.

**9.20. Swimming Pools/Hot Tubs.**

No in-ground swimming pool or above-ground swimming pool shall be permitted upon any Lot except that this restriction shall not prohibit the installation of a hot tub that is properly screened.

**9.21. Compliance with Zoning.**

Certain provisions of this Declaration may have been included herein as a result of governmental requirements established through the zoning and development plan approval processes in the state, county, city, village and/or township in which the Property is located. Compliance with all such governmental requirements, whether or not contained herein, for so long as such requirements are effective and binding, and as such requirements may be amended or modified, is required by this Declaration.

**9.22. Hobbies.**

Hobbies or other activities which tend to detract from the aesthetic character of the Community and any Improvements used in connection with such hobbies or activities shall not be permitted unless carried out or conducted within the Residence erected upon the Lot and not visible from either the street or adjoining Lots or Common Elements. This restriction refers specifically, but not exclusively, to activities such as automobile, bicycle, moped, motorboat and sailboat repair.

**9.23. No-Build/No-Disturb/Preservation/Conservation/Protection/Buffer Zones.**

Any property or areas identified in or required pursuant to applicable zoning regulations, approved plat(s), and/or under any agreement entered into by the Declarant or by the Association that identify, include, or represent portions of the Property over, across, under and through which areas are designated as FEMA zones, stream corridor protection zones, tree preservation zones, draining, clean water, storm water, buffer, protection or no disturb areas shall be areas in which no Owner shall have the right to construct or locate any Improvements, disturb the grade or take any other action that interferes with the purpose of the limitation or restriction on the Property, including but not limited to fencing, landscaping, cleaning brush or removing trees as appropriate for the limitation or restriction. These designated areas with limitations or restrictions may be parts of individual Lots instead of on Common Elements. In such cases, the Owner(s) of the Lot(s) affected by these limitations shall be and remain responsible for the ordinary care and maintenance of these areas.

**9.24. Miscellaneous.**

The following Improvements shall not be permitted on any Lot in the Community:

(a) outdoor clotheslines;

(b) window air conditioning units on any window facing a street;

(c) wind turbines or similar wind-powered energy generating equipment; and

(d) gas and oil drilling or collection, quarrying or mining equipment.

**9.25. Declarant and Builder Development and Construction.**

Notwithstanding any other provision in this Section 9, Declarant, and its successors and assigns, and any Builders, will be entitled to conduct on the Property all activities normally associated with, and convenient to, the development of the Property and the construction and sale of Dwellings on the Property.

**9.26. Occupants Bound.**

All provisions of the Governing Documents shall also apply to all Occupants, guests, and invitees of any Dwelling Unit. Every Owner shall cause all Occupants, guests and invitees of his or her Dwelling Unit to comply with the foregoing, and every Owner shall be responsible for all violations and losses to the Common Elements caused by such Occupants, guests and invitees notwithstanding the fact that such Occupants, guests and invitees of a Dwelling Unit are fully liable and may be sanctioned for any violation.

## 10. EASEMENTS AND LICENSES.

### 10.1. Easement of Access and Enjoyment Over Common Elements.

Every Owner shall have a right and easement (in common with all other Owners) of enjoyment in, over, and upon the Common Elements, and a right of access to and from that Owner's Lot, which rights shall be appurtenant to, and shall pass with the title to, that Owner's Lot, subject to the terms and limitations set forth herein, and subject to the Rules. An Owner may delegate his/her/its rights of access and enjoyment to Occupants, licensees and invitees. All such easements are limited by such restrictions as may apply to the Common Elements affected thereby, and no Person shall have the right by virtue of such easements to engage in activities on the Common Elements which are not permitted according to the provisions of this Declaration and/or other Association Governing Documents, pursuant to the provisions of any applicable plat(s) or under agreements with any governmental entities or other third parties.

### 10.2. Right of Entry for Repair.

The duly authorized agents, officers, contractors, and employees of the Association shall have a right of entry and access to the Property, including without limitation the Lots, for the purpose of exercising the Association's rights, or performing the Association's obligations as set forth herein. The Association may enter any Lot to remove or correct any violation of any provision hereof, or any Rule, or to maintain, repair, and replace the Common Elements and/or Additional Easement Areas, but only during reasonable hours and after providing reasonable advance notice to the Owner, except no notice shall be required in cases of an emergency.

### 10.3. Easement for Utilities and Other Purposes.

The Board or Declarant may convey easements over the Common Elements to any entity for the purpose of constructing, installing, maintaining, and operating poles, pipes, conduit, wires, ducts, cables, and other equipment necessary to furnish electrical, gas, sewer, water, storm sewer, storm water, telephone, cable television, and other similar utility or security services, whether of public or private nature, to the Community and to any entity for such other purposes as the Board or Declarant deems appropriate; provided that such equipment or the exercise of such easement rights shall not unreasonably interfere with any Owner's use and enjoyment of that Owner's Lot. The Board or Declarant may grant such easements over all portions of the Community for the benefit of adjacent properties as the Board or Declarant deems appropriate;

provided that the grant of such easements imposes no undue, unreasonable, or material burden or cost upon any property in the Community, and further provided that the Board or Declarant may not convey any easement over a Lot without the prior written consent of the Owner of such Lot (which consent shall not be unreasonably withheld, delayed or conditioned). Declarant and the Association shall have the absolute right within (l) areas designated as drainage courses on the Recorded plat of the Community, (2) all areas encumbered by general utility or specific storm drainage easements, and (3) areas determined by sound engineering practice to be necessary to the proper drainage of all or part of the Community, to enter upon Lots and perform grading and other construction activities deemed appropriate in the exercise of Declarant's judgment to install, modify, alter, remove or otherwise work on storm water drainage facilities and conditions (including both surface grading and subsurface structures). Notwithstanding the foregoing, nothing herein will be interpreted to impose any duty upon Declarant to correct or maintain any drainage facilities within the Property. If any such entry and/or work performed by Declarant results in damage to other portions of a Lot, or to any Improvements thereon, Declarant shall be responsible for the restoration of such portions or Improvements at Declarant's sole cost.

### 10.4. Easement for Services.

A non-exclusive easement is hereby granted to all police, firemen, ambulance operators, mail carriers, delivery persons, cable and television repair personnel, garbage removal personnel, and all similar persons, and to the local governmental authorities, and the Association (but not to the public in general) to enter upon the Common Elements and the Lots to perform their duties.

### 10.5. Easements Reserved to Declarant.

Non-exclusive easements exist and continue to exist or are hereby reserved to Declarant and its officers, employees, contractors, sub-contractors, and designees, over and upon the Common Elements for (a) until the Turnover Date, for access to and for the purpose of constructing and selling Dwelling Units on all Lots and completing Common Element Improvements, provided that such right of access shall be to the extent, but only to the extent, that access thereto is not otherwise reasonably available, (b) the periods provided for warranties hereunder or by law, for purposes of making repairs required pursuant to those warranties or pursuant to contracts of sale made with home purchasers, (c) until the Turnover Date, for constructing and maintaining such facilities and conducting such events and other activities which, in Declarant's sole opinion, may be reasonably required, convenient, or incidental to the construction or sale of single-family residences constructed upon the Lots, including, but not limited to, sales and management offices, for storage and maintenance, for model homes, for parking areas for sales and rental purposes, and for advertising signs, and for access thereto, and (d) until the Turnover Date and for a period of ten years thereafter, to enter upon the Common Elements for purposes of inspecting, improving, modifying and repairing the Common Elements and/or any improvements thereon at Declarant's expense; provided; however, nothing contained herein shall obligate Declarant to make any such inspections, improvements or repairs. The rights and easements reserved pursuant to this Section shall be exercised and utilized, as the case

may be, in a reasonable manner, and in such way as not to unreasonably interfere with the operation of the Association and the rights of Owners and Occupants.

**10.6. Easement for Maintenance.**

A non-exclusive easement is hereby granted to the Association to enter upon, over or through the Property for the purpose of performing maintenance responsibilities reserved to the Association in the Recorded plats for the Community or provided in this Declaration.

**10.7. Temporary Easement to Complete Construction.** All Lots will be subject to an easement of ingress and egress for the benefit of Declarant, its employees, subcontractors, successors and assigns, over and upon the front, side and rear yards of the Lots as may be expedient or necessary for the construction, servicing and completion of Dwellings and landscaping upon adjacent Lots, provided that such easement will terminate as to any Lot two years after the date such Lot is conveyed to an Owner other than a Builder. Any damage to a Lot caused by Declarant due to exercise of the foregoing completion easement rights, shall be promptly repaired by the party exercising such easement rights after completing its construction activities in the damaged area.

**10.8. Easement for Mailboxes.** Mailboxes will be located and constructed within the Community as determined by the U.S. Postal Service (the "**USPS**"). Declarant hereby reserves for the benefit of the USPS, Declarant and the Association an easement over those portions of each Lot and Common Elements as may be designated for the installation of a mailbox, together with space reasonably necessary for the installation and maintenance of same (each, a "**Mailbox Easement Area**"). Mailboxes may be individual mailboxes located on Lots serving the Dwelling on that Lot, group or clustered mailboxes on Lots or Common Elements serving more than one Dwelling Unit, or as otherwise determined by the USPS. No Owner may disturb the mailbox improvements within the Mailbox Easement Area, obstruct access to the Mailbox Easement Area or construct improvements within the Mailbox Easement Area without the prior written consent of the Association. The Association shall have the right to adopt reasonable rules and regulations governing the use of each Mailbox Easement Area.

**10.9. Easement to Inspect and Right to Correct.** Until the Turnover Date and for a period of ten years thereafter, Declarant reserves for itself, its assigns and for the Declarant's architect, engineer, other design professionals, builder and contractors the right, but not the duty, to inspect, monitor, test, redesign, repair, correct, and relocate any structure, improvement, or condition that may exist on any portion of the Property, including the Lots, and a perpetual nonexclusive easement of access throughout the Property to the extent reasonably necessary to exercise this right. The party exercising such rights will promptly repair, at its sole expense, any damage resulting from the exercise of this right. This Section may not be construed to create a duty for Declarant, the Association, or any architect, engineer, design professional, builder or contractor, and may not be amended without Declarant's advanced written consent. In support of this reservation, each Owner, by accepting an interest in or title to a Lot, hereby grants to

Declarant an easement of access and entry over, across, under, and through the Property, including without limitation, all Common Elements and the Owner's Lot and all improvements thereon for the purposes contained in this Section.

### 10.10. General.

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

## 11. UTILITY SERVICES.

Each Owner by acceptance of a deed to a Lot agrees to pay for utility services separately metered or separately charged by the utility company to that Lot, and to reimburse the Association for that Owner's Lot's share of any utility cost that the Board, or its designee, reasonably determines is attributable to use by the Owner or Occupants of that Lot. The Association shall arrange for the provision of utility services, if any, to the Common Elements and shall pay the costs of such services separately metered to the Association.

## 12. DISPUTE RESOLUTION

### 12.1. Dispute Resolution.

(a) Introduction. This Section 12 is intended to encourage the resolution of certain disputes that may involve or affect the Association, its Members and/or the Property. Such disputes may create significant financial exposure for the Association and its Members, affect each Member's use and enjoyment of their Lot and the Common Elements, interfere with the resale and refinancing of Lots, and cause strife and tension among Members, the Board and the Association's management. Accordingly, this Section 12 requires transparency and, in certain circumstances, Owner participation. Transparency means that inspection reports concerning Common Elements related to a dispute are prepared by an independent, professional engineer free from improper influence, and Owners are informed in advance about certain disputes and proposed arrangements between the Association and a law firm or attorney who may represent the Association in the dispute. Owner participation means that in certain situations Owners will have an opportunity to participate in the decision-making process regarding whether the Association should pursue a claim and engage an attorney or law firm for that purpose.

