

THIS DECLARATION OF CONDOMINIUM OWNERSHIP (the "Declaration") is made as of the 27th day of MARCH, 1998, by The Ryland Group, Inc., a Maryland corporation ("Declarant").

[Amendments have been incorporated through Amendment 15, February 14, 2013]

Note: The Declaration and Regulations are transcripts of the material provided to each home owner at time of purchase and includes all amendments to these documents. In the event of any discrepancy the home owner hard copy should be considered correct. The official copy is on file with Greene County.

A. Declarant is the owner of certain real estate located in the City of Beavercreek, Greene County, Ohio, consisting of approximately 5.679 acres (the "Condominium Property") and commonly known as Canterbury Village Condominium (the "Condominium"). The Condominium Property is legally described on Exhibit A-1 attached to the Declaration of Condominium Ownership dated as of March 27, 1998 (the "Declaration"), and recorded on April 1, 1998 in Volume 1186, Page 391 of the Greene County, Ohio records, and by this reference incorporated herein. As amended by First Amendment of Declaration of Condominium Ownership dated May 1, 1998, and recorded on May 15, 1998 in Volume 1203, Page 153 of the Greene County, Ohio records, and by this reference incorporated herein, as amended by Second Amendment to Declaration of Condominium Ownership dated as of June 8, 1998, as recorded on June 10, 1998 in volume 1211, Page 448 of the Greene County, Ohio records, as amended by the Third Amendment to Declaration of Condominium Ownership dated as of August 27, 1998, and recorded on August 28, 1998 in Volume 1240, Page 15 of the Greene County, Ohio records, as amended by Amended and Restated Third Amendment to Declaration of Condominium Ownership dated as of September 21, 1998, and recorded on September 25, 1998 in Volume 1249, Page 246 of the Greene County, Ohio records and by the reference incorporated herein, as amended by the Fourth Amendment to Declaration of Condominium Ownership dated as of October 16, 1998 and recorded on October 19, 1998 in Volume 1257, Page 913 of the Greene County, Ohio records and by this reference incorporated herein and as amended by the Fifth Amendment to Declaration of Condominium Ownership dated as of December ____, 1998 and recorded December ____, 1998 in Volume ____, Page ____ of the Greene County Ohio records and by the reference incorporated herein (as amended, the "Declaration").

B. Declarant is also the owner of certain real estate located in the City of Beavercreek, Greene County, Ohio (the "Owned Property"), which is legally described on Exhibit A-2 attached hereto and by this reference incorporated herein.

B. Declarant intends to amend the Declaration to make certain changes to meet the requirements of certain agencies that will guarantee, insure or purchase loans on Units. [As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]

C. Declarant has option to buy certain real estate located in the City of Beavercreek, Greene County, Ohio, consisting of approximately 16.074 acres (the "Option Property") which is depicted on the site plan attached as Exhibit A-3 attached hereto and by this reference incorporated herein. The Owned Property and the Option Property are collectively referred to herein as the "Future Expansion Areas." The Condominium Property and the Future Expansion Areas are collectively referred to herein as the "Property."

C. Declarant previously submitted the Condominium Property to the condominium form of ownership pursuant to Chapter 5311 of the Ohio Revised Code, and established certain covenants, easements, conditions and restrictions for the Property, all as set forth in the Declaration [As amended by the Sixth Amendment to Declaration of Condominium Ownership, December ____, 1998.]

D. Declarant desires to submit the Condominium Property to the condominium form of ownership pursuant to Chapter 5311 of the Ohio Revised Code, and to establish certain covenants, easements, conditions and restrictions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Condominium Property and be binding on all parties having any right, title or interest in that portion of the Condominium Property, and their heirs, successors and assigns, and shall inure to the benefit of each owner of the Condominium Property.

D. Declarant intends to amend the Declaration to reflect the addition of approximately 1.414 acres of Owned Property to the Condominium Property. [as amended by Second Amendment to the Declaration, June 8, 1998.]

D. Declarant intends to amend the Declaration to reflect the addition of approximately 0.921 acres of the Owned Property to the Condominium Property. [as amended by Sixth Amendment to the Declaration, December ____, 1998.]

D. Declarant reserves the right either to expand the Condominium to include all or any portion of the Future Expansion Area and to make this Declaration binding upon that property and all improvements constructed thereon, or to add all or any portion of the areas marked Future Expansion Areas to the Condominium Property as Common Areas or Limited Common Areas.

1. DEFINITIONS

- 1.1 "Assessments" -- all assessments that may be levied by the Association pursuant to Article 6 of this Declaration, the Regulations and the Condominium Law, including without limitation, Initial Assessments, Unit Assessments, Annual Assessments and Special Assessments.
- 1.2 "Association" -- Canterbury Village Condominium Association, Inc., an Ohio non-profit corporation which has been established pursuant to Chapter 1702 of the Ohio Revised Code, and its successors and assigns. Copies of the Articles of Incorporation (the "Articles") and the Regulations (the "Regulations") of the Association are attached as Exhibit B-1 and Exhibit B-2, respectively.
- 1.3 "Balmoral Unit" - a 1-story Unit containing approximately 1,575 square feet of living space and a 394 square foot attached 2-car garage. The standard Balmoral Unit contains 2 bedrooms and 2 bathrooms. A Unit Owner may elect to have the basement finished in the Balmoral Unit. A finished basement in a Balmoral Unit adds approximately 1,014 square feet of living space, and may add 1 bedroom and 1 bathroom to the Balmoral Unit.
- 1.4 "Board" -- the Board of Managers designated by Developer and/or elected by the Association to manage the property and affairs of the Association, as further described in the Regulations.
- 1.5 "Building(s)" -- initially, Building 2, Building 4 and Building 19, which are a part of the Condominium Property, as detailed in the Drawings. If any additional building(s) are subsequently constructed on the Condominium Property and subjected to this Declaration as set forth in Article 9, then the term "Buildings" shall be deemed to include such additional building(s).
- 1.6 "Capital Expenditures" -- expenses incurred for improvements or enhancements of the Common Areas, paving private roads or similar expenses for major construction or repair projects within the Condominium Property.
- 1.7 "Common Areas" -- all of the Condominium Property other than those portions described in the Declaration and the Drawings as Units, as further described in Section 3.3.
- 1.8 "Common Expenses" -- all expenses designated as such in the Condominium Law or in the Condominium Documents, or both.
- 1.9 "Common Profits" -- the amount by which the total income received by the Association from the Assessments and any other fee, charge or income exceeds expenses allocable to same.
- 1.10 "Condominium Documents" -- the Articles, the Regulations, the Drawings and this Declaration, the Rules, and all other documents concerning the Property, as the same may be amended or supplemented from time to time.
- 1.11 "Condominium Law" -- the statutory law of Ohio regulating condominiums, currently codified in Chapter 5311 of the Ohio Revised Code.

- 1.12 "Condominium Property" -- initially, real estate located in the City of Beavercreek, Greene County, Ohio, consisting of approximately 2.115 acres and legally described in attached Exhibit A-1 which is depicted in the Drawings, together with all improvements located thereon, and thereafter, such additional property as may be annexed by amendment to this Declaration, or that is owned in fee simple by the Association, together with all easements and appurtenances. The Condominium Property includes all of the Units and the Common Areas (including the Limited Common Areas). The Condominium Property does not include the Future Expansion Areas unless and until added pursuant to Article 9.
- 1.13 "Developer" -- The Ryland Group, Inc., and any successor or assign that is actively engaged in the business of developing the Condominium Property, constructing the Units or selling the Units.
- 1.14 "Drawings" -- the detailed site plan and drawings of the Condominium Property recorded in the Greene County, Ohio Recorder's Office, copies of which are attached as Exhibit A-3 and Exhibit C, as the same may be amended or supplemented from time to time.
- 1.15 "Eligible Mortgagee" -- a holder of a first mortgage on any Unit for which the Association has received the notice and request pursuant to Sections 11.1 and 11.2.
- 1.16 "Future Expansion Areas" - the real property depicted as "Future Expansion Areas" on the site plan attached as Exhibit A-3, and further described in Article 9, which is not part of the Condominium Property.
- 1.17 "Halifax Unit" - a 1-story Unit containing approximately 1,455 square feet of living space and a 397 square foot attached 2-car garage. The standard Halifax Unit contains 2 bedrooms and 2 bathrooms. A Unit Owner may elect to have the basement finished in the Halifax Unit. A finished basement in a Halifax Unit adds approximately 1,001 square feet of living space, and may add 1 bedroom and 1 bathroom to the Halifax Unit.
- 1.18 "Limited Common Areas" -- the Common Areas designated on the Drawings as Limited Common Areas and reserved for the use of or serving a certain Unit to the exclusion of the other Units, as further described in Section 3.4. Limited Common Areas are *not* part of a Unit, however, each Unit Owner shall have an appurtenant interest in and the exclusive use and possession of those Limited Common Areas, if any, reserved to his/her Unit. (Unless specifically excluded, all references to Common Areas shall be deemed to include the Limited Common Areas.)
- 1.19 "Property" -- all of the real property legally described in attached Exhibit A-1 or designated as the "Future Expansion Areas" on the site plan attached as Exhibit A-3, or that is now or hereafter owned in fee simple by the Association, together with all easements and appurtenances, as the same may be amended or supplemented from time to time. The Property includes the Condominium Property and the Future Expansion Areas.
- 1.20 "Rules" -- the rules and regulations governing use of the Condominium Property, as may be established by the Board from time to time pursuant to Section 5.4.
- 1.21 "Turnbury Unit" - a 2-story Unit containing approximately 1,525 square feet of living space and a 384 square foot attached 2-car garage. The standard Turnbury Unit contains 2 bedrooms and 2 ½ bathrooms. A Unit Owner may elect to have the basement finished in the Turnbury Unit. A finished basement in a Turnbury Unit adds approximately 826 square feet of living space, and may add 1 bedroom and 1 bathroom to the Turnbury Unit.
- 1.22 "Unit" -- that part of the Condominium Property subject to individual ownership consisting of the space shown on the Drawings, as further described in Section 3.2.
- 1.23 "Unit Owner(s)" -- the record owner(s) of fee simple title to a Unit and a percentage interest in the Common Areas. Unit Owner(s) are also sometimes referred to as "Member(s)" in the Association.
- 1.24 The following additional terms are defined elsewhere in this Declaration, as noted below:

<u>TERM</u>	<u>SECTION</u>
Articles	§ 1.2
Certificate	§ 6.11.3
Completion of construction	§ 6.10
CPI	§ 5.3
Declarant Opening ¶, page 1	
Declaration Opening ¶, page 1	
Management Company	§ 5.6
Member(s)	§ 1.23
Property	§ B., page 1
Reception Device(s)	§ 8.6.1
Regulations	§ 1.2
Threshold	§ 5.3

- 1.25 [Section 1.25 added in the first amendment, May 1, 1998] "Eligible Insurer" - an agency which guarantees, insures or purchases a first mortgage loan held by an Eligible Mortgagee on a Unit for which the Association has received the notice and request pursuant to Sections 11.1 and 11.2.

2. SUBMISSION OF CONDOMINIUM AND PURPOSES

2.1 Submission to Condominium Law. Declarant hereby submits the Condominium Property to the condominium form of ownership under the Condominium Law. In addition, Declarant reserves the right either (i) to expand the Condominium to include any or all of the Future Expansion Areas and to make this Declaration binding upon that property and all improvements constructed thereon, or (ii) to add any or all of the Future Expansion Areas to the Condominium Property as Common Areas or Limited Common Areas, in either case, by complying with the procedures outlined herein and by filing the necessary amendments to this Declaration.

2.2 Purposes. The purposes of submitting the Condominium Property to the provisions of the Condominium Law are: to divide it into condominium units that may be conveyed to and owned by separate owners; to provide for single-family residential living; to grant rights to an established association to administer the Condominium and to raise funds through assessments; and to impose certain covenants, easements, conditions and restrictions upon the Condominium Property for the benefit of all Unit Owners in furtherance of the following goals:

- 2.2.1 Compliance with all zoning and similar governmental regulations;
- 2.2.2 Promotion of the health, safety and welfare of all Unit Owners and residents of the Condominium Property;
- 2.2.3 Preservation, beautification and maintenance of the Condominium Property and all improvements; and
- 2.2.4 Establishment of requirements for the development of the Condominium Property regarding land use, architectural features and site planning.

2.3 Ownership of Units. Each Unit Owner shall own his/her Unit in fee simple together with an appurtenant, undivided interest in the Common Areas. Each Unit and that Unit Owner's percentage interest of ownership in the Common Areas shall be deemed to be a separate parcel of real property for purposes of taxation and assessment.

2.4 Ownership of Common Areas. The Common Areas shall be owned by all of the Unit Owners as tenants in common. Such ownership shall be undivided and no action for partition of any part of the Common Areas may be maintained (except as specifically provided in the Condominium Law), and no Unit Owner may waive or otherwise release any right in the Common Areas except as expressly set forth in this Declaration. Each Unit Owner's percentage interest in the Common Areas is set forth in Exhibit D, which is subject to adjustment as set forth in Article 9.

3. DESCRIPTION OF CONDOMINIUM PROPERTY

3.1 Description of Buildings. Initially, and until Declarant elects to expand the Condominium by adding additional Buildings (if ever), there will be three (3) Buildings located on the Condominium Property. Building 2 contains two (2) Halifax Units. Building 4 contains two (2) Balmoral Units and two (2) Halifax Units. Building 19 contains one (1) Balmoral Unit, one (1) Turnbury Unit and one (1) Halifax Unit. The principal building materials are: wood, brick, concrete, masonry siding, aluminum gutters and fiberglass asphalt shingles.

3.2 Description of Units. Each Unit subject to this Declaration consists of the space designated on the Drawings as being that Unit, which space is bounded by drywall on perimeter walls, ceilings, and interior walls and includes:

- 3.2.1 all drywall on perimeter walls, ceilings, and interior walls;
- 3.2.2 the finished interior surfaces, including paint, lacquer, varnish, wallpaper, carpet, tile, wood and other finishing material applied to or making up the floors, ceilings, interior and perimeter walls and doors;
- 3.2.3 all windows, screens and doors, including the frames, sashes, sills, glass, molding, trim, hardware and jambs and the space occupied thereby;
- 3.2.4 all fixtures and appliances installed for the exclusive use of that Unit, commencing at the point of disconnection from the structural body of a Building and from any utility pipes, lines or systems serving an entire Building or more than one Unit thereof, including without limitation, fireplaces and fireplace flues, garage door openers, built-in cabinets, smoke detectors, cables, heat pumps, sump pumps, built-in appliances, all control knobs, switches, thermostats and electrical outlets and connections affixed to or projecting from the walls, floors and ceilings which service either the Unit, or the fixtures located therein, and the space occupied by all of those items;
- 3.2.5 the entire heating, ventilating and air-conditioning system for that Unit, including all elements located within and outside the boundaries of that Unit; and
- 3.2.6 all plumbing, electrical, heating, cooling and other utility service pipes, accessories, lines, wires, ducts, or conduits that exclusively serve the Unit, or the fixtures located therein, and which are located within the boundaries of that Unit;
- 3.2.7 but not the following (even if located within a Unit): all spaces between perimeter walls and spaces located outside the boundaries of any Unit; any supporting wall, structural element or fixture of a Building that is necessary for the existence, support, maintenance, safety or comfort of any other part of the Condominium Property; roof trusses, plywood, shingles and insulation; and all plumbing, electrical, heating, cooling and other utility service pipes, accessories, lines, wires, ducts, or conduits that service any other Unit.

All Units contain either two (2) or three (3) bedrooms and two (2), two and one-half (2 ½) or three (3) full bathrooms, a kitchen, a dining room, a living room, a laundry room, an entryway and hallway, and various closets. There is a deck off of the living room of each Unit, which is reserved for the exclusive use of that Unit and constitutes Limited Common Area. All Unit types (for example, the Balmoral Unit, Halifax Unit and Turnbury Unit) are being built according to substantially similar plans, with minor variations depending on the location and layout of the Unit within a Building and the options chosen by prospective purchasers.

The details of the location and dimensions of each type of Unit are depicted in the Drawings.

3.3 Description of Common Areas. The remainder of the Condominium Property which is not included in the definition of a Unit set forth in Section 3.2 above, constitutes Common Areas, which are owned by the Unit Owners as tenants in common, in the proportionate interests as set

forth in Exhibit D, as the same may be modified from time to time. The Common Areas are depicted on the Drawings, and include without limitation, the following: (i) even if located within a Unit: any supporting wall, structural element or fixture of a Building that is necessary for the existence, support, maintenance, safety or comfort of any other part of the Condominium Property; (ii) all plumbing, electrical, heating, cooling and other utility service pipes, accessories, lines, wires, ducts, or conduits that service more than one Unit; (iii) each Building's foundations, foundation walls, roof, roof joist space, columns, girders, joists, beams, lobbies, stairways and stairwells, hallways and windows in the common areas of a Building; (iv) sidewalks and yards; (v) outdoor parking areas, driveways, pavement and sidewalks; (vi) trees, lawns, fences, gardens, landscaping and other natural features; and (vii) any and all rights and easements benefiting the Condominium Property.

Each Unit Owner shall have the right to use the Common Areas (except for the Limited Common Areas) as a tenant in common with all other Unit Owners, in accordance with the purposes for which they are intended. No Unit Owner may hinder or encroach on the lawful rights of other Unit Owners with respect to such use. Use of the Common Areas shall be subject to and governed by the provisions of the Condominium Law and the Condominium Documents.

3.4 Limited Common Areas. Each Unit Owner is granted an exclusive license to use and occupy the Limited Common Areas designated for that particular Unit in the Drawings, or reserved to that Unit. The Limited Common Areas include those portions of the Common Areas designated on the Drawings as being reserved for the use of a certain Unit to the exclusion of all other Units, including the window wells, private decks adjacent to each Unit, and the installation of any central services serving only a certain Unit or limited number of Units (such as power, light, gas, cold water, refrigeration and incineration and all other apparatus and installations serving only a certain limited number of Units, except the furnaces, air conditioners and hot water heaters that are part of each Unit).

3.5 Computation of Percentage Interest in the Common Areas. The extent of each Unit Owner's percentage interest ownership of the Common Areas is listed on attached Exhibit D, which shall be determined by dividing the Unit's par value by the aggregate value of all par values of all Units. No Unit Owner may waive or release any rights in the Common Areas, and each Unit Owner's undivided interest in the Common Areas will not be separated from the Unit to which it is appurtenant. The percentage interests of all Units shall remain constant and shall not be changed except as permitted in Article 9, by an amendment to this Declaration, or as otherwise permitted by law.

3.6 Addition of Future Expansion Areas. As further described in Article 9, Declarant reserves the right to construct additional buildings, garage buildings, common areas and/or limited common areas within any or all of the Future Expansion Areas.

4. MEMBERSHIP

4.1 Formation. Declarant has formed the Association to administer the Condominium Property in accordance with the provisions of the Condominium Law and the Condominium Documents by filing the Articles with the Ohio Secretary of State.

4.2 Membership. Every Unit Owner shall be deemed to have a membership in the Association upon acquisition of an ownership interest in a Unit. Membership is a right appurtenant to and inseparable from a Unit Owner's fee simple title to a Unit, and such right of membership shall automatically transfer to any transferee of fee simple title to a Unit at the time such title is conveyed or at such time as a land installment contract is entered for the conveyance of fee simple title. 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 a Unit Owner's membership. There shall be no more than one membership per Unit owned. In the event that a Unit is owned by more than one person, such persons shall have one membership in the Association in common. Developer shall be a Member as long as it retains title to any Unit.