(b) Agreement to Resolve Disputes; Application; Definitions. The Association, Owners, the Declarant, all persons subject to this Declaration, and each person not otherwise subject to this Declaration who agrees to submit to this Section 12 by written instrument delivered to a Claimant (defined below), which may include, but is not limited to, a Builder, a general contractor, sub-contractor, or design professional (individually, a "**Party**" and collectively, the "**Parties**"), agree to encourage the amicable resolution of disputes covered by this Section 12 to avoid the costs of litigation and arbitration if at all possible. Accordingly, each Party agrees to be subject to the requirements of this Section 12 and agrees this Section 12 applies to all Claims (as defined below). The following words, when capitalized, have the following meanings:

"**Claim**" means any claim, cause of action, grievance or dispute:

(i) relating to the rights and/or duties of the Association, the Board, the Architectural Review Committee, or the Declarant under the Governing Documents;

(ii) relating to the acts or omissions of the Association, the Board, any Board member, any officer of the Association, or the Architectural Review Committee; any acts or omissions of the Declarant during the Declarant's control and administration of the Board or the Architectural Review Committee; or any exercise by Declarant of any rights of Declarant under the Governing Documents, including but not limited to relating to budgets, reserves, assessments, contributions, deficit funding, expenditures, claims of financial guarantees and other financial and accounting matters; or

(iii) relating to the design, construction, repair, alteration or maintenance, or warranty with respect thereto, of the Common Element or any improvements located thereon (a "**Common Element Claim**").

"**Claimant**" means any Party having a Claim against any other Party.

"**Respondent**" means any Party against which a Claim has been or may be asserted by a Claimant.

Notwithstanding the foregoing, a Claim does not include and this Section 12 does not apply to (i) a claim by the Association for assessments or any action by the Association to collect assessments, (ii) any action to enforce the easements, architectural control, maintenance and use restrictions or rules contained in this Declaration or the other Governing Documents, or (iii) a claim for or related to injuries to or the death of a person. Notwithstanding anything contained in this Section 12, any claim brought by an Owner related to the design or construction of a Dwelling, a Lot or an improvement on a Lot will not be subject to this Section 12, but will be governed exclusively by the express or implied warranty provided by the Builder or contractor

which constructed such dwelling or improvement and any other agreements between the Owner of such Lot (or its predecessor in title) and such Builder or contractor.

**12.2. Mandatory Procedures. A Claimant may not initiate, participate in or maintain any proceeding before any judge, jury, arbitrator or any judicial or administrative tribunal seeking redress or resolution of a Claim until the Claimant has complied with the applicable procedures of this Section 12. As provided in Section 12.5 below, all Claims not resolved through negotiation must be submitted to mediation. As provided in Section 12.6 below, all Claims not resolved through negotiation or mediation must be resolved by binding arbitration.**

**Informal Resolution of Claims**
The Parties are encouraged to informally communicate to amicably and efficiently resolve disputes. A Claimant is not required to follow the mandatory procedures in this Section 12 unless a Claim is not resolved and the Claimant desires to pursue a Claim and initiate a proceeding described in Section 12.2 above.

**Common Elements**
Prior to pursuing a Common Element Claim, the Association (or an Owner if determined allowed by the jurisdiction) must comply with the requirements of Section 12.9 below.

**12.3. Notice of Claim.** To pursue a Claim, a Claimant must send each Respondent written notice of the Claim (the "**Notice**") stating plainly: (i) the nature of the Claim, including date, time, location, persons involved and Respondent's role in the Claim; (ii) the basis of the Claim (i.e., the provision of the Governing Documents or other authority from which the Claim arises or which supports the Claim); (iii) what Claimant wants Respondent to do or not do to resolve the Claim; and (iv) that the Notice is given pursuant to this Section 12.3 of this Declaration. If the Claim is a Common Element Claim, the Notice must also include a signed resolution of the Board confirming that Members holding a Majority of the total votes in the Association approved pursuing the Claim in accordance with Section 12.9(c) below. The Notice must be sent to each Respondent via certified mail, return receipt requested.

**12.4. Negotiation.** Within sixty (60) days after Respondent's receipt of the Notice, Respondent and Claimant will meet at a mutually acceptable place and time in an effort to resolve the Claim by good faith negotiation. If the Claim involves or may affect any portion of the Property, then at such meeting or another mutually-agreeable time, Respondent and its representatives will be given access to, and the opportunity to inspect, such portions of the Property.

**12.5. Mediation.** If the Parties do not resolve the Claim through negotiation within one-hundred twenty (120) days after the date of the Notice (or within such other period as may be agreed on by the Parties), either Claimant or a Respondent may submit the Claim to mediation with the assistance of a mediator on which the parties mutually agree. The mediator must have at least five (5) years of experience serving as a mediator and with expertise appropriate to the subject matter of the Claim. If the Parties do not settle the Claim within thirty (30) days after submission to mediation, either Respondent or Claimant may initiate arbitration proceedings in accordance with Section 12.6.

**12.6. Arbitration.** All Claims not resolved through negotiation and mediation must be resolved by binding arbitration as provided below. However, Claimant or Respondent may bring an action in court seeking injunctive relief to preserve the status quo and prevent irreparable harm, seeking relief that would otherwise be unavailable in arbitration, or to compel arbitration of any Claim not referred to arbitration as required by this Section 12.6.

(a) Governing Rules. If a Claim has not been resolved after mediation in accordance with Section 12.5, the Claim will be resolved by binding arbitration pursuant to the Federal Arbitration Act ("**FAA**") and/or the Ohio Arbitration Act (Ohio Revised Code Chapter 2711) ("**OAA**") conducted in accordance with the applicable rules of the American Arbitration Association ("**AAA**"). If the Claim is a Common Element Claim, then those rules shall be the AAA's Construction Industry Arbitration Rules and Mediation Procedures. The periods of limitation under applicable law shall apply to any Claim and arbitration proceeding under this Section 12. In the event of any inconsistency between the applicable AAA rules and this Section 12.6, this Section 12.6 will control. The decision rendered by the arbitrator shall be binding and, except as provided below, not subject to appeal, but may be reduced to judgment or enforced in any court having jurisdiction.

(b) Award. To resolve Claims, the arbitrator may grant any remedy or relief the arbitrator deems just and equitable; provided, however, the arbitrator's decision and award must be in accordance with applicable law and may not violate this Section 12.6 or Section 12.7 below. In each proceeding, the arbitrator shall make specific, written findings of fact and conclusions of law. **In no event may an arbitrator award speculative, consequential, indirect, special, exemplary, treble or punitive damages for any Claim**. In addition to any right of appeal or review under the FAA or applicable AAA and OAA rules, any Party may appeal or seek vacation or modification of an award that is based in whole or in part on: (i) factual findings that have no legally or factually sufficient evidence, as those terms are defined under applicable law; (ii) conclusions of law that are erroneous; (iii) an error of applicable law; or (iv) a cause of action or remedy not expressly provided under applicable law.

(c) Other Matters. To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within one hundred and eighty (180) days after the filing of the Claim for arbitration. Arbitration proceedings hereunder shall be conducted in Franklin County. Any Party to a Claim shall have the right to join in the proceedings any contractor, subcontractor,

supplier or design professional involved in the design or construction of improvements that are the subject of the Claim. Except as otherwise provided by this Section 12.6 or 12.7, the arbitrator may impose sanctions and take other actions as the arbitrator deems necessary to the same extent a judge could do so pursuant to applicable law. Claimant and each Respondent agree to keep all Claims and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by applicable law. In no event shall a Party discuss a Claim with the news media or issue a press release regarding a Claim without the written consent of all other parties to the Claim.

**12.7. Costs.** Except as provided in the following sentence, each Party shall bear all of its own costs incurred in bringing or responding to a Claim or otherwise complying with the dispute resolution process contained in this Section 12, including without limitation its attorney's fees and costs, and none of such costs may be allocated or awarded to either Party by an arbitrator. If Claimant files an action in a court of law prior to complying with the applicable dispute resolution procedures in this Section 12, then Claimant shall reimburse the other Parties for the costs, including attorneys' fees, of dismissing or staying such action. Claimant and each Respondent will equally divide all expenses and fees charged by the mediator and arbitrator.

**12.8. Funding Association Claims.** If the Association intends to pursue a Claim and a reasonable estimate of the attorneys' fees, inspection costs, consultant and expert fees, arbitration fees and other costs that may be incurred as a result of prosecuting the Claim (whether incurred by the Association directly or for which the Association may be liable) exceeds $10,000, then the Association must levy a special assessment to fund the estimated costs to pursue and resolve such Claim in accordance with this Section 12. The Association may not use its annual operating income or reserve funds to fund the costs to pursue and resolve a Claim, but the Association may use a previously established and funded dispute resolution fund.

**12.9. Claims Relating to Common Elements.** As stated in Section 3.13 above, the Association does not have the power or right to institute, pursue, join, defend, intervene in or settle litigation, arbitration or other proceedings (i) in the name of or on behalf of an Owner (whether one or more) or (ii) pertaining to a claim relating to the design or construction of a Dwelling, a Lot, or any improvements on a Lot (other than a Common Element Claim). Each Owner, by accepting an interest in or title to a Lot, grants and assigns to the Association the exclusive right to institute, pursue, join, defend, intervene in and settle litigation, arbitration or other proceedings relating Common Element Claims. If the Association desires to assert a Common Element Claim, as a precondition to providing the Notice required by Section 12.3 and initiating the mandatory dispute resolution procedures set forth in this Section 12, the Association must comply with subsections (a), (b) and (c) below:

(a) Obtain a Common Element Report. The Association must obtain a written report (the **"Common Element Report"**) prepared by an independent professional engineer licensed by the state in which the Property is located with an office located in Franklin County (the "**Inspection Company**") assessing the condition of the Common Elements the subject of the

Claim. ***The requirements for the Common Element Report are intended to provide assurance to the Association, Owners and Respondents that the report was prepared by an independent professional and the substance, conclusions and recommendations contained in the report have not been affected by improper influences or influences that could have compromised the professional judgment of the party preparing the report.*** The Common Element Report must include: (i) a description and photographs of the Common Element the subject of the Claim and its present condition; (ii) a description of any modifications, maintenance, or repairs to same performed by any party; and (iii) if the report identifies deficient or defective conditions, a detailed description of any recommended repairs, including the specific process, procedures and materials required to repair such deficient or defective conditions, and the estimated costs to effect such repairs. Such estimated repair costs shall be obtained from independent, third-party contractors, each with an office located in Franklin County and holding all licenses required by applicable law to perform the recommended repair work. The Common Element Report must be an "independent" report obtained directly by the Association, which means: (i) the Inspection Company may not have an arrangement or agreement to provide consulting and/or engineering services with a law firm or attorney that presently represents or proposes to represent the Association; (ii) the costs to prepare the Common Element Report must be paid directly by the Association to the Inspection Company at the time the Common Element Report is completed and delivered to the Association; and (iii) a law firm or attorney that presently represents or proposes to represent the Association may not have agreed, conditionally or unconditionally, to reimburse the Association for the cost of the Common Element Report.

(b) Provide Notice of the Defective Condition and Opportunity to Inspect and Repair. Within thirty (30) days after the Association receives the Common Element Report, the Association must send each Respondent a written notice of the Common Element Claim identifying in reasonable detail each deficient or defective condition in the Common Element that is the subject of the Claim, together with a complete copy of the Common Element Report and any other report, study, analysis and recommendation obtained by the Association relating to the Common Elements the subject of the Claim. Such notice must be sent to each Respondent via certified mail, return receipt requested, or via overnight delivery service with proof of delivery. From the date of receipt of such notice and for ninety (90) days thereafter, each Respondent shall have the right to: (a) inspect any condition identified in the Common Element Report as defective or deficient; (b) contact the Inspection Company for additional information needed to clarify any finding or statement in the Common Element Report; and (c) repair or correct any one or more of the conditions identified as being defective or deficient (if a Respondent commences the repair or correction of one or more conditions identified as being defective or deficient, the Respondent shall have the time reasonably necessary to complete such repair or correction). As provided in Section 10.9 above, the Declarant has an easement throughout the Property for itself, its successors, assigns, architects, engineers, design professionals, each Builder and their contractors that may be utilized to correct any such conditions identified in the Common Element Report.

(c) Obtain Approval of Owners to Pursue Claim. ***The requirements related to Owner approval are intended to ensure the Owners are fully informed of and approve the potential costs the Association and Owners may incur in prosecuting a Common Element Claim, the time that prosecuting such a claim may take, and the financial and other effects that prosecuting such a claim may have on the Association and its Owners.*** Accordingly, the Association must obtain the approval of Members holding a majority of the total number of votes entitled to be cast by all Members of the Association at a meeting of the Members called in accordance with the Bylaws to provide the Notice described in Section 12.3, initiate the mandatory dispute resolution procedures set forth in this Section 12, or take any other action to prosecute a Common Element Claim. The notice of such meeting must include (in addition to any requirements set forth in the Bylaws): (i) a description of the Common Element Claim, the relief sought, an estimate of the time it will take to prosecute the Claim and the likelihood of success; (ii) a copy of the Common Element Report; (iii) an estimate of the attorney fees, consultant fees, expert fees, arbitration fees and other costs that may be incurred as a result of prosecuting the Claim, whether incurred by the Association directly or for which the Association may be liable; (iv) a summary of the steps previously taken by the Association to resolve the Claim; (v) a statement that initiating arbitration or any legal action to resolve the Claim may affect the market value, marketability, or refinancing of a Lot while the Claim is being prosecuted; and (vi) a description of the manner in which the Association proposes to fund the cost of prosecuting the Claim. The notice required by this paragraph must be prepared and signed by a person who is not the attorney or member of the law firm who represents or is proposed to represent the Association with respect to the Claim, or retained or employed by or otherwise affiliated with the law firm of the attorney who represents or is proposed to represent the Association with respect to the Claim. If the Members so approve pursuing the Common Element Claim, Members holding a Majority of the votes in the Association, at a special meeting called in accordance with the Bylaws, may elect to discontinue pursuit of the Claim.

If the Association desires to engage or execute an agreement with a law firm or attorney to investigate or prosecute a Common Element Claim, then the Members should be informed of, and have the opportunity to approve, the financial arrangements between the Association and the law firm or attorney proposed to be engaged. Among other financial arrangements, the engagement agreement between the Association and the law firm or attorney could require the Association to pay fees and expenses to the law firm or attorney which will be paid through assessments levied against Owners, or may require the Association to pay fees and expenses if the relationship between the Association and the law firm or attorney is terminated, if the Association elects not to engage the law firm or attorney to prosecute the Claim, or if the Association agrees to settle the Claim. Such financial obligations could have a significant effect on the Association and its Members. Accordingly, before the Association engages or executes an agreement with a law firm or attorney to investigate or prosecute a Common Element Claim, the law firm or attorney and the financial arrangements and agreements between the Association and the law firm or attorney (collectively, an "**Engagement Agreement**") must be approved by Members holding a Majority of the total number of votes entitled to be cast by all members of the Association at the meeting of the Members described in the preceding paragraph. In that

case, the meeting notice to the Members must also include: (a) the name of the law firm and attorney; (b) a copy of the Engagement Agreement; (c) an estimate of the fees and expenses that may be required to be paid by the Association under the Engagement Agreement; (d) the conditions upon which such fees and expenses may be required to be paid by the Association; and (e) a description of the process the law firm or attorney will use to evaluate the Claim and whether destructive testing will be required (i.e., the removal of portions of the Common Element or improvements on the Property). If destructive testing will be required or is likely to occur, the notice shall contain (i) a description of the destructive testing, (ii) the likely locations of the destructive testing, (iii) whether the Owners' use of their Lots or any Common Element will be interrupted or affected by such testing, (iv) the means or methods the Association will use to repair the Common Element or improvements affected by such testing, and (v) the estimated costs for such testing and repairs, along with an estimate of the assessments that may be levied against the Owners to pay for the costs of such testing and repairs. Unless approved by the Members as provided above, the Association shall not have the authority to enter into, and shall not enter into, an Engagement Agreement with a law firm or attorney to investigate or prosecute a Common Element Claim. All Engagement Agreements must be in writing. Neither the Board nor any officer of the Association shall have the authority to pay any fees, expenses or other charges to a law firm or attorney relating to evaluating, investigating or asserting a Common Element Claim unless same is pursuant to a written Engagement Agreement approved by the Owners in accordance with this Section.

**12.10. Claims by Owner(s) Relating to Common Elements.** Pursuant to Section 12.9 above, an Owner does not have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Elements. In the event that a court of competent jurisdiction or arbitrator determines that an Owner does have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Elements, since a Claim affecting the Common Elements could affect all Owners, such Owner shall be required, as a precondition to providing the Notice defined in Section 12.3, initiating the mandatory dispute resolution procedures set forth in this Section 12, or taking any other action to prosecute such a Claim, to comply with the requirements of Section 12.9(a) – (c). Additionally, class action proceedings are prohibited, and no Owner shall be entitled to prosecute, participate, initiate, or join any litigation, arbitration or other proceedings as a class member or class representative in any such proceedings under this Declaration.

## 13. HOME CONSTRUCTION CLAIMS

**13.1. Claims Relating to Dwellings and Lots. EACH OWNER (WHICH INCLUDES WITHOUT LIMITATION EACH SUBSEQUENT PURCHASER OF A LOT), BY ACCEPTING AN INTEREST IN OR TITLE TO A LOT, AGREES THAT ALL CLAIMS AND CAUSES OF ACTION THAT SUCH OWNER MAY HAVE RELATING TO THE ORIGINAL DESIGN OR CONSTRUCTION OF SUCH OWNER'S**

**DWELLING, LOT, OR ANY IMPROVEMENT ON SUCH OWNER'S LOT (OTHER THAN COMMON ELEMENTS ON ONE OR MORE LOTS), INCLUDING WITHOUT LIMITATION CLAIMS BASED ON ANY EXPRESS OR IMPLIED WARRANTIES (COLLECTIVELY, "HOME CONSTRUCTION CLAIMS"), WILL BE GOVERNED EXCLUSIVELY BY THE TERMS AND CONDITIONS OF THE EXPRESS OR IMPLIED WARRANTY PROVIDED BY THE BUILDER OR CONTRACTOR WHICH CONSTRUCTED SUCH DWELLING OR IMPROVEMENT AND ANY OTHER AGREEMENTS BETWEEN THE INITIAL PURCHASER OF SUCH DWELLING AND SUCH BUILDER OR CONTRACTOR, INCLUDING WITHOUT LIMITATION ALL PROCEDURES AND AGREEMENTS CONTAINED THEREIN PERTAINING TO THE RESOLUTION OF DISPUTES. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EACH OWNER (WHICH INCLUDES WITHOUT LIMITATION EACH SUBSEQUENT PURCHASER OF A LOT), BY ACCEPTING AN INTEREST IN OR TITLE TO A LOT, ASSUMES THE TERMS AND CONDITIONS OF THE EXPRESS OR IMPLIED WARRANTY PROVIDED BY THE BUILDER OR CONTRACTOR WHICH CONSTRUCTED THE DWELLING OR IMPROVEMENT, AND, UNLESS THE EXPRESS WARRANTY OR CONTRACT PROVIDED BY SUCH BUILDER OR CONTRACTOR CONTAINS OTHER PROCEDURES TO RESOLVE HOME CONSTRUCTION CLAIMS, SPECIFICALLY AGREES TO THE FOLLOWING:**

(a) Agreement to Arbitrate Home Construction Claims. **ALL HOME CONSTRUCTION CLAIMS SHALL BE RESOLVED BY BINDING ARBITRATION.** This means each Owner (which includes without limitation each subsequent purchaser of a Lot) and the other parties involved in the Home Construction Claim GIVE UP THE RIGHT TO GO TO COURT OR TO A JURY to assert or defend Home Construction Claims (EXCEPT for matters that may be taken to SMALL CLAIMS COURT as provided below). Home Construction Claims will be determined by a NEUTRAL ARBITRATOR and NOT by a judge or jury. The arbitrator's decision will be final and binding, subject to appeal as described below. Arbitrator decisions are as enforceable as any court order and are subject to very limited review by a court. For more information, read the provisions regarding arbitration below, review the American Arbitration Association's Home Construction Arbitration Rules and related information at www.adr.org, call the American Arbitration Association at 1-800-778-7879, and consult an attorney if you so choose. Alternatively, if the Home Construction Claim does not exceed the maximum jurisdictional amount for a small claims court in the state where the Lot is located, a party involved in a Home Construction Claim may elect to have the claim resolved in a small claims court rather than by binding arbitration (however, any appeal of a small claims court judgment must be resolved through arbitration in accordance with this Section 13).

**PLEASE NOTE THAT THE AAA MAY AMEND THE HOME CONSTRUCTION ARBITRATION RULES AND FEE TABLE FROM TIME TO TIME WITHOUT NOTICE TO OWNERS.**

**TO VERIFY THE MOST CURRENT VERSION OF THE RULES AND FEE TABLE AND TO LEARN MORE ABOUT ARBITRATION AND HOW IT MAY DIFFER FROM TRADITIONAL LEGAL REMEDIES, PLEASE VISIT THE AAA WEBSITE AT WWW.ADR.ORG.**

**EACH OWNER AND SUCCESSIVE OWNER OF A LOT (WHICH INCLUDES WITHOUT LIMITATION EACH SUBSEQUENT PURCHASER OF A LOT) ACKNOWLEDGES THAT, PRIOR TO PURCHASING A LOT, SUCH OWNER HAS HAD AN ADEQUATE OPPORTUNITY TO CAREFULLY REVIEW THIS SECTION 13 AND THE AAA RULES (AND FEE TABLE), TO MEET WITH AN ATTORNEY CONCERNING THE NATURE AND LEGAL EFFECT OF BINDING ARBITRATION, TO VISIT THE AAA WEBSITE, AND TO TAKE ALL OTHER ACTIONS NECESSARY FOR SUCH OWNER TO FULLY UNDERSTAND THE ARBITRATION PROCESS, COSTS OF ARBITRATION, THE BINDING NATURE OF AN ARBITRATION DECISION AND THE TERMS OF THIS SECTION 13.**

(b) Applicable Law. The original construction and sale of each Dwelling was a transaction involving interstate commerce. The FAA and OAA shall govern the interpretation and enforcement of this agreement to arbitrate Home Construction Claims. Even if a part of these arbitration provisions is determined to be unenforceable under applicable law, the remainder shall survive, and the parties shall remain obligated to resolve Home Construction Claims through binding arbitration as set forth herein.

(c) Arbitrator – American Arbitration Association. The arbitration shall be conducted before an arbitrator appointed by the AAA. If the AAA declines to arbitrate a Home Construction Claim, or if the AAA is not available, the parties will agree to an alternative arbitrator, or have a court appoint a new arbitrator who meets the qualification criteria of an AAA-trained arbitrator and has at least ten years of construction arbitration experience.

(d) Arbitration Rules. The arbitration shall proceed in accordance with the AAA's Home Construction Arbitration Rules. If those rules have been repealed or replaced at the time the arbitration claim is filed, the AAA's rules then most applicable to residential construction shall apply. However, each builder or contractor will be entitled to visually inspect and perform testing as to any component claimed to have a construction defect and no AAA rule shall apply if it is inconsistent with the provisions of this agreement.

(e) Additional Parties or Claims. Each party to a Home Construction Claim may join as a party to the arbitration any third party consultant, contractor, supplier, manufacturer, engineer, architect or other professional involved in the manufacture, design or construction of any part of the Dwelling, Lot or improvement on the Lot. Except as provided above, each Home Construction Claim shall be between only the then Owner of a Dwelling or Lot and the Builder, Contractor and other parties involved in manufacture, design or construction of any part of such Dwelling or improvements on such Lot and shall not be joined or consolidated with the claims or

arbitration of any other party, and the arbitrator is not authorized to permit any consolidation or joinder with any other party. Each Owner and subsequent purchaser of a Lot waives the right to institute or participate in a class or any other type of representative arbitration or any type of legal action as a member or representative of a class for any Home Construction Claim and agrees the arbitrator is not authorized to permit any class or representative arbitration.