4.3 Service of Process. The person to receive service of process for the Association until the Unit Owners' assumption of control of the Association (defined in the Regulations) shall be Lynn M. Triftshouser. The Board may remove, at any time, any person acting as statutory agent for the Association, and designate a successor. Upon the Unit Owners' assumption of control of the Association, the name and address of the President of the Association shall be filed with the Secretary of State of Ohio as statutory agent on the appropriate form for a non-profit corporation.

5. RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

5.1 Powers. The Association shall have all of the powers and rights granted to it by the Condominium Law and the Condominium Documents.

5.2 Common Areas. The Association, subject to the rights of the Unit Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Areas (subject to the obligations of Unit Owners with respect to the Limited Common Areas as set forth herein), if any, and all improvements thereon, and shall keep them in a good, clean, attractive, and sanitary condition, order, and repair, in accordance with the terms and conditions of this Declaration. All costs of administration, repair, maintenance and replacement of the Common Areas (subject to the obligations of Unit Owners with respect to the Limited Common Areas as set forth herein) shall be Common Expenses.

5.3 Personal Condominium Property and Real Condominium Property for Common Use. The Association may acquire, hold and dispose of tangible and intangible personal property and real property. The Board, acting on behalf of the Association, may accept any real or personal property, leasehold, or other property interests within the Condominium Property, if any, conveyed to it; provided that any transaction involving more than Ten Thousand Dollars (\$10,000) (the initial "Threshold") must be authorized in advance by a majority vote of the Members. The Threshold amount shall be adjusted annually to reflect the adjustment in the Consumer Price Index for All Urban Consumers, All Items published by the United States Department of Labor, Bureau of Labor Statistics, All City Average (the "CPI"). If the CPI becomes unavailable to the public for any reason, a comparable index shall be substituted based upon changes in the cost of living or purchasing power of the consumer dollar published by a governmental agency, major financial institution, university or recognized financial publisher.

5.4 Rules and Regulations. The Association may make and enforce reasonable rules and regulations governing the use of the Condominium Property, which shall be consistent with this Declaration. The Association shall have the power to impose sanctions on Unit Owners, including without limitation: (i) reasonable monetary fines which shall be considered Unit Assessments, (ii) suspension of the right to vote as a Member of the Association, and (iii) suspension of the right to use the Common Areas. In addition, the Board shall have the power to seek relief in any court for violations or to abate unreasonable disturbances. If the Board expends funds for attorneys' fees or litigation expenses in connection with enforcing this Declaration or the Rules against any Unit Owner, tenant, guest or invitee of any Unit Owner, then the amount shall be considered a Unit Assessment.

5.5 Implied Rights. The Association may exercise any other right or privilege given to it expressly by the laws of the State of Ohio and the Condominium Documents, and every other right or privilege reasonably implied from the existence of any right or privilege granted in this Declaration, or reasonably necessary to effect any such right or privilege.

5.6 Contracts and Management Agreements. The Board may retain and employ on behalf of the Association a managing agent (the "Management Company"), which may be Developer or an affiliate of Developer, and may delegate to the Management Company such duties as the Board might otherwise be authorized or obligated to perform. The compensation of the Management Company shall be a Common Expense. Neither the Association nor the Unit Owners will be subject to any contract, management agreement, or lease executed prior to the Unit Owners' assumption of control of the Association unless such contract, management agreement, or lease is extended by the Association within one (1) year after the Unit Owners' assumption of control of

the Association, and shall allow for termination by either party, without cause, and without penalty, upon not more than ninety (90) days' prior written notice.

5.7 Insurance; Bonds.

5.7.1 The Association shall be required to obtain and maintain adequate blanket property insurance, comprehensive "all risk" casualty insurance, liability insurance and flood insurance, covering all of the Condominium Property (including all of the initial improvements on each Unit, but not subsequent improvements or Unit Owners' personal property, furniture or fixtures), for one hundred percent (100%) of the current replacement cost, in amounts commonly required by prudent institutional mortgage investors in the State of Ohio.

5.7.2 The Association shall obtain and maintain the following: (i) fidelity bond coverage and workers' compensation insurance 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) adequate comprehensive general liability insurance, (iii) officers' and directors' liability insurance to fund the obligations of the Association, (iv) additional insurance against such other hazards and casualties as required by law, (v) any other insurance the Association deems necessary, and (vi) such other insurance as shall be customarily carried with respect to buildings similar in construction, location and use as the Buildings. The premiums on all bonds and insurance shall be paid by the Association as a Common Expense.

5.7.3 All such insurance policies and bonds shall: (i) be in the name of the Association for the use and benefit of the individual Unit Owners, with the proceeds payable to the Association, as trustee for the Unit Owners, (ii) provide that they are not cancelable without at least ten (10) days' prior written notice to all of the insureds, including any Eligible Mortgagee, (iii) contain a waiver of the right of subrogation against Unit Owners individually, and (iv) be primary in the event any Unit Owner has other insurance covering the same loss.

5.7.4 In the event of damage or destruction of any portion of the Common Areas, the Association shall promptly repair or replace the same, to the extent that insurance proceeds are available. If such proceeds are insufficient to cover the cost of the repair or replacement, then the Association may levy a Special Assessment against all Unit Owners pursuant to Section 6.7 to cover the additional costs. Any proceeds remaining after defraying such costs shall be distributed to the Unit Owners and their Eligible Mortgagees, as their interests may appear, in accordance with their percentage of ownership interest in the Common Areas, remittances to Unit Owners and their Eligible Mortgagees being payable to them jointly.

5.7.5 Each Unit Owner hereby appoints the Association as its attorney-in-fact to purchase and maintain such insurance, to adjust all claims arising under insurance policies purchased by the Association, to execute and deliver releases, and upon the payment of claims, to make appropriate disposition of the proceeds, and to perform all other acts necessary to accomplish such purposes.

5.7.6 All insurance policies and bonds shall be reviewed at least annually by the Board to determine whether the coverage contained therein is sufficient.

5.7.7 Each Unit Owner shall be responsible for any other insurance coverage not required to be maintained by the Association, including without limitation, insurance covering their personal property.

5.7.8 Unit Owners shall be responsible for payment of any deductibles applicable to Association insurance policies (which shall be included in Common Expenses) as well as their own policies.

5.7.9 Unit Owners shall be responsible for payment of any increase in insurance premiums charged to the Association as a result of that Unit Owner's use of his/her Unit.

5.8 Casualty Damage.

- 5.8.1 If any part of the Condominium Property is damaged by casualty, and (i) if less than fifty percent (50%) of the Units are found by the Board to be untenable after the casualty, then the damaged property shall be reconstructed or repaired by the Board; or (ii) if at least fifty percent (50%) of the Units are found by the Board to be untenable after the casualty, then, immediately after the casualty, the Board shall obtain a reliable and detailed estimate of the cost to rebuild or repair.
- 5.8.2 In either case, immediately after the determination of the amount of insurance proceeds, the Board shall give written notice to all Unit Owners of the casualty, the extent of the damage, the estimated cost to rebuild or repair, the amount of insurance proceeds and the estimated amount of Assessments required to pay the excess of the cost of reconstruction or repair over the amount of the proceeds. The Board shall call a meeting of all Unit Owners within thirty (30) days after the mailing of such notice. The Board shall promptly reconstruct or repair the damaged property unless at such meeting seventy-five percent (75%) or more of the voting power of the Association (which must include Developer if Developer owns any Units) and a majority of the Eligible Mortgagees (each Eligible Mortgagee having one vote for each Unit on which it has a first mortgage) decide not to reconstruct or repair, in which case the Condominium Property shall be subject to an action for partition.
- 5.8.3 If the damage for which the insurance proceeds are paid is to be repaired or reconstructed, then the proceeds shall be paid first to defray the costs thereof. In the event that either (i) any excess insurance proceeds remain after defraying all costs, or (ii) it is determined that such damage shall not be reconstructed or repaired, then such excess or proceeds shall be distributed to the Unit Owners and their Eligible Mortgagees, as their interests may appear, remittances to Unit Owners and their Eligible Mortgagees being payable jointly to them. Any expense of repair or reconstruction in excess of insurance proceeds received shall be assessed as a Common Expense against the Unit Owners. If all of the Condominium Property is not repaired or replaced, then the insurance proceeds attributable to the damaged property will be used to restore the damaged property to a condition compatible with the remainder of the Condominium Property, and the insurance proceeds attributable to any Units and Limited Common Areas that are not rebuilt will be distributed to the Unit Owners and their Eligible Mortgagees, as their interests may appear, of those Units and of the Units to which those Limited Common Areas were reserved. Thereafter, any remainder will be distributed to all Unit Owners in accordance with their percentage of ownership interest in the Common Areas.
- 5.8.4 Any reconstruction or repair will be substantially in accordance with plans and specifications for the original improvements or as approved by the Unit Owners directly affected, the Board, and a majority of the Eligible Mortgagees of the affected Units. The Board shall be responsible for reconstruction and repair. It shall be presumed that the first moneys disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds.
- 5.9 Condemnation.** The Association shall represent the Unit Owners in any condemnation proceedings, negotiations, settlements or agreements with the condemning authority for acquisition of the Common Areas, or any portion thereof. Each Unit Owner hereby appoints the Board 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 in trust for the benefit of all Unit Owners. If economically feasible, the awards and proceeds shall be used for the restoration and repair of the affected property. If the award is insufficient to pay for the necessary repair or restoration work, then the Board shall levy a Special Assessment against all Unit Owners to raise funds for the deficit. Any excess award shall be allocated to the respective Unit Owners in accordance with their percentage of ownership interest in the Common Areas, except as to such portion(s) of such award attributable to direct or consequential damages suffered by particular Unit(s) as determined by a court of competent jurisdiction, which shall be apportioned among and distributed to the Unit Owner(s) of such Unit(s) or their Eligible Mortgagees, as their interests may appear, in the ratio that each such damaged interest bears to the aggregate interest of all Unit Owners so damaged. If a partial taking results in the taking of an entire Unit, then the Unit Owner

of that Unit shall cease to be a Member of the Association, and his/her percentage ownership interest in the Common Areas shall be reallocated to the remaining Unit Owners. Exhibit D shall be amended to reflect such reallocation. In the case of a total taking of all of the Condominium Property, the Condominium shall be terminated and the entire award shall be payable to the Association, to be distributed to all Unit Owners in accordance with their percentage of ownership interest in the Common Areas.