(f) Arbitration Process. A party seeking to resolve a Home Construction Claim shall begin the arbitration process by filing a demand for arbitration with the AAA and serving a copy of the demand on the other party. The failure to initiate arbitration at any particular time shall not be considered a waiver of the right to compel arbitration of a Home Construction Claim. The only way this right to arbitrate claims may be waived is by a written agreement among the parties. To the extent not inconsistent with the FAA, all provisions of this paragraph are subject to the general qualification that state laws, requirements and rules, including, but not limited to, state filing limitations (such as statute of limitations and statutes of repose), may affect how and when arbitration may be initiated and administered. The following is a brief description of the steps to initiate arbitration and the arbitration process:

(1) **Step 1 – Filing a Request**. The party initiating arbitration must notify the AAA in writing of the request for arbitration under the terms of this Agreement. If a builder or contractor initiates arbitration, such builder or contractor will pay the AAA's filing fee. If an Owner (including a subsequent purchaser of a Lot) initiates arbitration, such Owner will pay the lesser of 1/2 of the AAA filing fee or the amount provided by the AAA rules and the builder or contractor will pay the other 1/2 or remainder. All other AAA arbitration fees and costs shall be paid in accordance with the applicable AAA fee schedule.

(2) **Step 2 - Hearing**. The arbitration will be held at a location agreed to by the parties, usually in the metropolitan area where the Property is located. The hearing typically will be scheduled by the arbitrator at a time mutually agreeable to all parties. At the hearing, the arbitrator will hear and consider evidence presented by all parties. If a party timely notifies the AAA of a request for a record of the hearing prior to the earlier of the hearing date or the date in the AAA's rules, if specified, the arbitrator will preserve all evidence presented at the arbitration. Oral evidence will be preserved in a manner that it can be converted into a written transcript. The costs of the record will be paid by the party requesting the record or shared equally among the parties requesting a copy.

(3) **Step 3 - Award**. The arbitrator's award will decide the relief to be awarded and, if requested by a party, the scope and manner of correction. The arbitrator's award shall be consistent with this agreement, based on applicable law (except to the extent the FAA overrides and preempts state, local or other law), and shall include findings of fact and conclusions of law. If permitted by the AAA rules, either party may request a written explanation of the award. Each party shall bear its own attorney's fees and expenses (including without limitation the costs and fees of any expert witnesses) in

the arbitration, any confirmation proceeding and any appeal. Arbitrator compensation, expenses, and administrative fees (which include filing and hearing fees) shall not be subject to reallocation.

(i) **Appeal**. Each party shall have the right to appeal the arbitrator's award to the AAA by filing a written notice with the AAA (with a copy to the other party) within 30 days of the date of the arbitrator's award. The party appealing the award shall pay the fees necessary to initiate the appeal. If both sides appeal, the fees shall be split 50/50. The notice of appeal must include the specific items the party seeks to change in the award and the supporting facts and law. The appeal shall be heard by a panel of three arbitrators from the AAA. The appeal shall be conducted in accordance with the applicable rules of the AAA and this agreement as if the claim was being initially filed with the AAA, except that: (i) the only issues to be determined on appeal are the issues described in the notice of appeal and any issues raised by the non-appealing party in response to the issues in the notice of appeal, (ii) the arbitrators' award on appeal shall be final, binding and non-appealable, and (iii) no new evidence shall be accepted or considered by the arbitrators.

(ii) **Award after Appeal**. The award of the arbitrator shall be final, subject to appeal as provided above. If a notice of appeal from the initial hearing is not received by the AAA within 30 days after the date of the initial award, then the initial award shall be final. Once the award is final, it will be binding on and enforceable against the parties, except as modified, corrected, or vacated according to the applicable arbitration rules and procedures or to the extent not inconsistent with the FAA or applicable state law. Either party may present the final award to any court having jurisdiction over the Home Construction Claim to enter that award as a judgment of the court.

(4) **Step 4 - Repairs**. Unless designated otherwise in the award (and unless appealed), any party ordered to perform a correction to the Dwelling or Lot will, within 10 days after a final award, elect to either perform the correction awarded by the arbitrator or, at such party's option, pay the Owner of the Dwelling or Lot the reasonable cost of such correction. If such party elects to perform a correction under an award, such party will complete the correction within 60 days after a final award or as may be specified by the arbitrator. If the correction cannot be completed in that time, the arbitrator must grant reasonable additional time to make the correction. If the Owner believes that the correction was not performed satisfactorily or in a timely manner, such Owner may have those issues determined in a later arbitration. If the cost of correction is not specified in the award and party ordered to perform a correction elects to pay the Owner the reasonable cost of the correction, such Owner may have the amount of that payment reviewed in a later arbitration.

(g) Expenses. Except as stated above, each party shall bear its own attorney's fees and other expenses incurred in connection with a Home Construction Claim. However, if a party to such a claim files a court action in violation of this Section 13 and the other party is required to compel arbitration by filing a motion with the court, the court shall award the moving party its court costs and reasonable attorneys' fees incurred in connection with the motion.

**LIKE ALL COVENANTS CONTAINED IN THIS MASTER DECLARATION, THE AGREEMENTS CONTAINED IN THIS SECTION 13 ARE COVENANTS RUNNING WITH TITLE TO EACH LOT, CONCERN EACH LOT AND THE DWELLING AND OTHER IMPROVEMENTS ON SUCH LOT, AND SHALL BE BINDING UPON EACH SUCCESSIVE OWNER OF A LOT (WHICH INCLUDES WITHOUT LIMITATION EACH SUBSEQUENT PURCHASER OF A LOT).**

**OHIO LAW CONTAINS IMPORTANT REQUIREMENTS EACH OWNER (WHICH INCLUDES WITHOUT LIMITATION EACH SUBSEQUENT PURCHASER OF A LOT) MUST FOLLOW BEFORE CLAIMANT MAY FILE A LAWSUIT* OR COMMENCE ARBITRATION PROCEEDINGS PURSUANT TO A HOME CONSTRUCTION CLAIM. AT LEAST SIXTY (60) DAYS BEFORE CLAIMANT FILES A LAWSUIT* OR COMMENCES ARBITRATION PROCEEDINGS, OWNER (WHICH INCLUDES WITHOUT LIMITATION EACH SUBSEQUENT PURCHASER OF A LOT) MUST PROVIDE THE OTHER PARTY WITH A WRITTEN NOTICE OF THE CONDITIONS CLAIMANT ALLEGES ARE DEFECTIVE. UNDER CHAPTER 1312 OF THE OHIO REVISED CODE, THE OTHER PARTY HAS AN OPPORTUNITY TO OFFER TO REPAIR OR PAY FOR THE DEFECTS, HOWEVER, OWNER IS NOT OBLIGATED TO ACCEPT ANY OFFER THAT THE OTHER PARTY MAKES. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER STATE LAW, AND FAILURE TO FOLLOW THEM MAY AFFECT OWNER'S ABILITY TO FILE A LAWSUIT* OR COMMENCE ARBITRATION PROCEEDINGS.**

* By the terms of this Declaration, each Owner (which includes without limitation each subsequent purchaser of a Lot), must file for arbitration proceedings rather than the filing of a lawsuit.

## 14. MISCELLANEOUS.

### 14.1. Term.

The provisions hereof shall bind and run with the land for a term of thirty (30) years from and after the date that this Declaration is filed for Recording and thereafter shall automatically renew forever for successive periods of ten (10) years each, unless earlier terminated with the unanimous consent of Members.

### 14.2. Enforcement.

The provisions hereof may be enforced by any proceeding at law or in equity by Declarant, any Owner, the Association, the Master Association, the Architectural Review Committee, and each of their respective heirs, successors and assigns, against any Person(s) violating, or attempting to violate, any covenant, restriction, or Rule to restrain and/or to enjoin any violation, to obtain a decree for specific performance as to removal of any nonconforming Improvement, and to recover all damages, costs of enforcement and any other costs incurred (including without limitation reasonable attorneys' fees) in connection with any violation. The failure or forbearance to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of these rights. Failure of the Declarant or the Association to enforce the terms and provisions hereof shall in no event give rise to any claim or liability against the Declarant, the Association, or any of their partners, directors, members, managers, officers, or agents. EACH OWNER, BY ACCEPTING TITLE TO ALL OR ANY PORTION OF THE PROPERTY, HEREBY RELEASES AND SHALL HOLD HARMLESS EACH OF THE DECLARANT, THE ASSOCIATION, AND THEIR PARTNERS, DIRECTORS, OFFICERS, MANAGERS, MEMBERS, OR AGENTS FROM AND AGAINST ANY DAMAGES, CLAIMS, OR LIABILITY ASSOCIATED WITH THE FAILURE OF THE DECLARANT OR THE ASSOCIATION TO ENFORCE THE TERMS AND PROVISIONS HEREOF.

### 14.3. Amendments.

Until the Turnover Date, Declarant may, in its sole and absolute discretion, unilaterally amend the provisions hereof at any time and from time to time, without the consent of any other Owner or Member. Any such amendment may impose covenants, conditions, restrictions and easements in addition to those set forth herein including, without limitation, restrictions on use and covenants to pay additional charges with respect to the maintenance and improvement of any property in the Community. After the Turnover Date, Declarant may unilaterally amend the provisions hereof, without the consent of any other Owner, if such amendment is: (a) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, regulation or judicial order; (b) necessary to enable any reputable title insurance company to issue title insurance coverage on the Lots; (c) necessary to conform with any requirements promulgated by a local, state or governmental agency, including, for example, the United States Federal Housing Administration or the Veterans Administration; or (d) necessary to resolve conflicts, clarify ambiguities and to correct misstatements, errors or omissions in this Declaration; provided, however, any such amendment shall not materially adversely affect the title to any Lot unless the Owner thereof has consented to such amendment in writing. Before and after the Turnover Date, Declarant shall have the right and power, but neither the duty nor the obligation, in its sole and absolute discretion and by its sole act, to subject Additional Property to the provisions hereof at any time and from time to time by executing and Recording in the appropriate governmental office an amendment to this Declaration specifying that such Additional Property is part of the Community. An amendment hereby made by Declarant shall not require the joinder or signature of the Association, other Owners, mortgagees, or any other

Person. In addition, such amendments to this Declaration by Declarant may contain such supplementary, additional, different, new, varied, revised or amended provisions and memberships as may be necessary or appropriate, as determined by Declarant, to reflect and address the different character or intended development of any such Additional Property. Further, Declarant may, at any time and from time to time, reduce or withdraw land from the Property, and remove and exclude from the burden of this Declaration and the jurisdiction of the Association any portion of the Property. Upon any such withdrawal and removal this Declaration and the covenants conditions, restrictions and obligations set forth herein will no longer apply to the portion of the Property withdrawn. To withdraw lands from the Property hereunder, Declarant will be required only to Record a notice of withdrawal of land containing the following provisions:

(a) A reference to this Declaration, which reference will state the document number or volume and initial page number where this Declaration is Recorded;

(b) A statement that the provisions of this Declaration will no longer apply to the withdrawn land; and

(c) A legal description of the withdrawn land.

In addition, this Declaration may be amended or modified after the Turnover Date with the approval of Owners holding not less than seventy-five percent (75%) of the voting power of all Owners in the Association; provided, however, that the prior written consent of Declarant shall be required for any amendment or modification: (i) which affects Declarant's rights hereunder; or (ii) to any of Sections 3.12, 3.13, 3.14, 6.3(b), 8.4, 8.6, 10, 12, 13, or 14, and further provided that the consent of all Owners shall be required for any amendment which effects a change in the voting power of any Owner, the method of allocating Common Expenses among Owners, the fundamental purpose for which the Association is organized, or terminates this Declaration or dissolves the Association. Notwithstanding the foregoing, if any amendment to this Declaration will affect a Claim or the process of resolving a Claim against Declarant, such amendment may not apply retroactively to a Claim based on acts or omissions alleged to have occurred prior to the date of the amendment. Any amendment to this Declaration adopted with the aforesaid consent shall be executed with the same formalities as to execution as observed in this Declaration by the President and the Secretary of the Association, and shall contain their certifications that the amendment was duly adopted in accordance with the requirements of this paragraph. Any amendment so adopted and executed shall be effective upon the filing of the same with the Franklin County Recorder.

### 14.4. Declarant's Rights to Complete Development.

Declarant shall have the unrestricted right to: (a) complete the development, construction, promotion, marketing, sale, resale and leasing of properties; (b) construct or alter Improvements on any property owned by Declarant; (c) construct, maintain and operate model homes, offices

for construction, sales or leasing purposes, storage areas, construction yards or similar facilities on any property owned by Declarant or the Association; and/or (d) post signs incidental to the development, construction, promotion, marketing, sale and leasing of property within the Community, in compliance with applicable governmental regulations. Further, Declarant shall have the right of ingress and egress through the streets, paths and walkways located in the Community for any purpose whatsoever, including, but not limited to, purposes related to the construction, maintenance and operation of Improvements. Nothing contained herein shall limit the rights of Declarant or require Declarant to obtain approval: (i) to excavate, cut, fill or grade any property owned by Declarant; (ii) to construct, alter, remodel, demolish, replace, or use any Improvements on any Common Elements or any property owned by Declarant as a construction office, model home or real estate sales or leasing office in connection with the sale of any property or Lot; or (iii) of the Association or the Architectural Review Committee for any activity or Improvement on any Common Elements or any property owned by Declarant. Nothing in this Section shall limit or impair the reserved rights of Declarant as elsewhere provided in this Declaration.

It is contemplated that the Property will be developed pursuant to a plan, which may, from time to time, be amended or modified. Declarant reserves the right, but will not be obligated, to pursue the development, construction and marketing of the Property, or the right to direct the size, shape, and composition of the Property, and the right to create and/or designate Lots, Common Elements or to subdivide all or any portion of the Property, subject to any limitations imposed on portions of the Property by any applicable plat. Without limiting the preceding sentence, Declarant reserves the right, at any time and in Declarant's sole discretion, to (a) plat any unplatted land within the Property, in whole or in part and in phases, (b) replat any platted land within the Property, in whole or in part, and (c) convert residential lots to Common Elements, (d) convert Common Elements to residential lots, (e) impose or remove easements, and (f) effect any other land use or change in land use which is conducive to the completion of the development of the Community or the sale of land owned by Declarant within the Property. Collectively, the rights reserved to the Declarant as set forth in this Declaration shall be known as the "**Development Rights**", and Declarant hereby reserves the right and privilege for itself, and/or its assigns, to exercise the Development Rights, and any other rights reserved on behalf of the Declarant as set forth in this Declaration until twenty-four (24) months after the Turnover Date, except the right to appoint and remove Board members and officers of the Association which shall be governed by the provisions set out in Article III of the Bylaws. These rights may be exercised with respect to any portions of the Property or the Common Elements. As each portion of the Property is developed or dedicated, Declarant may designate the use, classification and such additional covenants, conditions and restrictions as Declarant may deem appropriate for such Property.

**14.5. Mortgagee Rights.**

A holder or insurer of a first mortgage upon any Lot, upon written request to the Association (which request shall state the name and address of such holder or insurer and a description of the Lot) shall be entitled to timely written notice of:

(a) Any proposed amendment of this Declaration;

(b) Any proposed termination of the Association; and

(c) Any default under the provisions hereof which gives rise to a cause of action by the Association against the Owner of the Lot subject to the mortgage of such holder or insurer, where the default has not been cured in sixty (60) days following the date a notice describing a default is sent to an Owner.

Each holder and insurer of a first mortgage on any Lot shall be entitled, upon written request and at such mortgagee's expense, to inspect the books and records of the Association during normal business hours.

**14.6. Assignment of Declarant's Rights.** Declarant may assign, in whole or in part, its rights as Declarant by executing a document assigning such rights. There may be more than one Declarant, if Declarant makes a partial assignment of Declarant status. If at any time there is more than one Declarant, a Declarant may only assign its rights as a Declarant in whole to a single person or entity unless otherwise approved by the other Declarants. Without limiting other provisions of this Declaration, upon a Declarant's assignment of any or all of its rights as Declarant under this Declaration, the assigning Declarant shall automatically, without further acknowledgment or consent of any other party, be fully released and discharged from any obligations accruing under this Declaration after the date of such assignment. If at any time there is more than one Declarant and a Declarant no longer owns any real property within the Property, then such Declarant's rights that apply or are exercisable only prior to the Turnover Date automatically shall be deemed to have been assigned to the remaining Declarant(s).

**14.7. Security.** Each Owner and resident of a Lot, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property within the Property or the Common Elements. The Association may, but shall not be obligated to, maintain or support certain activities within the Property or the Common Elements designed to promote or enhance the level of safety or security which each person provides for himself or herself and his or her property. HOWEVER, NEITHER THE ASSOCIATION NOR THE DECLARANT NOR THE DIRECTORS, EMPLOYEES, MEMBERS, MANAGERS, OR AGENTS OF SUCH ENTITIES SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SAFETY OR SECURITY WITHIN THE PROPERTY OR THE COMMON ELEMENTS NOR SHALL THEY BE HELD LIABLE FOR ANY LOSS OR DAMAGE ARISING FROM OR RELATED TO AN OWNER'S OR RESIDENT'S, OR THEIR

RESPECTIVE GUEST'S AND INVITEE'S, PRESENCE IN OR USE OF ANY IMPROVEMENTS ON THE PROPERTY, INCLUDING BUT NOT LIMITED TO ANY OF THE COMMON ELEMENTS OR IMPROVEMENTS THEREIN. NO REPRESENTATION OR WARRANTY IS MADE THAT ANY SYSTEMS OR MEASURES, INCLUDING SECURITY MONITORING SYSTEMS, WALLS AND GATES CANNOT BE COMPROMISED OR CIRCUMVENTED; OR THAT ANY SUCH SYSTEM OR SECURITY MEASURES UNDERTAKEN WILL IN ALL CASES PREVENT LOSS OR PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER ACKNOWLEDGES, UNDERSTANDS, AND SHALL BE RESPONSIBLE FOR INFORMING ANY RESIDENTS OF SUCH OWNER'S LOT THAT NEITHER THE ASSOCIATION, NOR THE DECLARANT, NOR THE OFFICERS, DIRECTORS, MEMBERS, MANAGERS, EMPLOYEES, AGENTS, AND COMMITTEES OF SUCH ENTITIES, ARE INSURERS OR GUARANTORS OF SECURITY OR SAFETY AND THAT EACH PERSON WITHIN THE PROPERTY AND THE COMMON ELEMENTS ASSUMES ALL RISKS OF PERSONAL INJURY AND LOSS OR DAMAGE TO PROPERTY RESULTING FROM ACTS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO ANY DAMAGE OR LOSS TO ANY RESIDENCES OR IMPROVEMENTS CONSTRUCTED UPON ANY LOT AND THE CONTENTS LOCATED THEREIN.

**14.8. Privacy.** While the Association may adopt policies or procedures designed, directly or indirectly, to support the privacy of persons, property and/or data, the Association shall have no obligation to do so, and each Owner, resident and occupant agrees and accepts the Association does not guarantee the privacy of any person or his or her property or data. TO THE MAXIMUM EXTENT PERMITTED BY LAW, NEITHER THE ASSOCIATION NOR THE DECLARANT SHALL HAVE ANY DUTY OF ANY KIND, EXPRESS OR IMPLIED, TO PROTECT THE PRIVACY OF ANY OWNER, RESIDENT OR OCCUPANT, INCLUDING WITHOUT LIMITATION THE PRIVACY OF HIS OR HER PERSON, PROPERTY OR DATA, AND EACH OWNER, RESIDENT AND OCCUPANT RELEASES THE ASSOCIATION AND DECLARANT AND THEIR RESPECTIVE BOARD MEMBERS, OFFICERS, MEMBERS, MANAGERS, EMPLOYEES, AND AGENTS FROM ANY LIABILITY, RESPONSIBILITY AND DAMAGE OF EVERY KIND RELATING TO PRIVACY OR A BREACH, LOSS OR INVASION OF PRIVACY.

**14.9. Adjacent Land Use.** Although this Declaration may contain disclosures about the Property or its location on the date of this Declaration, Declarant makes no representation that these are the only noteworthy features of the Property or its location. A prospective owner or resident must make his own inspection of the Property, its location and nearby land uses, and make inquiries of anything that concerns him. Declarant makes no representation of any kind as to current or future uses, actual or permitted, of any land that is adjacent to or near the Property, regardless of what any plat, plan or drawing shows as potential uses of adjoining land. Declarant and the Association cannot and do not guaranty scenic views, volumes of traffic on streets around and through the Property, availability of schools or shopping, or any other aspect of the Property that is affected by the uses or conditions of adjacent or nearby land, water or air. No

sales agent, realtor or other party has the authority to make any representation on behalf of Declarant.

**14.10. Mutuality.**

All restrictions, conditions and covenants contained herein are made for the direct, mutual, and reciprocal benefit of Declarant, the Association, and the present and future Owners of Lots in the Community, and each part thereof, and their respective personal representatives, heirs, successors, and assigns; the provisions hereof shall create mutual equitable servitudes upon the property submitted to these restrictions and each part thereof in favor of each other part thereof; and any property referred to herein as benefited hereby; the provisions hereof shall create reciprocal rights and obligations between the respective Owners of all such property and privity of contract and estate between all Owners thereof; and the provisions hereof shall, as to the Owners of any such property and those Owners' respective heirs, personal representatives, successors and assigns, operate as covenants running with the land for the benefit of all such property and the Owners thereof.

**14.11. Severability.**

If any provision (or any part of any provision) contained in this Declaration shall for any reason be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision, this Declaration shall be reformed and construed as if such invalid, illegal or unenforceable provision (or part thereof) had never been contained herein (but only to the extent it is invalid, illegal or unenforceable), and such invalid, illegal or unenforceable provision shall be reformed so that it would be valid, legal and enforceable to the maximum extent possible.

**14.12. Enforcement; Waiver.**

Failure of Declarant, the Association or any Owner to enforce any provision of this Declaration or the Rules in any manner shall not constitute a waiver of any right to enforce any violation of such provision. By accepting a deed to a Lot, each Owner is deemed to waive the defenses of laches and statute of limitations in connection with the enforcement by the Association of the provisions hereof or the Rules.

**14.13. Notices.**

Notices, demands or other communications to an Owner shall be given in writing by personal delivery, or posting at the Lot if a residence has been constructed on such Lot, or by depositing such notice in the United States Mail, first class, postage prepaid, to the address of the Owner of the Lot as shown by the records of the Association, or as otherwise designated in writing by the Owner. Any demand, notice or other communication or action given or taken

hereunder or by one of the joint Owners of a Lot shall be deemed to be given, taken, or received by all such joint Owners.

**14.14. Exhibits.**

The Exhibits hereto are a part of this Declaration as if set forth in full herein.

**14.15. Construction.**

In interpreting words and phrases herein, unless the context shall otherwise provide or require, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders. Any rule of construction to the effect that any ambiguities are to be resolved against the party who drafted the document shall not be utilized in interpreting this Declaration and the Exhibits hereto.

**14.16. Captions.**

The caption of each article, section and paragraph of this Declaration is inserted only for convenience and does not define, limit or describe the scope or intent of its provisions.

*[Remainder of page intentionally left blank; Signature on following page.]*

IN TESTIMONY WHEREOF, Declarant has caused the execution of this Declaration on the date first set forth above.

PULTE HOMES OF OHIO LLC,
a Michigan limited liability company

By: _____
Matthew J. Callahan
Division Vice President Land Acquisitions

STATE OF OHIO :
:
COUNTY OF FRANKLIN :

The foregoing instrument was acknowledged before me this 26 day of July, 2022, by Matthew J. Callahan, the Division Vice President Land Acquisition of PULTE HOMES OF OHIO LLC, a Michigan limited liability company, on behalf of the company.