5.10 Books, Records. The Association shall maintain current copies of this Declaration, and the Articles of Incorporation, Regulations, Rules, books, records and financial statements of the Association. Upon the reasonable request of any Member, Eligible Mortgagee or Eligible Insurer, the Association shall make available for inspection current copies of this Declaration, and the Articles of Incorporation, Regulations, Rules, books, records and financial statements of the Association. Within one hundred twenty (120) days of the Association's fiscal year-end, the Association shall prepare and make available an audited financial statement of the Association for the immediately preceding fiscal year. Upon receipt of the written request of any Eligible Mortgagee or Eligible Insurer, the Association shall make available to such Eligible Mortgagee or Eligible Insurer an audited financial statement of the Association for the immediately preceding fiscal year. [As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]

5.11 Distribution of Awards and Proceeds. No Unit Owner shall received any portion of his/her share of any awards or proceeds pursuant to this Article 5 unless and until all liens, Assessments and encumbrances on his/her Unit have been paid, released or discharged in full.

6. ASSESSMENTS

6.1 Liability for Common Expenses. Beginning on the first day of the month in which the first Unit is conveyed to a Unit Owner other than a Declarant, each Unit Owner will pay to the Association his/her share of Common Expenses, including all Assessments, according to his/her percentage of ownership interest in the Common Areas. In addition, each Unit Owner will pay to the Association all Unit Assessments levied against him/her. No Unit Owner will be exempted from this obligation by waiving the use or enjoyment of the Common Areas or by abandoning his/her Unit. [As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]

6.2 Operating Account(s), Reserve Fund. The Board shall establish an operating account(s) for paying necessary costs and expenses of operating the Association and repairing and maintaining the Common Areas and performing its obligations hereunder. The Board shall deposit all Annual Assessments into the operating account(s). In addition, the Board shall establish a reserve fund for Capital Expenditures. Declarant shall deposit into the reserve fund an amount equal to two months of the Annual Assessment as initially budgeted for each Unit. The Board shall deposit all Initial Assessments into the reserve fund. Declarant shall not use any of the reserve funds to defray its expenses, reserve contributions, or construction costs or to make up budget deficits. However, when unsold Units are sold, the Declarant may reimburse itself for funds paid to the Associations for the unsold Unit's share of the reserve fund using funds collected at closing when the Unit is sold. The operating account(s) and reserve fund shall be deposited into segregated accounts, and may be deposited with any institution or may be invested in any manner which the Board, in the exercise of its reasonable business judgment, deems beneficial for the Association. The proportionate interest of each Unit Owner in the operating account(s) and reserve fund shall be appurtenant to his/her Unit, shall not be separated from such Unit and shall be deemed to be transferred with the fee simple title to such Unit. [As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]

6.3 Types of Assessments. Each Unit Owner, by accepting a deed to a Unit, is deemed to covenant and agree to pay to the Association the following assessments: (i) an Initial Assessment; (ii) Unit Assessments; (iii) Annual Assessments; and (iv) Special Assessments. No Unit Owner may gain exemption from liability for any Assessment by waiving or foregoing the use or enjoyment of any

of the Common Areas or by abandoning his/her Unit. Initial and Annual Assessments vary, depending on the Unit type.

- 6.4** **Initial Assessment.** Each Unit Owner shall pay an Initial Assessment at the time he/she accepts title to the Unit. The Initial Assessments are not advance payments of Annual Assessments and are not refundable to Unit Owners. As of the execution date of this Declaration, Declarant estimates that the Initial Assessment for each Unit shall be as follows:.

<u>Unit Type</u>	<u>Amount</u>
Balmoral Unit	\$220.00
Halifax Unit	\$220.00
Turnbury Unit	\$220.00

[As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]

6.5 **Unit Assessments.**

- 6.5.1** **Unit** -- The Board may levy a Unit Assessment against any Unit(s) to reimburse the Association for costs incurred on behalf of the Unit(s) and the Limited Common Areas assigned to that Unit, including without limitation, costs associated with making repairs that are the responsibility of the Unit Owner; costs of additional insurance premiums specifically allocable to a Unit Owner; costs of any utility expenses chargeable to a Unit Owner but not separately billed by the utility company; and all other charges reasonably determined to be a Unit Assessment by the Board.

- 6.5.2** **General** -- The Board may levy a Unit Assessment in the nature of a fine reasonably determined by the Board against the Unit of any Unit Owner who damages any portion of the Condominium Property, violates the Rules or any provision of this Declaration, or suffers or permits his/her family members, guests, invitees or tenants to damage any portion of the Condominium Property or violate such Rules or provisions of this Declaration. Upon its determination to levy such a Unit Assessment, the Board shall give an affected Unit Owner written notice and the right to be heard by the Board or a duly appointed committee thereof in connection with such Unit Assessment, ten (10) days prior to the effective date of the levy of any Unit Assessment.

- 6.6** **Annual Assessments.** The Board shall exercise the power to determine the amount of Common Expenses and to levy Assessments therefor. The Board shall estimate the Common Expenses of the Association before the beginning of each calendar year and shall establish the amount of Assessments. Each Unit Owner shall pay that portion of the Annual Assessment allocable to his/her Unit. As of the execution date of this Declaration, Declarant estimates that the Annual Assessments shall be approximately:

6.6.1 **Balmoral Unit** - One Thousand Three Hundred Twenty Dollars (\$1,320.00) per year, per Unit, payable on the first day of each month in equal monthly installments of One Hundred Ten Dollars (\$110.00);

6.6.2 **Halifax Unit** - One Thousand Three Hundred Twenty Dollars (\$1,320.00) per year, per Unit, payable on the first day of each month in equal monthly installments of One Hundred Ten Dollars (\$110.00);

6.6.3 **Turnbury Unit** - One Thousand Three Hundred Twenty Dollars (\$1,320.00) per year, per Unit, payable on the first day of each month in equal monthly installments of One Hundred Ten Dollars (\$110.00); and

provided, however, that the Board shall be entitled to adjust the amount of the Annual Assessments at any time, without prior notice to Unit Owners, if it determines that the current

Assessments are excessive or insufficient to maintain the Common Areas and other Association expenses.

6.7 Special Assessments.

6.7.1 Consent Not Required -- The Board, without the consent of the Association, may levy against any Unit(s) a Special Assessment to maintain, repair, construct, reconstruct or replace components of the Common Areas to the extent that either (i) awards, proceeds or reserves are insufficient, or (ii) only certain Unit(s) are benefited from such work. To the extent that only certain Unit(s) are benefited from such work, only those Unit Owner(s) shall be assessed.

6.7.2 Consent Required -- The Board may levy against any Unit(s) a Special Assessment to pay for new Capital Expenditures or interest expense on indebtedness incurred for the purpose of making new Capital Expenditures not projected to be paid out of the reserve fund; provided that any such Assessment shall have the assent of seventy-five percent (75%) of the voting power of the Association (which must include Developer if Developer owns any Units). Written notice of any meeting called for the purpose of levying a Special Assessment shall be sent to all Members not less than seven (7) days nor more than sixty (60) days in advance of the meeting. A quorum must be present at any such meeting.

6.8 Taxes. Until the Units are separately assessed, Developer will pay the real estate taxes and assessments attributable to the Condominium Property and assess each Unit Owner for his/her share of such taxes and assessments as Special Assessments based on each Unit Owner's percentage interest in the Common Areas. Once the Units are separately assessed, each Unit Owner will pay real estate taxes and assessments attributable to his/her Unit.

6.9 Utilities. Each Unit and the Common Areas will be separately metered for gas, electric, water and sewer services. Each Unit Owner is responsible for payment of utility bills attributable to his/her Unit. The Association will pay for the utility costs attributable to the Common Areas, which utility costs shall be included as a Common Expense.

6.10 Units Owned by Developer.

6.10.1 Developer will assume the rights and obligations of a Unit Owner in condominium ownership interests not yet sold, including without limitation, paying applicable Assessments (but not Initial Assessments) on any Developer-owned Units beginning the first month after the later to occur of (i) recordation of this Declaration, or (ii) completion of construction of that Unit, and continuing until the sale of that Unit, at which point the purchaser shall be responsible for paying applicable Assessments (including the Initial Assessment) as set forth herein.

6.10.2 For purposes of this Section 6.10 only, "completion of construction" of a Unit shall be defined as installation of carpeting in that Unit. Developer will fund any operating deficit of the Association until the earlier to occur of (i) the Unit Owners' assumption of control of the Association, or (ii) one year after the closing of the sale of the first Unit.

6.11 Remedies.

6.11.1 Late Charge; Interest. If any Assessment remains unpaid for ten (10) days after all or any part thereof shall become due and payable, then the Board may charge a collection fee of Twenty-Five Dollars (\$25) (which amount is subject to increase from time to time in the Board's discretion) for each month that such Assessment remains unpaid. In addition, any unpaid amount shall bear interest at the lesser of the rate of twelve percent (12%) per annum or the highest rate permitted by law, until paid in full.