_____
Notary Public

JOHN C. TRUITT
Notary Public
State of Ohio
My Commission Expires
September 12, 2022

This instrument prepared by:

David G. Gentry, Esq.
Gentry Law Group, LLC
2000 W. Henderson Rd, Suite 355
Columbus, OH 43220
(614) 929-5151
david@gentrylawgroup.com

**EXHIBIT A**

**PROPERTY**

Situated in the State of Ohio, County of Franklin, and City of Columbus:

Being Lots One (1) to Fifty-Three (53), inclusive of SUGAR FARMS SECTION 1, as the same are numbered, labeled and delineated upon the recorded plat thereof, of record in Plat Book 132, Pages 122-127, recorded at Instrument No. 202205240078819, Recorder's Office, Franklin County, Ohio.

# EXHIBIT B

# CODE OF REGULATIONS (BYLAWS) OF SUGAR FARMS RETREAT HOMEOWNERS' ASSOCIATION, INC.

## ARTICLE I

## NAME AND PURPOSE.

Section 1.01. The name of this Ohio nonprofit corporation shall be Sugar Farms Retreat Homeowners' Association, Inc. (the "Association").

Section 1.02. The purposes for which the corporation is formed are set forth in the Articles of Incorporation for Sugar Farms Retreat Homeowners' Association, Inc., filed with the Ohio Secretary of State and include being and acting as an association of the owners of residential Lots in a development known as and referred to herein as "Sugar Farms Retreat" or as the "Subdivision." The Association shall also serve as the "owners association" as that term is defined in Chapter 5312 of the Ohio Revised Code (the "Planned Community Act").

## ARTICLE II

## MEMBERS AND VOTING.

Section 2.01. Every individual or entity who is a record owner of a fee or undivided fee simple interest in a Lot that has been subjected to the provisions of the Declaration of Covenants, Easements, Restrictions, Assessments, and Assessment Liens for Sugar Farms to which this document is attached, and any amendments thereto (hereinafter the "Declaration"), except, in the case of a recorded land installment sales contract, the vendee or vendees and not the owner or owners of a fee simple interest, from and after the time that the same has been developed and platted and whose property has been subjected to the Declaration or other restrictions (whether by plat, deed restriction, declaration of restriction, or amendments thereto) which require such owners to be and become members of the Association, shall be a "Member" of the Association. "Owner," as used herein, as well as in the Declaration, means and includes the record owner of a fee simple interest in a Lot subject to the provisions of the Declaration, except the owner of the fee simple interest in a Lot subject to a recorded land installment contract, in which case the vendee is referred to herein as the "Owner." The membership of each Owner shall terminate when the Owner ceases to own an undivided fee simple interest or interests or vendee interest in a Lot, and upon the sale, transfer or other disposition of each undivided fee simple interest or vendee interest in a Lot, the membership in the Association which is appurtenant to that interest

shall automatically be transferred to the new Owner(s) of the interest. No Member may otherwise terminate membership in the Association or sever that membership interest.

Section 2.02. Except as provided herein, on any question for which the vote of Members is permitted or required, the Owner or Owners of each Lot in the Subdivision shall be entitled to exercise one vote for each such Lot that the Owner or Owners own. If two or more persons or entities own undivided interests in a Lot as fiduciaries, tenants in common or otherwise, such persons or entities shall only be entitled to one vote with respect to the Lot, which vote shall be exercised, if at all, as a single Lot and not by percentage of interest. In addition to the votes to which Declarant (as defined below) is otherwise entitled under this Section 2.02, until the Turnover Date (as defined below), for every one (1) vote outstanding in favor of any other person or entity, Declarant will have four (4) additional votes.

Notwithstanding anything herein to the contrary, Pulte Homes of Ohio LLC, a Michigan limited liability company, the Declarant under the Declaration (hereinafter, together with its successors and assigns, the "Declarant"), or its successor or its designee, shall be entitled to exercise one hundred percent (100%) of the total voting power of the Members of the Association on each matter properly submitted to the Members for their vote, consent, waiver, release or action until such time as the Declarant elects to relinquish the voting right, which relinquishment shall take place no later than the time the Subdivision has been developed to its fullest extent and all Lots have been deeded to bona fide purchasers unrelated to Declarant (the "Turnover Date"). At such time as Declarant elects to relinquish the voting right, each Lot shall be entitled to one vote on each matter properly submitted to the Members for their vote, consent, waiver, release or other action. In addition to the indemnification provided herein, Declarant, including Directors appointed by and employed by the Declarant, shall have no liability and shall be indemnified and held harmless by the Association for events occurring after the relinquishment of voting control. Assessments shall be paid by each Member when due without regard to the right of a Member to vote.

Section 2.03. Fiduciaries and minors who are Owners of record of a Lot or Lots may vote their respective interests as Members. If two or more persons or entities own undivided interests in a Lot as fiduciaries, tenants in common or otherwise, such persons or entities shall be entitled to one vote with respect to a Lot, which vote shall be exercised, if at all, as a single Lot and not by percentages of interest. If more than one of such Owners attends a meeting, acts in voting by mail or executing consents, a majority of those voting may act for the Owners of the Lot. If only one such person or entity attends a meeting, votes or executes a consent, then that person or entity may act for all.

Section 2.04. An entity which is a Member of the Association may exercise its right to vote by any officer, director, principal, member of a limited liability company, partner, trustee or employee and any such person shall conclusively be deemed to have authority to vote and to execute any proxies and written waivers and consents relative thereto, unless, before a vote is

taken or a consent or waiver is acted upon, it shall be made to appear by a certified copy of the regulations or bylaws or of a resolution adopted by the entity that such authority does not exist or is vested in some other officer or person.

Section 2.05. At meetings of the Members or otherwise, any Member entitled to vote or take action may be represented and may vote or take action by a proxy or proxies appointed by an instrument in writing. Each such instrument shall be filed with the Secretary of the meeting before the person holding the proxy shall be allowed to vote under the proxy at the meeting or with the Secretary of the Association before the person holding the proxy may take action under the proxy without a meeting. No proxy shall be valid after the expiration of eleven months from its date of execution unless the Member executing it shall have specified therein the length of time that it is to continue in effect.

## ARTICLE III

## MEETINGS OF MEMBERS

Section 3.01. After the relinquishment of control of the Association by the Declarant, an annual meeting of the voting Members for the election of Directors, for the consideration of reports to be made at the meeting and for the transaction of such other business as may properly come before the meeting shall be held during the first quarter of each calendar year, on a date established by the Board of Directors of the Association (the "Board of Directors"), or on such other date within one month thereafter as may be designated by the Board of Directors from time to time. No annual meetings shall be required or held prior to the Declarant's relinquishment of control of the Association.

Section 3.02. Following the relinquishment of control of the Association by the Declarant, special meetings of the Members may be called by the President, by a majority of the Directors acting with or without a meeting, or following the relinquishment of control of the Association by the Declarant, by Members entitled to exercise not less than twenty-five percent (25%) of the total voting power of the Members. Upon delivery of a request in writing to the President or Secretary of the Association by persons entitled to call such a meeting, it shall be the duty of the President or Secretary to give notice to the Members in accordance with this Code of Regulations, but if such request is refused, then the Persons making the request may call a meeting by giving the notice.

Section 3.03. All meetings of Members shall be held at such places as may be specified by the Board of Directors or the Persons calling the meeting.

Section 3.04. A written or printed notice of every meeting of Members, whether annual or special, stating the time, place and purpose or purposes for which the meeting is called shall be given by, or at the direction of, the President or Secretary of the Association by personal

delivery or by mail not more than sixty (60) nor less than five (5) days before the meeting to each Member entitled to notice thereof. If mailed, such notice shall be addressed to the Member at the Member's address as it appears on the records of the Association. The Association shall have no obligation to perform research or investigations beyond its records to ascertain the identity or the address of any Member. If a meeting is adjourned to another time or place, no further notice of the adjourned meeting need be given if the time and place to which it is adjourned are fixed and announced at the meeting. In the event of a transfer of ownership of a Member's Lot after notice has been given and prior to the holding of the meeting, it shall not be necessary to serve notice on the transferee. The Board of Directors may set a record date for the determination of the Members who are entitled to receive notice of or to vote at any meeting of Members, which record date shall not be earlier than forty-five (45) days preceding the meeting. If no record date is fixed by the Directors, the record date for determining the Members who are entitled to receive notice of or who are entitled to vote at a meeting of Members shall be the business day next preceding the day on which notice is given or the meeting is held, as the case may be. In any case where a person or entity's right to vote is questioned or disputed, the person wishing to vote shall have the burden of proving his, her or its right to vote.

Section 3.05. Notice of the time, place and purpose or purposes of any meeting of Members may be waived in writing either before or after the holding of the meeting by any Member, which writing shall be filed with or entered upon the records of the meeting. The attendance of a Member at any meeting in person or by proxy without protesting the lack of proper notice to or at the commencement of the meeting shall be deemed to be a waiver by that Member of notice of the meeting.

Section 3.06. A quorum for any meeting of Members shall be that number of Members who are entitled to vote who are present in person or represented by proxy at a meeting, and except as hereinafter provided, all actions shall be taken up on the majority vote of all Members present, in person or by proxy, provided that no action required by law, the Declaration, the Articles of Incorporation, or this Code of Regulations that must be authorized or taken by those Members exercising not less than a designated percentage of the total voting power may be authorized or taken by a lesser percentage. Those Members entitled to vote who are present in person and represented by proxy at a meeting may adjourn the meeting from time to time. Any business may be transacted at the reconvened meeting as if the meeting had been held as originally called.

Section 3.07. The order of business of any meeting of Members shall be determined by the presiding officer, unless otherwise determined by a vote of those Members entitled to exercise not less than a majority of the voting power of the Members present in person or represented by proxy at the meeting.

Section 3.08. At all elections of Members of the Board of Directors the candidates receiving the greatest percentage of the votes cast for their respective positions shall be elected.

All other questions shall be determined by the vote of those Members entitled to exercise not less than a majority of the voting power of the Members present in person and represented by proxy at a meeting, unless for the particular purpose the vote of a greater percentage of this voting power of all Members is required by law, the Articles of Incorporation, this Code of Regulations, the Declaration or otherwise.

Section 3.09. Any action which may be authorized or taken at a meeting of Members may be authorized or taken without a meeting in a writing or writings signed by Members exercising not less than a majority of the voting power of all Members or such greater proportion thereof as the Articles of Incorporation, this Code of Regulations, the Declaration or any other provision of law may otherwise require. Said writing or writings shall be filed with or entered upon the records of the Association. Any transmission by authorized communications equipment (including e-mail) that contains an affirmative vote or approval of a Member is a signed writing for purposes of this section. The date on which that transmission by authorized communications equipment is sent is the date on which the writing is signed. Any vote that can be taken at a meeting of Members may also be taken by mail. In that event ballots shall be mailed to all persons and entities who are Members of the Association at the time of the mailing and approval shall be required from a majority of the voting power of all Members or from such greater (or lesser, in the case of electing members of the Board of Directors) proportion thereof as the Articles of Incorporation, this Code of Regulations, the Declaration or any provision of law may otherwise require. Adequate records of the manner and results of each vote conducted by mail shall be filed with or entered upon the records of the Association.

## ARTICLE IV

## BOARD OF DIRECTORS

Section 4.01. Subject to such limitations as have been or may hereafter be imposed by the Declaration, the Articles of Incorporation or this Code of Regulations, as any of the same may be lawfully amended from time to time, all power and authority of the Association shall be vested in and exercised by a Board of Directors consisting of three (3) persons. Said persons shall manage and conduct the business and affairs of the Association and exercise the powers and duties established by the Declaration, the Articles of Incorporation, this Code of Regulations and the Rules (collectively, the "Association Governing Documents") until they resign, or until their successors are elected and qualified. Except for members of the Board of Directors appointed by the Declarant, members of the Board of Directors must be Members of the Association. Before the relinquishment of control of the Association by the Declarant, the Declarant shall appoint all Directors, which shall consist of three individuals named in the Articles of Incorporation, or such replacements thereof as Declarant shall from time to time appoint in its sole and unfettered discretion.