6.11.2 Liability for Unpaid Assessments. Each Assessment or installment of an Assessment, together with interest thereon and any costs of collection, including, but not limited to, reasonable attorneys' fees, shall become the personal obligation of each Unit Owner beginning on the date the Assessment or installment thereof becomes due and payable. The Board may authorize the Association to institute an action at law on behalf of the Association

against a Unit Owner personally obligated to pay any delinquent assessment. A Unit Owner's personal obligation for a Unit's delinquent Assessments shall not pass to his/her successors in title who acquire an interest after any Assessment becomes due and payable unless expressly assumed by them or required by applicable law. Except as otherwise provided herein, the transfer of an interest in a Unit shall neither impair the Association's lien against that Unit for any delinquent Assessment nor prohibit the Association from foreclosing that lien. No mortgagee shall be required to collect any Assessments. [As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]

- 6.11.3** **Liens.** All unpaid Assessments, together with any interest and charges thereon or costs of collection, shall constitute a continuing charge in favor of the Association and a lien on the Unit against which the Assessment was levied. If any Assessment 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 Assessment Lien ("Certificate") for all or any part of the unpaid balance of that Assessment, together with interest and costs, with the Recorder of Greene County, Ohio, containing a description of the Unit which the lien encumbers, the name(s) of the record Unit Owner(s), the amount of the unpaid portion of the Assessment, and such other information as the laws of the State of Ohio may require. The Certificate may be signed by any officer or special authorized agent of the Association. Upon the filing of the Certificate, the subject Unit 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 the Certificate is duly filed, unless the lien is released earlier or satisfied in the same manner provided by Ohio law for the release and satisfaction of mortgages on real property, or unless the lien is discharged by the final judgment or order of any court having jurisdiction. Notwithstanding the foregoing, the lien for Assessments provided for in this Section shall be prior to any lien or encumbrance subsequently arising or created, and subordinate to the lien of all real estate taxes and assessments and any *bona fide* first mortgage filed with the Greene County, Ohio Recorder for that Unit. Such lien may be foreclosed in the same manner as a mortgage on real property in an action on behalf of the Association. Failure to pay Assessments shall not constitute a default under any mortgage unless otherwise stated in the mortgage. [As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]
- 6.11.4** **Foreclosure of Lien.** In any foreclosure of a lien for Assessments, the Unit Owner subject to the lien shall be required to pay for all expenses of collection, including without limitation reasonable attorneys' fees, and the Board shall be entitled to appoint a receiver to collect same.
- 6.11.5** **Vote on Association Matters; Use of Common Areas.** If any Assessment remains unpaid for thirty (30) days after it becomes due, then the delinquent Unit Owner's voting rights upon Association matters and privileges to use the Common Areas, except for necessary ingress and egress to his/her Unit, shall be suspended until such Assessment is paid.
- 6.11.6** **Distribution of Common Expenses/Profits.** Any Common Profits shall be distributed among, and any Common Expenses shall be charged to, all Unit Owners according to their percentage interest in the Common Areas, as and when determined in the discretion of the Board.

7. MAINTENANCE

7.1 **Maintenance by Association.** The Association shall maintain, replace and repair the Common Areas, including without limitation: (i) foundations and foundation walls; (ii) window wells, decks and patios; (iii) all landscaping and other flora, structures, and improvements situated upon the Common Areas; (iv) all personal property used in connection with the operation of the Common Areas; (v) all public sewer lines and water mains from the building line of each Unit to the point of connection to the public main; (vi) all conduits, ducts, utility pipes, plumbing, wiring and other facilities that are a part of or located in or for the furnishing of utility services to the Common Areas; (vii) street cleaning and snow removal of all private streets; (viii) all exterior and structural portions of the Limited Common Areas including those portions of the Limited Common Areas that contribute to the support

of the Buildings (excluding drywall and interior finished surfaces of interior walls and ceilings and floors of Units) or the Common Areas; and (ix) performing the following exterior maintenance to improvements located on each Unit: painting, repair and replacement of roofs, gutters, downspouts, and exterior building surfaces.

7.2 Maintenance by Unit Owner. Except as expressly stated in Section 7.1, each Unit Owner shall repair, replace, and maintain in good order and condition, at his/her expense, all interior portions of, improvements to, structures on, and, equipment and components used in connection with, his/her Unit and the Limited Common Areas reserved to his/her Unit. This responsibility includes without limitation: promptly furnishing all necessary materials and performing or causing to be performed at his/her own expense, all maintenance, repairs and replacements within such Unit, that, if omitted, would adversely affect the safety of the Common Areas, including without limitation: fireplaces and fireplace flues, drywall, windows (frames, screens and trim), entryways and doors (frames, jambs, hardware, trim, threshold plates and weather-stripping), air conditioning pads, porches and stoops, skylights (if any), all utilities, fixtures and mechanical equipment servicing the Unit located within that Unit (including HVAC equipment), extermination (interior and exterior), sump pumps, and interior damage (regardless of cause). In addition, each Unit Owner shall maintain those portions of his/her Unit that are adjacent to any portion of the Common Areas in accordance with the Condominium Documents.

7.3 Right of Association to Repair. If any Unit Owner fails to maintain his/her Unit and Limited Common Areas in the manner required herein, and if the Board determines that any maintenance is necessary to ensure public safety, to permit reasonable use or enjoyment of the Common Areas or any other Unit(s) by Unit Owners, or to prevent damage to or destruction of any other part of the Condominium Property, then the Board may authorize its employees or agents to enter the Unit at any reasonable time to complete the necessary maintenance, and the Board may levy a Unit Assessment for all reasonable expenses incurred. The Association shall be entitled to enter any Unit or Limited Common Areas to repair or maintain the same and/or any Common Areas adjacent to such Unit or Limited Common Areas.

7.4 Damage Caused by Unit Owner or Occupant. If the Common Areas or any portion of the Condominium Property is damaged as a result of or arising from the negligence or willful act of any Unit Owner or- occupant of a Unit, his/her family, guests, or invitees, then the Board may levy a Unit Assessment against such Unit Owner for the cost of repairing or replacing the damaged property. The amount of such Assessment shall not exceed a Unit Owner's liability under applicable law. [As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]

8. USE RESTRICTIONS

The following restrictions and covenants concerning the use and occupancy of the Condominium Property shall run with the land and be binding upon Developer and every Unit Owner or occupant, their heirs, successors and assigns, as well as their family members, guests, and invitees.

8.1 Use of Units. Except as otherwise permitted herein, each Unit shall be occupied and used exclusively for single-family, residential purposes and purposes customarily incidental to a residence. Each 2-bedroom Unit may be occupied by no more than five (5) people and each 3-bedroom Unit may be occupied by no more than six (6) people. Except for the construction, sales and management activities of Developer, no profession, home occupation, trade or industry of any kind (other than those permitted by law) may be conducted, permitted or maintained on any part of the Condominium Property without the prior written approval of the Board.

8.2 Use of Common Areas. The Common Areas may be used only in accordance with the purposes for which they are intended and for any reasonable purposes incidental to the residential use of a Unit. All uses of the Common Areas shall benefit or promote the health, safety, welfare, convenience, comfort, recreation, and enjoyment of Unit Owners and occupants, and shall comply with the provisions of the Condominium Documents and the Condominium Law. There shall be no obstruction of, or storage of anything within, the Common Areas, except with the prior

consent of the Board. There shall be no playing, lounging, or parking of baby carriages, playpens, bicycles, wagons, toys, vehicles, benches or chairs on any part of the Common Areas (not including the Limited Common Areas, subject to Section 8.3), except as set forth in the Rules. Nothing shall be altered, constructed in, removed from or added to the Common Areas without the prior written approval of Declarant and/or the Board.

- 8.3 Use of Limited Common Areas.** The Limited Common Areas may be used exclusively by the Unit Owner who has reserved or been assigned use of such areas, subject to the restrictions set forth in the Condominium Documents, including without limitation, the Rules. Only outdoor furniture, plants and grills may be kept on the decks, provided that they do not interfere with another Unit Owner's use or enjoyment of his/her Limited Common Areas. Firewood, baby carriages, playpens, bicycles, wagons, toys or vehicles shall not be stored on decks.
- 8.4 Hazardous Actions or Materials.** Nothing shall be done or kept in any Unit or in or on any portion of the Common Areas that is unlawful or hazardous, or that might reasonably be expected to increase the cost of insurance covering the Common Areas, or that might unreasonably disturb the quiet occupancy of any person residing in any other Unit. This Section shall not be construed so as to prohibit Developer from construction activities consistent with recognized residential construction practices. No waste shall be committed on the Common Areas.
- 8.5 Exterior Surfaces of Buildings.** Except for the construction, sales and management activities of Developer: (i) nothing shall be hung or displayed on the outside of any windows, walls or any Building, and (ii) no sign (for sale, for rent or other), awning, canopy, umbrella, shutter, wall, fence, clothing or laundry, flag, hanging basket, satellite dish exceeding one meter in diameter, or antenna of any type (unless the antenna is designed to receive television broadcast signals and is installed in accordance with Section 8.6) shall be erected, posted or displayed by any Unit Owner upon the exterior surfaces of Buildings without the consent of the Board, unless otherwise expressly permitted in the Rules.
- 8.6 Reception Devices.**
- 8.6.1** The Association may regulate the location, manner of installation, color and screening of any satellite dish one meter in diameter or less (each, a "Reception Device") which a Unit Owner desires to install, as long as such regulation does not (i) unreasonably delay or prevent the installation of a Unit Owner's chosen Reception Device(s), (ii) unreasonably increase the cost of the installation, maintenance or use of a Unit Owner's Reception Device(s), or (iii) preclude reception of an acceptable quality broadcast signal.
- 8.6.2** Reception Devices will be installed solely within a Unit Owner's Unit or Limited Common Area designated on the Drawings for the exclusive use of such Unit. Installation of a Reception Device within a Limited Common Area does not convert the Limited Common Area to individual property. If an acceptable quality signal can be received by placing Reception Devices inside a Unit without unreasonable delay or unreasonable cost increase, then outdoor installation is prohibited. Reception Devices installed in Limited Common Areas may be no larger or installed no higher than is absolutely necessary for reception of an acceptable quality signal. Reception Devices may not encroach upon any Common Areas, any other Unit or Limited Common Area, or the air space of another Unit Owner's Limited Common Area. Installation of Reception Devices on Common Areas is prohibited, regardless of whether an acceptable quality signal can or cannot be received from a Unit Owner's Unit or Limited Common Area.
- 8.6.3** Reception Devices will be installed in a good and workmanlike manner which complies with all applicable city and state laws and regulations and manufacturer's instructions so as not to damage the Condominium Property, pose any safety hazard, void any warranties of the Association or other Unit Owners, or in any way impair the integrity of any Building. Unit Owners will be responsible for damage to any Condominium Property resulting from installation or removal of a Reception Device. No penetration of the exterior of any Building or Limited Common Areas is permitted unless such penetration is necessary to receive an acceptable quality signal or prevent unreasonable increase in the cost of installation. If such

penetration is necessary, it shall be properly waterproofed and sealed in accordance with applicable industry standards and building codes. Reception Devices that will extend more than three (3) feet above the roofline of any Building are presumed unsafe.

- 8.6.4** Unit Owners are responsible for maintenance and repair of their Reception Devices and are liable for any personal injury or property damage caused by such Reception Devices. If the Reception Device threatens safety or if temporary removal is required to permit the Association to maintain Common Areas or Limited Common Areas, the Association may remove the Reception Device at the expense of the Unit Owner.
- 8.6.5** The Association may require a Unit Owner to paint a Reception Device to match the Building and/or Limited Common Areas with a specific brand, type and color of paint, as long as such paint will not preclude reception of an acceptable quality signal or void a manufacturer's warranty for a Reception Device. The Association may require repainting or replacement if the exterior surface of a Reception Device deteriorates. The Association may require camouflaging of Reception Devices through inexpensive screening or plantings at the Unit Owner's expense if the Reception Device is visible from other Units or Common Areas. The Association may require more expensive screening to reduce the aesthetic impact of Reception Devices, and the cost of such screening will be a Common Expense.
- 8.6.6** Prior to the installation of a Reception Device, a Unit Owner must notify the Association in writing of the type of Reception Device and proposed location and provide the Association with a copy of any required permit. If the Reception Device is to be installed within a Limited Common Area designated for the exclusive use of such Unit Owner, then the Unit Owner will immediately allow the Association access to such Limited Common Area, so that locations (if any) which will permit the reception of an acceptable quality signal can be identified, and installation of Reception Devices will be limited to those locations so identified.
- 8.6.7** If the Federal Communications Commission rules that an association may provide a central Reception Device(s) through which all interested Unit Owners may receive service, the Association may prohibit installation of Reception Devices by individual Unit Owners and instead require Unit Owners to connect to such central Reception Device(s).
- 8.7** **Animals.** No animals of any kind shall be raised, bred or kept in any Unit or on any portion of the Common Areas, except that no more than two usual and ordinary domestic pets (such as dogs and cats) may be kept by a Unit Owner within a Unit for non-commercial purposes only. No pets shall be permitted in the Common Areas unless carried or leashed. After five (5) days' notice, the Association may require any Unit Owner permanently to remove a pet which has been repeatedly annoying or harassing any other Unit Owner or occupant. Unit Owners shall prevent their pets from soiling or damaging the Condominium Property, and each Unit Owner shall promptly clean, repair or replace any damage caused by his/her pet.
- 8.8** **Fires.** No open fires shall be permitted on the Common Areas, except that outdoor grill-type fires are permitted (if allowed by applicable building codes) within the Limited Common Areas by the person entitled to the exclusive use thereof, but only for the preparation of food to be consumed in the adjacent Unit.
- 8.9** **Nuisances.** No noxious, offensive, or illegal trade or activity shall be permitted in the Common Areas or within any Unit.
- 8.10** **Hotel/Transient Uses.** No Unit may be used for hotel or transient uses, including without limitation, uses in which the 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. [As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]
- 8.11** **Leases.** No Unit Owner may enter into a lease for his/her Unit for a term of less than thirty (30) days. All leases shall be in writing and shall be made expressly subject to the terms of the Condominium Documents. The Association shall have the right to bring an action in its own name

or in the name of the Unit Owner or a *bona fide* first mortgagee in possession as landlord against a tenant who is in violation of the Condominium Documents in order to bring eviction proceedings and/or sue for damages. [As amended by Fifteenth Amendment to Declaration of Condominium Ownership, February 14, 2013]

8.12 Vehicles.

8.12.1 Parking of Vehicles Generally. Parking of vehicles shall be limited to designated parking areas and the attached garages of Units. The major repair or extraordinary maintenance of cars or other vehicles may not be carried out anywhere within the Condominium Property. In addition, the Board may create and enforce reasonable rules concerning the parking of any vehicle permitted in the Common Areas. In addition to its authority to levy Unit Assessments as penalties for the violation of such rules, the Board shall be authorized to cause the removal of any vehicle violating such rules, levy fines or take any other appropriate action, the cost of which shall be levied as a Unit Assessment against a Unit, the Unit Owner of which necessitated such Board action.

8.12.2 Permitted Vehicles. Permitted vehicles include passenger cars, compact light duty trucks (with a maximum gross volume weight of three thousand (3,000) pounds), and minivans. Recreational vehicles (such as boats, larger vans, larger trucks, motorcycles, campers, or trailers) are expressly prohibited anywhere within the Condominium Property, unless parked at all times within an attached garage of a Unit. Except for the activities of Developer during the original construction or development of the Condominium Property, no commercial vehicle (including taxicabs and trucks used for business purposes, i.e., those having signs or ladder racks) shall be kept upon the Condominium Property unless completely enclosed within an attached garage of a Unit. No inoperable vehicle shall be parked on the Common Areas.

8.12.3 Number of Vehicles. Notwithstanding any other provision, no Unit Owner shall be entitled to use, keep or store more than two vehicles per Unit anywhere on the Condominium Property, unless a temporary exemption has been granted by the Board to allow a third vehicle to be used, kept, or stored. Under no circumstances shall a Unit Owner be entitled to use, keep or store more than three vehicles per Unit anywhere on the Condominium Property. The Board may grant a temporary exemption for (a) personal hardship, (b) unforeseen family circumstances, or (c) job requirements. Under no circumstances shall a temporary exemption be granted to allow vehicles to be parked in a manner prohibited by Section 8.12.1 or Section 8.12.2. Under no circumstances shall the Board grant a temporary exemption for a term greater than one year. A Unit Owner may apply to the Board for an extension of the temporary exemption, and the Board may grant or deny such extension after review.

8.13 Trash. Except for the activities of Developer during the original development of the Property, no burning or storage of trash of any kind shall be permitted on the Condominium Property. All trash shall be deposited in covered, sanitary containers, screened from view, in locations designated by the Board. All trash shall be collected by the same waste hauling service (to be chosen by the Board) on the same day each week.

8.14 Recreational Devices. No fence, basketball goal and net, or other recreational device shall be permitted anywhere on the Common Areas, without the prior written approval of the Board.

8.15 Enforcement of Restrictions. In addition to any other remedy provided in the Condominium Documents or the Condominium Law, the Association is empowered to levy fines upon Unit Owners for any violation of a restriction set forth in this Article 8, pursuant to a schedule of fines established by the Board, as may be revised from time to time. All unpaid fines shall be assessed to the Unit as a Unit Assessment, including without limitation reasonable attorneys' fees, and the Association shall have a lien for the same, which may be enforced by the terms of this Declaration.

- 8.16 **Nondiscrimination.** No Unit Owner (including Developer), or its agent, employee or representative, shall discriminate on the basis of race, religion, color, sex, handicap, familial status or national origin, in the sale or rental of any Unit, or in the use of the Common Areas.
- 8.17 **Design Guidelines.** The exteriors of all Units, pedestrian walkways, driveways, parking areas, dumpster pads and enclosures (if any), signage and landscaping shall not be altered (including without limitation, siding material or color, trim material or color, brick color, lighting fixtures, roofing material or color) without the approval of the Board, nor shall any temporary or permanent facilities or structures be added to the Condominium Property without approval of the Board and any applicable governmental authorities. No window coverings visible from the exterior of the Units may be a color other than white without the prior written approval of the Board.

9. EXPANSION OF THE CONDOMINIUM

- 9.1 **Reservation by Declarant.** Declarant explicitly reserves the right to expand the Condominium from time to time and at any time, pursuant and subject to the terms of this Article, to include any or all of the Future Expansion Areas by adding additional Buildings and by constructing related improvements and additional Common Areas and Limited Common Areas to serve those additional Buildings. In the alternative, Declarant reserves the right to add all or any portion of the Future Expansion Areas to the Condominium Property as Common Areas by filing an amendment to this Declaration at any time within the time period for expansion as set forth in Section 9.2. In the event Declarant exercises its option to purchase the Future Expansion Areas and until such time as Declarant exercises either option under this Section, the Future Expansion Areas shall be owned by Declarant, who shall be responsible for all incidents and obligations of ownership, including without limitation, the payment of real estate taxes and assessments. Declarant's right to expand the Condominium is without limitation and the consent of the Unit Owners is not required for such expansion.
- 9.2 **Time Period for Expansion.** Declarant's right to expand the Condominium will be exercised, if at all, on or before the date that is seven (7) years after the date that this Declaration is filed for record with the Greene County, Ohio Recorder. This seven (7) year period may be renewed at the option of Declarant by exercising such renewal right within six (6) months prior to the expiration of the original seven (7) year period and with the consent of a majority of the Unit Owners (other than Developer). If the option to renew is exercised, then written evidence of Declarant's exercise and the consent of the majority of the Unit Owners shall be filed as an amendment to this Declaration.
- 9.3 **Additional Improvements.** Declarant is not obligated to add any or all of the Future Expansion Areas to the Condominium and may elect to add one or more buildings in the Future Expansion Areas in any order it desires and without being obligated to add any other building. There are no limitations on the locations of any improvements that may be added to the Condominium as part of any expansion pursuant to this Section. Notwithstanding the foregoing, improvements on any Future Expansion Areas added to the Condominium as Buildings shall be compatible with and of substantially equal quality of construction, and shall be constructed of similar principal materials and with similar architectural style as the Buildings and other improvements originally submitted to the Condominium. [As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]
- 9.4 **Maximum Number of Units.** Declarant establishes that the maximum number of Units that may be added to the Condominium is one hundred twelve (112), for a maximum total of one hundred eighty-six (186) Units in seventy-seven (77) Buildings. Other than as stated above, there is no limitation on the maximum number of Units that may be constructed on the Property.
- 9.5 **Limitations on Units.** Although Declarant intends that the Units to be added to the Condominium pursuant to this Section will be compatible and substantially identical to the Units previously submitted, there are no limitations as to the types of Units that may be added. Par values shall be assigned to each Unit in the additional Buildings based on the type of Unit, as follows:

Unit Type	Par Value
Balmoral Unit	\$1,320.00
Halifax Unit	\$1,320.00
Turnbury Unit	\$1,320.00

9.6 Amendment to Declaration to Add Future Expansion Areas. Each time Declarant exercises the option to expand the Condominium, Declarant shall execute and record an amendment to the Declaration pursuant to the Condominium Law, and shall revise the Drawings accordingly. Each such amendment shall reallocate each Unit's percentage interest in the Common Areas as set forth on Exhibit D, which shall be the par value of that Unit, as specified in Section 9.5, divided by the total par value of all Units within the Condominium, including those added by such amendment. With each expansion of the Condominium and amendment to this Declaration, the Units and/or the Common Areas added will be made subject to this Declaration, and shall comprise one single Condominium, and the unit owners will become members of the Association to the same extent and with the same effect and the same rights and obligations as all other Members.

10. EASEMENTS

Every Unit of the Condominium Property shall be benefited and burdened by the following easements, each of which shall run with the land and remain in effect until the Condominium Property is removed (if ever) from the provisions of the Condominium Law:

10.1 Easements for Support. Every portion of each Building or other improvement on the Condominium Property contributing to the support of another part of any Building or other improvement on the Condominium Property shall be burdened with an easement of support for the benefit of all such other Building(s) or improvements on the Condominium Property.

10.2 Easement of Access and Enjoyment Over Common Areas. Every Unit Owner shall have a right and easement (in common with all other Unit Owners) of enjoyment in, over, and upon the Common Areas, and a right of access to and from his/her Unit, which rights shall be appurtenant to, and shall pass with the title to, his/her Unit, subject to the terms and limitations set forth in this Declaration. A Unit Owner may delegate his/her rights of access and enjoyment to family members, occupants, guests and invitees, but such shall not relieve that Unit Owner of his/her obligations under the Condominium Documents.

10.3 Right of Entry. The duly authorized agents, officers, contractors, and employees of the Association shall have a right of entry and access to the Condominium Property, including without limitation the Units (if the Board deems such entry necessary for public safety reasons or to prevent the damage or destruction of the Condominium Property), for the purpose of performing the Association's rights or obligations set forth in the Condominium Documents. Such authorized persons may enter any Unit to remove or correct any violation of the Condominium Documents, or to maintain, repair, and replace the Limited Common Areas, but only during reasonable hours and after providing twenty-four (24) hours' advance notice to the Unit Owner, except in cases of emergency. No prior notice will be required for entry onto the Common Areas.

10.4 Easement for Utilities and Other Purposes. Developer and the Association have easements over and under the Units and Limited Common Areas for access as may be necessary for the purpose of maintaining, repairing or servicing the Common Areas, and each Unit Owner has easements over the Common Areas for access to his/her Unit. Each Unit Owner has easements to and throughout the Common Areas as may be necessary for the use of water, gas, sewer, electricity and other utilities now or hereafter existing. Each Unit is or will be subject to a reasonable easement in favor of the Association, its employees and agents to go into such Unit for emergency reasons or to exercise its rights under the Condominium Documents subject to limits set forth therein. Developer and the Association have easements through, over and under the Units and the Limited Common Areas for the purpose of installing, laying, maintaining, repairing and replacing any pipes, wires, ducts, conduits, public utility lines or structural

components through the walls of the Units. In addition, the Association shall have, and may grant, easements for maintenance and repair of private utility lines existing in the Common Areas for the benefit of the Units.

- 10.5 Easement for Services.** A non-exclusive easement is hereby granted to all police, firemen, ambulance operators, mailmen, deliverymen, 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 Areas to perform their duties.
- 10.6 Easement for Retention, Detention and Surface Drainage Areas.** The Association, by and through its President upon authorization from the Board, may convey easements over the Condominium Property to any entity, including cross-easements between Units, for the purpose of constructing, installing, maintaining, and operating retention, detention and surface drainage areas for the Condominium Property, and to any entity for such other purposes as the Board deems appropriate; provided that the exercise of such easement rights shall not unreasonably interfere with the Unit Owners' use and enjoyment of the Condominium Property. The Association, by and through its President upon authorization from the Board, may grant such easements over all portions of the Condominium Property for the benefit of adjacent properties as the Board deems appropriate; provided that the grant of such easements imposes no undue, unreasonable, or material burden or cost upon the Unit Owners.
- 10.7 Easement for Encroachments.** Each Unit, all utility lines, and all other improvements as originally constructed shall have an easement to encroach upon any other Unit or the Common Areas as a result of any deviations from the Drawings because of construction. If by reason of the repair, restoration, partial or total destruction and rebuilding of any of the Buildings or improvements constituting a part of the Condominium Property any part of the Common Areas shall encroach upon any part of a Unit, or any part of a Unit shall encroach upon any part of the Common Areas, or any part of a Unit shall encroach upon any part of any other Unit, or if by reason of the design or construction or rebuilding of the utilities systems within the Condominium Property, any pipes, ducts, or conduits serving any Unit shall encroach upon any other Unit, easements have been or will be established in favor of the Unit Owner or the Association, as the case may be, for the maintenance of any such encroachment.
- 10.8 Construction Easement.** Developer retains a non-exclusive easement for access over the Condominium Property and use of the Common Areas to complete construction of additional Buildings and any other improvements. Such easement shall run with the land until construction of the additional Buildings and any other improvements is fully completed.
- 10.9 Additional Easements.** The Association, by and through its President upon authorization from the Board, has the right to grant additional permits, licenses and easements over the Condominium Property.
- 10.10 Access.** Pursuant to ORC § 5311.03(C)(1), the Condominium Property has access to Wyndham Drive, a dedicated street, over Greenside Drive and Greenlefe Drive, private roadways which are a part of the Common Areas and maintained by the Association.
- 10.11 Power of Attorney.** Each Unit Owner, by accepting a deed conveying such interest, irrevocably appoints Developer or the Association, as the case may be, as his/her attorney-in-fact, coupled with an interest, and authorizes, directs and empowers them to execute, acknowledge and record for and in the name of such Unit Owner, such easements or other instruments as may be necessary to effect the foregoing.
- 11. RIGHTS OF ELIGIBLE MORTGAGEES**
- 11.1 Record of Mortgages.** Any Unit Owner who mortgages his/her ownership interest shall notify the Association in writing of the name and address of the mortgagee(s) and of the subsequent payment, cancellation or other alteration of the mortgage.

11.2 Notice to Eligible Mortgagees and Eligible Insurers. Upon written request to the Association identifying the name and address of the Eligible Mortgagee, the Eligible Insurer and of the Unit Owner or address, such Eligible Mortgagee and Eligible Insurer will be entitled to timely written notice of:

- 11.2.1** Any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit on which there is a mortgage held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable;
- 11.2.2** Any thirty (30) day delinquency in the payment of Assessments owed by a Unit Owner subject to a mortgage held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable (provided that failure to so notify any such Eligible Mortgagee or Eligible Insurer shall not relieve the Unit Owner of his/her obligation to pay such Assessments);
- 11.2.3** Any default in the performance of any obligation under the Condominium Documents by a Unit Owner whose mortgage is held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable;
- 11.2.4** Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and
- 11.2.5** Any proposed action that requires the consent of a specified percentage of Eligible Mortgagees.
- 11.2.6** Any proposed termination of the condominium regime.

[As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]

11.3 Consent of Eligible Mortgagees. Except for the amendments specified in Section 9.6 and 12.4 which do not require the consent of Unit Owners or Eligible Mortgagees, none of the following amendments to the Declaration shall be effective as to an Eligible Mortgagee without the Eligible Mortgagee's consent:

- 11.3.1** Any change in the allocation of percentage interests in Common Areas appertaining to the Unit mortgaged; or
- 11.3.2** Any change in the boundary of the Unit mortgaged; or
- 11.3.3** Any change in the allocation of voting rights affecting the Unit mortgaged; or
- 11.3.4** Any change in the liability for Common Expenses of the Unit mortgaged.
- 11.3.5** Any change in the purposes to which any Unit mortgaged is restricted, or any change in the purposes to which the Common Areas are restricted.

[As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]

The consent of an Eligible Mortgagee shall be deemed given when such Eligible Mortgagee fails to respond in writing to any written notice of a proposed amendment within thirty (30) days after it receives such notice. In the amendment, or in a writing placed of record thereafter, Declarant or the Secretary of the Association, as the case may be, shall certify as to the Eligible Mortgagees' consents obtained. Notwithstanding anything to the contrary contained herein, consent of mortgagees for whom the Association has not received the notice or request pursuant to Sections 11.1 and 11.2 shall not be required to effect the amendments described in this Section, nor shall such mortgagees be entitled to receive any notices, exercise any voting rights, or receive any insurance or condemnation proceeds to which they otherwise would be entitled under the provisions of this Declaration if they were Eligible Mortgagees.

11.4 Limitation on Payment of Assessments by Eligible Mortgagees. Upon the sale or transfer of a Unit pursuant to mortgage foreclosure, an Eligible Mortgagee's liability for outstanding Assessments accrued to date shall be limited to Assessments accrued within the prior six (6) month period. No sale or transfer shall relieve such Unit from liability for Assessments thereafter becoming due or from the lien thereof.