Subsequent to the relinquishment of control of the Association by the Declarant, the

Board of Directors shall consist of three individuals who shall each be Members of the Association. Directors elected at the meeting of Members in which Declarant relinquishes control of the Association shall serve until the end of the next following annual meeting of Members. Beginning with the first annual meeting following the turnover of control, Directors elected thereafter shall serve one year terms, terminating at the end of the next annual meeting thereafter. Following the turnover of Declarant control, any Director may be removed by the affirmative vote of those Members entitled to exercise not less than seventy-five percent (75%) of the voting power of all Members of the Association. A vote to remove any Director shall be conducted at a special meeting of the Members called for that purpose.

Section 4.02. Candidates for election as Directors may be selected by a Nominating Committee formed in accordance with Section 5.06 of Article V of this Code of Regulations. Candidates may also be nominated from the floor of any meeting held for the purpose of electing a Director or Directors. The Nominating Committee may nominate as many candidates as it wishes, provided that if the Nominating Committee nominates a candidate, it shall nominate not less than the number of Directors to be elected.

Section 4.03. If any member of the Board of Directors, other than a member of the Board of Directors appointed by the Declarant, vacates membership on the Board of Directors as a result of death, resignation or any other act or reason, a replacement Director shall be appointed by the remaining Directors. If the remaining Directors cannot agree upon a person to fill the vacancy within thirty days after it is created, said remaining Directors shall call a special meeting of Members of the Association to fill the vacancy, such meeting to be held within sixty days after the vacancy is created. Any Director appointed or elected to fill a vacancy shall hold office for the unexpired term of the Director he or she succeeds and until his or her successor is elected and qualified, or until he or she resigns. If any member of the Board of Directors appointed by the Declarant vacates membership on the Board of Directors as a result of death, resignation or any other act or reason, a replacement Director shall be appointed by the Declarant.

Section 4.04. The Board of Directors shall hold such meetings from time to time as it deems necessary and such meetings may be called by the President of the Association from time to time, provided that the Board of Directors shall be required to meet at least once in each calendar quarter. Meetings shall be held at such place as the President or a majority of the Directors may determine, or by electronic or telephonic communication provided that each Director can hear or read in real time and participate and respond to every other Director.

Section 4.05. The President or Secretary shall cause electronic, telegraphic or written notice of the time and place of all meetings of the Board of Directors, both regular meetings and special meetings, to be duly served upon or sent to each Director not less than two (2) nor more than twenty (20) days before the meeting, except that a regular meeting of the Board of Directors may be held without notice immediately after the annual meeting of the Members of the Association at the same place as the annual meeting was held for the purpose of electing or

appointing officers for the ensuing year and the transaction of such other business as may properly come before said meeting. No notice of adjourned meetings need be given. Notice of the time and place of any meeting of the Board of Directors may be waived by any Director in writing either before or after the holding of the meeting, which writing shall be filed with or entered upon the records of the meeting. The attendance of any Director at any Board of Directors meeting without protesting the lack of proper notice prior to or at the commencement of the meeting shall be deemed to be a waiver by that person of notice of the meeting.

Section 4.06. At all meetings of the Board of Directors a majority of the members thereof shall constitute a quorum, but less than a quorum may adjourn a meeting from time to time, and at adjourned meetings any business may be transacted as if the meeting had been held as originally called. The act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as otherwise required by law, the Declaration, the Articles of Incorporation or this Code of Regulations. No Member of the Association, other than a Director, may attend or participate in any discussion or deliberation of a meeting of the Board of Directors unless the Board of Directors expressly authorizes that Member to attend or participate.

Section 4.07. Members of the Board of Directors shall not receive any compensation for their services rendered to the Association as a Director. However, any Director may be reimbursed for actual expenses incurred in the performance of duties as a Director, if approved by the Board of Directors, and any Director may serve the Association in any other capacity and may receive compensation therefore, subject to the requirements and limitations of this Code of Regulations and the Articles of Incorporation.

Section 4.08. Any action which may be authorized or taken at a meeting of the Board of Directors may be authorized or taken without a meeting in a writing or writings signed by all of the Directors, which writing or writings shall be filed with or entered upon the records of the Association. . Any transmission by authorized communications equipment (including e-mail) that contains an affirmative vote or approval of a Member is a signed writing for purposes of this section. The date on which that transmission by authorized communications equipment is sent is the date on which the writing is signed.

Section 4.09. The Board of Directors may employ or engage the services of a Manager and such other persons, firms or corporations as it deems necessary or advisable in order to perform the duties imposed upon it, and may pay such compensation as it determines. The Board of Directors may delegate to any such Manager, person, firm or corporation such administrative and ministerial duties as it determines.

Section 4.10. The Board of Directors shall exercise all powers and have all authority, under law, and under the provisions of the Declaration, Articles of Incorporation, and this Code of Regulations, that are not specifically and exclusively reserved to the Members by law or by

other provisions of the Declaration, Code of Regulations or Articles of Incorporation, and without limiting the generality of the foregoing, the Board of Directors shall have the right, power and authority to:

a) take all actions deemed necessary or desirable to comply with or to cause compliance with all requirements of law, and the Declaration, Code of Regulations and Articles of Incorporation;

b) obtain insurance coverage and bonds the Directors consider appropriate or necessary; provided that insurance coverage and bonds required pursuant to the provisions of the Declaration and in amounts no less than that required pursuant to the provisions of the Declaration shall be obtained and maintained;

c) enforce the covenants, conditions and restrictions set forth in the Declaration;

d) subject to the provisions of the Declaration, repair, maintain and improve the Common Elements;

e) establish, enforce, levy and collect Assessments, late fees, delinquent interest and such other charges as are provided for in the Declaration and adopt, publish, and enforce rules and regulations concerning the same;

f) adopt and publish rules and regulations governing the use of the Common Elements and the personal conduct of Owners, Occupants and their guests thereon;

g) suspend the voting rights of an Owner during any period in which such Owner shall be in default in the payment of any charge levied by the Association (such rights may also be suspended after notice and hearing, for a period not to exceed thirty days for each infraction of published rules and regulations or of any provisions of the Declaration);

h) declare the office of a member of the Board of Directors to be vacant in the event such Director shall be absent from three consecutive regular meetings of the Board of Directors;

i) subject to such approvals, if any, as may be required pursuant to the provisions of the Declaration, authorize the officers to enter into one or more agreements necessary or desirable to fulfill the purposes and objectives of the Association, including, without limitation, management agreements, purchase

agreements and loan documents, all on such terms and conditions as the Board of Directors in its sole and absolute discretion may determine;

j) cause excess funds of the Association to be invested in such reasonable investments that meet standards for fiduciary investments under Ohio law as the Board of Directors may from time to time determine;

k) subject to the provisions of the Declaration, borrow funds, as needed, and pledge and assign such security and rights of the Association, including rights to levy and collect Association Assessments of every type or nature, or other future income, and to file liens therefore and enforce collection thereof, as might be necessary or desirable in the judgment of the Board of Directors, to obtain any such loan;

l) take such actions and expend the Association funds and Assessments as the Board of Directors deems appropriate, in its sole discretion, to satisfy the requirements of institutional mortgagees, and guarantors and insurers of first mortgage loans for the financing or refinancing of Lots a part of the Subdivision;

m) purchase and cause the Association to hold title to real property; and

n) do all things and take all actions permitted to be taken by the Association by law or the Declaration not specifically reserved thereby to others.

Section 4.11. It shall be the duty of the Board of Directors to:

a) cause to be kept a complete record of all its acts and corporate affairs, including correct and complete books and records of account that specify receipts and expenditures relating to Common Elements and other common receipts and expenses, records showing the allocation, distribution, and collection of common profits, losses, and expenses among and from Owners, minutes of meetings of the Members and meetings of the Board of Directors, and records of the names and addresses of Owners;

b) present the latest available financial statement of the Association to the Owners at each annual meeting of Owners, or at any special meeting when requested in writing by Owners representing not less than a majority of the voting power of Owners;

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

d) cause an annual budget to be prepared, and amendments thereto as needed;

e) as more fully provided in the Declaration, establish, levy, enforce and collect Assessments at least annually;

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

g) procure and maintain insurance and bonds as provided in the Declaration, and as the Board of Directors deems advisable;

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

i) take all other actions required to comply with all requirements of the Declaration, Articles of Incorporation and this Code of Regulations.

## ARTICLE V

## OFFICERS AND COMMITTEES

Section 5.01. The officers of the Association shall be a President, a Vice-President, a Secretary, a Treasurer and such other officers as may be determined by the Board of Directors. All officers shall be elected by the Board of Directors from among the members of the Board of Directors. Officers shall hold office at the pleasure of the Board of Directors and any two or more offices may be held by the same person. No officer shall receive any compensation for their services rendered to the Association as a Director; provided that an officer may be reimbursed for actual expenses incurred in the performance of duties as an officer, if approved by the Board of Directors, and any officer may serve the Association in any other capacity and may receive compensation therefore, subject to the requirements and limitations of this Code of Regulations and the Articles of Incorporation.

Section 5.02. It shall be the duty of the President to preside at all meetings of Members of the Association and the Board of Directors, to exercise general supervision over the affairs of the Association and in general to perform all duties incident to the office or which may be required by the members of the Board of Directors.

Section 5.03. It shall be the duty of the Vice-President to perform the duties of the President in the event of the President's absence or disability and to perform such other duties as may be assigned to him or her by the Board.

Section 5.04. It shall be the duty of the Secretary to keep or cause to be kept under his or her supervision an accurate record of the acts and proceedings of the Members and the Board of Directors, including records of the names and addresses of the Members. The Secretary shall further perform all duties incident to the office and such other duties as may be required by the Members or the Board of Directors. Upon expiration or termination of his or her term of office, the Secretary shall deliver all books, records, documents and other property of the Association in his or her possession or control to his or her successor or to the President.

Section 5.05. The Treasurer shall receive and safely keep all money, securities and other intangible property belonging to the Association, or evidence thereof, and shall disburse the same under the direction of the Board of Directors; shall keep or cause to be kept under his or her supervision correct and books and records of account specifying the receipts and expenditures of the Association, together with records showing the allocation, distribution and collection of assessments, fees, revenues and expenses among and from the Members, shall hold the same open for inspection and examination by the Board of Directors and the Members, and shall present abstracts of the same at annual meetings of the Members or at any other meeting when requested; shall give bond in such sum with such surety or sureties as the Board of Directors may require for the faithful performance of his or her duties; shall perform any other duties which may be required of him or her by the members of the Board of Directors; and, upon the expiration or termination of his or her term of office, shall deliver all money and other property of the Association in his or her possession or control to his or her successor or to the President.

Section 5.06. The Board of Directors may create a committee or committees of directors. Each committee shall be composed of not less than one (1) Director, shall serve at the pleasure of the Board of Directors and shall be subject to the control and direction of the Board of Directors. Any committee may act pursuant to the vote of a majority of its members at a meeting of the committee or by a writing or writings signed by all of its members. Any act or authorization by any such committee within the authority delegated to it shall be as effective for all purposes as the act or authorization of the Board of Directors. Each committee shall establish its own procedures for scheduling and giving notice of its meetings, establishing agendas, maintaining records of its meetings and actions, and other administrative matters, subject to any such procedures which may be established for that committee or all committees by the Board of Directors.

## ARTICLE VI

## INDEMNIFICATION

Section 6.01. The Association shall indemnify any Director, officer or employee of the Association who was or is a party or is threatened to be made a party to any threatened, pending

or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including, without limitation, any action threatened or instituted by or in the right of the Association), by reason of the fact that that individual is or was a Director, officer, employee, agent or volunteer of the Association, or is or was serving at the request of the Association as a director, officer, employee, agent or volunteer of another corporation (domestic or foreign, nonprofit or for profit), limited liability company, partnership, joint venture, trust or other enterprise, against expenses (including, without limitation, attorneys' fees, filing fees, court reporters' fees and transcript costs), judgments, fines and amounts paid in settlement actually and reasonably incurred by that person in connection with such action, suit or proceeding if that individual acted in good faith and in a manner that individual reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, that individual had no reasonable cause to believe that individual's conduct was unlawful. An individual claiming indemnification under this Section 6.01 shall be presumed, in respect of any act or omission giving rise to such claim for indemnification, to have acted in good faith and in a manner that individual reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal matter, to have had no reasonable cause to believe that individual's conduct was unlawful, and the termination of any action, suit or proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its, equivalent, shall not, of itself, rebut such presumption.

Section 6.02. The Association may indemnify any agent or volunteer of the Association who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including, without limitation, any action threatened or instituted by or in the right of the Association), by reason of the fact that he or she is or was an agent or volunteer of the Association, or is or was serving at the request of the Association as a director, trustee, officer, employee, agent or volunteer of another corporation (domestic or foreign, nonprofit or for profit), limited liability company, partnership, joint venture, trust or other enterprise, against expenses (including, without limitation, attorneys' fees, filing fees, court reporters' fees and transcript costs), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, he or she had not reasonable cause to believe his or her conduct was unlawful. The Association's decision to provide indemnification under this Section 6.02 presumes that the Association believes the agent or volunteer, in respect of any act or omission giving rise to such claim for indemnification, to have acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal matter, to have had no reasonable cause to believe his or her conduct was unlawful, and the termination of any action, suit or proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, rebut such presumption. Such decision shall be made in any of the following manners: (a) by a majority vote of a quorum consisting of directors

of the Association who were not and are not parties to or threatened with the action, suit or proceeding in question, or (b) by the members of the Association by majority vote.

Section 6.03. Anything contained in this Code of Regulations or elsewhere to the contrary notwithstanding:

a) the Association shall not indemnify any Director, officer, employee, agent or volunteer of the Association who was a party to any completed action or suit instituted by or in the right of the Association to procure a judgment in its favor by reason of the fact that that individual is or was a trustee, director, officer, employee, agent or volunteer of the Association, or is or was serving at the request of the Association as a director, officer, employee, agent or volunteer of another corporation (domestic or foreign, nonprofit or for profit), limited liability company, partnership, joint venture, trust or other enterprise, in respect of any claim, issue or matter asserted in such action or suit as to which that individual shall have been adjudged to be liable for acting with reckless disregard for the best interests of the Association or misconduct (other than negligence) in the performance of that individual's duty to the Association, unless and only to the extent that the Court of Common Pleas of a county where all or any part of the Subdivision or development is located or the court in which such action or suit was brought shall determine upon application that, despite such adjudication of liability, and in view of all the circumstances of the case, that individual is fairly and reasonably entitled to such indemnity as such Court of Common Pleas or such other court shall deem proper; and

b) the Association shall promptly make any such unpaid indemnification as is determined by a court to be proper as contemplated by this Section 6.03.

Section 6.04. Anything contained in this Code of Regulations or elsewhere to the contrary notwithstanding, to the extent that any Director, officer or employee of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 6.01, or in defense of any claim, issue or matter therein, that individual shall be promptly indemnified by the Association against expenses (including, without limitation, attorneys' fees, filing fees, court reporters' fees and transcript costs) actually and reasonably incurred in connection therewith.

Section 6.05. Anything contained in this Code of Regulations or elsewhere to the contrary notwithstanding, to the extent that any agent, or volunteer of the Association, who the Association has decided to indemnify under 6.02, has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 6.02, or in defense of any

claim, issue or matter therein, he or she shall be promptly indemnified by the Association against expenses (including without limitation, attorney's fees, filing fees, court reporters' fees and transcript costs) actually and reasonably incurred by him or her in connection therewith.

Section 6.06. Any indemnification required under Section 6.01 or approved by the Association under 6.02 and not precluded under Section 6.03 shall be made by the Association only upon a determination that such indemnification of the Director, officer, employee, agent or volunteer is proper in the circumstances because that individual has met the applicable standard of conduct set forth in Sections 6.01 and 6.02, as applicable. Such determination may be made only (a) by a majority vote of a quorum consisting of Directors of the Association who were not and are not parties to, or threatened with, any such action, suit or proceeding, or (b) if such a quorum is not obtainable or if a majority of a quorum of disinterested Directors so directs, in a written opinion by independent legal counsel other than an attorney, or a firm having associated with it an attorney, who has been retained by or who has performed services for the Association, or any individual to be indemnified, within the past five years, or (c) by the Members, or (d) by the Court of Common Pleas of a county where all or any part of the Subdivision or development is located, or (if the Association is a party thereto) the court in which such action, suit or proceeding was brought, if any; and such determination may be made by a court under division (d) of this Section 6.06 at any time; and no decision for any reason to make any such determination, and no decision for any reason to deny such determination, by the disinterested Directors under division (a) or by independent legal counsel under division (b) or by the Members under division (c) of this Section 6.06 shall be evidenced in rebuttal of the presumption recited in Section 6.01 or the determination of the Association in Section 6.02. Any determination made by the disinterested Directors under division (a) or by independent legal counsel under division (b) or by the Members under division (c) of this Section 6.06 to make indemnification in respect of any claim, issue or matter asserted in an action or suit threatened or brought by or in the right of the Association shall be promptly communicated to the individual who threatened or brought such action or suit, and within ten (10) days after receipt of such notification such individual shall have the right to petition the Court of Common Pleas of a county where all or any part of the Subdivision or development is located or the court in which such action or suit was brought, if any, to review the reasonableness of such determination.

Section 6.07. Expenses (including, without limitation, attorneys' fees, filing fees, court reporters' fees and transcript costs) incurred in defending any action, suit or proceeding referred to in Section 6.01 shall be paid by the Association in advance of the final disposition of such action, suit or proceeding to or on behalf of the officer or Director promptly as such expenses are incurred by that individual, but only if such officer or Director shall first agree, in writing, to repay all amounts so paid in respect of any claim, issue or other matter asserted in such action, suit or proceeding in defense of which that individual shall not have been successful on the merits or otherwise:

a) if it shall ultimately be determined as provided in Section 6.04 that the individual is not entitled to be indemnified by the Association as provided under Section 6.01 (for Directors, officers or employees), or 6.02 (for agents or volunteers); or

b) if, in respect of any claim, issue or other matter asserted by or in the right of the Association in such action or suit, that individual shall have been adjudged to be liable for acting with reckless disregard for the best interests of the Association or misconduct (other than negligence) in the performance of that individual's duty to the Association, unless and only to the extent that the Court of Common Pleas of a county where all or any part of the Subdivision or development is located or the court in which such action or suit was brought shall determine upon application that, despite such adjudication of liability, and in view of all the circumstances, that individual is fairly and reasonably entitled to all or part of such indemnification.

Section 6.08. The indemnification provided by this Article VI shall not be exclusive of, and shall be in addition to, any other rights to which any person seeking indemnification may be entitled under the Articles or this Code of Regulations or any agreement, vote of Members or disinterested Directors, or otherwise, both as to action in that individual's official capacity and as to action in another capacity while holding such office, and shall continue as to an individual who has ceased to be an officer or Director of the Association and shall inure to the benefit of the heirs, executors, and administrator of such individual.

Section 6.09. The Association may purchase and maintain insurance or furnish similar protection, including but not limited to trust funds, letters of credit, or self-insurance, on behalf of any individual who is or was a Director, officer, employee, agent or volunteer of the Association, or is or was serving at the request of the Association as a director, trustee, officer, employee, agent or volunteer of another corporation (domestic or foreign, nonprofit or for profit), limited liability company, partnership, joint venture, trust or other enterprise, against any liability asserted against that individual and incurred by that individual in any such capacity, or arising out of that individual's status as such, whether or not the Association would have the obligation or the power to indemnify that individual against such liability under the provisions of this Article VI. Insurance may be purchased from or maintained with an individual in which the Association has a financial interest.

Section 6.10. For purposes of this Article VI, and as examples and not by way of limitation:

a) An individual claiming indemnification under this Article VI shall be deemed to have been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 6.01 or Section 6.02, or in defense

of any claim, issue or other matter therein, if such action, suit or proceeding referred to Section 6.01 or Section 6.02, or in defense of any claim, issue or other matter therein, if such action, suit or proceeding shall be terminated as to such person, with or without prejudice, without the entry of a judgment or order against that individual, without a conviction of that individual, without the imposition of a fine upon that individual and without that individual's payment or agreement to pay any amount in settlement thereof (whether or not any such termination is based upon a judicial or other determination of the lack of merit of the claims made against that individual or otherwise results in a vindication of that individual);

b) References to any "other enterprise" shall include employee benefit plans; references to a "fine" shall include any excise taxes assessed on an individual with respect to an employee benefit plan; and references to "serving at the request of the Association" shall include any service as a Director, officer, employee, agent or volunteer of the Association which imposes duties on, or involves services by, such Director, officer, employee, agent or volunteer with respect to an employee benefit plan, its participants or beneficiaries; and an individual who acted in good faith and in a manner that individual reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Association" within the manning of that term as used in this Article VI; and

c) The term "volunteer" shall mean an agent of the Association, or another individual associated with the Association, who (i) performs services for or on behalf of, and under the authority or auspices of, the Association, and (ii) does not receive compensation, either directly or indirectly, for performing those services. Compensation does not include (i) actual and necessary expenses that are incurred by the volunteer in connection with the services performed for the Association and that are reimbursed to the volunteer or otherwise paid; (ii) insurance premiums paid on behalf of the volunteer and amounts paid, advanced or reimbursed pursuant to this Article VI, Section 1702.12(E) of the Ohio Revised Code or any indemnification agreement, resolution or similar arrangement; or (iii) modest prerequisites.

Section 6.11. Any action, suit or proceeding to determine a claim for indemnification under this Article VI may be maintained by the person claiming such indemnification, or by the Association, in the Court of Common Pleas of a county where all or any part of the Subdivision or development is located. The Association and (by claiming such indemnification) each such individual consent to the exercise of jurisdiction over its or that individual by the Court of Common Pleas of a county where all or any part of the Subdivision or development is located in

any such action, suit or proceeding.

## ARTICLE VII

## NOTICES AND DEMANDS

Section 7.01. Any notice or demand which is required to be given or delivered to or served upon a Member of the Association shall be in writing and shall be deemed to have been given, delivered or served when delivered personally to him or her or mailed to him or her at his or her address as it appears on the records of the Association.

Section 7.02. In computing the period of time for the giving of a notice required or permitted under the Articles of Incorporation, this Code of Regulations or a resolution of the Members or Directors, the day on which the notice is given shall be excluded, and the day when the act for which notice is given is to be done shall be included, unless the instrument calling for the notice otherwise provides. If notice is permitted to be given by mail, the notice shall be deemed to have been given when deposited in the mail.

## ARTICLE VIII

## AMENDMENTS

Section 8.01. Until such time as the Declarant elects to relinquish its voting right under Section 2.02, this Code of Regulations may be amended by the unanimous consent of the Board of Directors. Any amendment to the Code of Regulations adopted by the Board shall be filed and recorded in the office of the recorder of the county or counties in which any part of the Subdivision or development is located within sixty days after the date of adoption of the amendment.

Section 8.02. After the Turnover Date, this Code of Regulations may be amended or a new Code of Regulations may be adopted at a meeting of voting Members held for that purpose or in a vote conducted by mail by the affirmative vote of those Members entitled to exercise not less than seventy-five percent (75%) of the total voting power of Members. The foregoing notwithstanding, any amendment terminating and dissolving the Association shall require the unanimous consent of all Members.

Section 8.03. Any amendments to this Code of Regulations shall be recorded in the office of the recorder of the county or counties in which the planned community is located within sixty days after the date of adoption of the amendment as required by law.

## ARTICLE IX

## DURATION

Section 9.01. The Association shall exist so long as the provisions of the Declaration are applicable to the Subdivision or development.

## ARTICLE X

## MISCELLANEOUS

Section 10.01. This Code of Regulations shall also be deemed to be Bylaws as the same is defined in Chapter 5312 of the Ohio Revised Code.