12. MISCELLANEOUS

12.1 Term. This Declaration 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 with the Greene County, Ohio Recorder, and thereafter shall automatically renew forever for successive periods of ten (10) years each, unless earlier terminated by a vote of the majority of the Members.

12.2 Enforcement. This Declaration may be enforced by any proceeding at law or in equity, by Developer, any Unit Owner, the Association and their respective heirs, successors and assigns, against any person(s) violating, or attempting to violate, any covenant or restriction, to restrain and/or to enjoin violation, to obtain a decree for specific performance as to removal of any nonconforming improvement, and to recover damages (including without limitation reasonable attorneys' fees).

12.3 Waiver. Failure of Developer, the Association or any Unit Owner to enforce such provisions in any manner shall not constitute a waiver of any right to enforce any violation of such provisions. By accepting a deed to a Unit, each Unit Owner is deemed to waive the defenses of laches and statute of limitations in connection with the enforcement by the Association of the Condominium Documents.

12.4 Amendments. Any amendment will be filed for recording in the office of the Greene County, Ohio Recorder.

12.4.1 Written Consent of Developer. For as long as Developer owns one or more Units, no amendment shall be made to the Condominium Documents without the express written consent of Developer.

12.4.2 Voting Power of the Association. For a term of twenty (20) years from and after the date of Declaration is file for recording with the Greene county, Ohio Recorder, this Declaration may be amended only by a vote of ninety percent (90%) of the voting power of the Association, and at any time after such initial twenty (20) year period this Declaration may be amended only by a vote of seventy-five percent (75%) of the Association provided, however, that Declarant may make the following amendments without the consent of the Members: (i) to correct or further clarify the legal descriptions of the Condominium Property, the Future Expansion Areas, or the Common Areas; (ii) to expand the Condominium in accordance with Article 9; (iii) to correct clerical or typographical errors; (iv) to make nominal changes in the Condominium Documents; (v) to clarify Declarant's original intent; (vi) to make any changes necessary or desirable to meet the requirements of any institutional lender or any agency which guarantees, insures, or purchases loans on Units; (vii) to add fences, landscaping, recreational facilities or paved areas to the Condominium Property; or (viii) to make changes in any unsold Unit covered by the Declaration to assist Developer in its marketing of that Unit, provided that no such change materially decreases the value or size of that Unit, changes any Unit Owner's percentage interest in the Common Areas (except in the case of expansion of the Condominium), or adversely affects such Unit Owner's rights without his/her written consent. Each Unit Owner irrevocably designates Developer as his/her proxy and attorney-in-fact to make any of the above-described amendments without his/her consent.

[As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998, As amended by Fifth Amendment to Declaration of Condominium Ownership, _____, 1998]

12.4.3 Approval of Eligible Mortgages. The approval of Eligible Mortgagees holding first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to such mortgages appertain shall be required for any material amendment to the Declaration or Regulations made

after the date this First Amendment is recorded in the office of the Greene County, Ohio Recorder, or the addition of any material provision thereto after such date, which establishes, provides for, governs or regulates any of the following: (i) voting; (ii) assessments, assessment liens or subordination of such liens; (iii) reserves for maintenance, repair and replacement of the Common Areas; (iv) insurance or fidelity bonds; (v) rights to use the Common Areas; (vi) responsibility for maintenance and repair of the several portions of the Condominium Property; (vii) expansion or contraction of the Condominium Property or the addition or annexation of property thereto or the withdrawal of property therefrom, unless the expansion, addition or annexation is in accordance with Article 9 hereof; (viii) redefinition of the boundaries of any Unit (except that when boundaries of only adjoining Units are involved, or a Unit is being subdivided, then only those Unit Owners and the Eligible Mortgagees holding first mortgages in such Unit or Units must approve such action); (ix) reallocation of interests in the Common Areas or Limited Common Areas (except that when Limited Common Areas are reallocated by agreement between Unit Owners, only those Unit Owners and only the Eligible Mortgagees holding first mortgages on such Units must approve such action); (x) convertibility of Units into Common Areas or of Common Areas into Units; (xi) leasing of Units; (xii) imposition of any right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer, or otherwise convey his or her Unit; (xiii) establishment of self-management by the Association where professional management has previously been required by the Condominium Documents, any Eligible Mortgagee or Eligible Insurer; (xiv) restoration or repair of the Condominium Property (after damage or partial condemnation) in a manner other than as specified in the Condominium Documents; or (xv) provisions that expressly benefit Eligible Mortgagees or Eligible Insurers.

Notwithstanding the foregoing, the approval of Eligible Mortgagees shall not apply to any amendment to the Declaration or Regulations in connection with (1) the termination of the Condominium pursuant to Article 5 hereof; or (d) an expansion, addition or annexation in accordance with Article 9 hereof or to a reallocation of interests in the Common Areas which occurs pursuant to such an expansion, addition or annexation.

- 12.4.4 Approval of Eligible Insurers.** Until the Unit Owners' assumption of control of the Association (defined in Section 4.1 of the Regulations), the approval of all Eligible Insurers is required for any of the following which occur after the date this First Amendment is recorded in the office of the Greene County, Ohio Recorder: (i) the expansion or contraction of the Condominium Property or the addition or annexation of property thereto or the withdrawal of property therefrom, unless the expansion, addition or annexation is in accordance with Article 9 hereof; (ii) the merger or consolidation of the Condominium with any other common interest community or the merger or consolidation of the Association with any other entity; (iii) dedication of Common Area; (iv) any amendment to the Articles, the Regulations or this Declaration; or (v) the dissolution of the Association.

[As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]

- 12.5 Termination.** Except as otherwise provided herein (including without limitation, as provided in Article 5), by (i) the unanimous vote of one hundred percent (100%) of the voting power of the Association, (ii) the approval of Eligible Mortgagees holding first mortgages on Units to which at least sixty-seven percent (67%) of the votes of Units subject to such mortgages appertain, and (iii) the written consent of Developer if Unit Owners have not yet assumed control of the Association, the Condominium Property may be removed from the Condominium Law by filing a certificate with the Greene County, Ohio Records certifying that all outstanding taxes, assessments, liens and encumbrances have been released or satisfied. Upon the filing of such certificate, the Condominium Property will be deemed removed from the Condominium law. [As amended by First Amendment to Declaration of Condominium Ownership, May 1, 1998]

- 12.6 Severability.** If any article, section, paragraph, sentence, clause or word in this Declaration is held by a court of competent jurisdiction to be in conflict with any law of the State of Ohio or the United States, then the requirements of such law shall prevail and the conflicting provision or language shall be deemed void in such circumstance; provided that the remaining provisions or language of this Declaration shall continue in full force and effect.

- 12.7 Fines; Penalties.** If any Unit Owner violates the provisions of this Declaration or the Rules in a manner that entitles the Association to levy a fine or impose a penalty on such Unit Owner or suspend voting or rights to use the Common Areas, then the Association shall provide the Unit Owner ten (10) days' written notice of his/her default and the opportunity to be heard by the Board, or a duly appointed committee, prior to imposition of the fine, penalty or suspension. Declarant and each Unit Owner shall have a civil cause of action for damages against any party for their failure to comply with the lawful provisions of the Condominium Documents or any applicable law of the State of Ohio or the United States. Any action by the Association may be commenced in its own name or in the name of its Board or managing agent.
- 12.8 Captions.** The caption of each article and section of this Declaration is inserted only as a matter of reference and does not define, limit or describe the scope or intent of the provisions of this Declaration.
- 12.9 Interpretation.** The provisions of this Declaration shall be liberally construed to effectuate the purpose of creating a uniform plan for the establishment and the operation of a first-class residential condominium development. In case of any conflict between the Condominium Law and the Condominium Documents, the Condominium Law shall control. In case of any conflict between the Declaration and the Regulations, the Declaration shall control. Nothing herein shall be construed by implication to omit any of the rights, powers and authorities granted by the provisions of the Condominium Law.
- 12.10 Notices.** Notices to a Unit Owner shall be given in writing, by personal delivery, at the Unit, or by depositing such notice in the United States mail, first class, postage prepaid, to the address of the Unit Owner as shown by the records of the Association, or as otherwise designated in writing by the Unit Owner. Notices to Developer and the Association shall be given in writing, by personal delivery, or by depositing such notice in the United States mail, first class, postage prepaid, to the address set forth below, or as otherwise designated in writing. Notices shall be deemed given when personally delivered or two business days after being deposited in the United States mail.

To the Association:

Canterbury Village Condominium Association, Inc.
c/o The Ryland Group, Inc.
8600 Governor's Hill Drive, #220
Cincinnati, Ohio 45249

To Developer:

The Ryland Group, Inc.
8600 Governor's Hill Drive, #220
Cincinnati, Ohio 45249

And

The Ryland Group, Inc.
1 1000 Broken Land Parkway
9' Floor
Columbia, Maryland 21044
Attention: Melinda Thompson, Esq., Associate Corporate Counsel

- 12.11 Limitation of Liability.** Subject to the provisions of any limited warranties provided by Developer to each Unit Owner, and unless caused by Developer's gross negligence or willful misconduct, Developer or any of its agents, representatives, successors or assigns, shall not be liable for any claims whatsoever arising out of, or caused by, its actions or inaction pursuant to any authority granted or delegated to it by the Condominium Documents, or in its capacity as developer, contractor, owner, manager or seller of the Property, whether or not such claim shall be asserted by any Unit Owner, occupant, the Association, the Board or by any person or entity claiming

through any of them, or on account of or arising from any injury to person or damage to or loss of property from whatever cause or action.

- 12.12 Developer's Property Interest.** Except in its capacity as the owner of declared but unsold condominium ownership interests, Developer or its agent will not retain a property interest in the Common Areas after the Unit Owners' assumption of control of the Association, except that Developer may retain an interest consistent with this Declaration and any interest required to insure access to the Common Areas by owners of additional Buildings. The foregoing shall not apply to the Future Expansion Areas.