

AMENDED AND RESTATED BYLAWS OF
STURGEON POINT, CONDOMINIUMS

A Condominium Pursuant to Chapter 5311 of the Ohio Revised Code

ARTICLE ONE

PLAN OF APARTMENT OWNERSHIP

Section One: Unit Ownership. The Condominium located at 5635 Lake Road, Geneva-on-the-Lake, Ohio and known as Sturgeon Point Condominiums, is submitted to the provisions of Chapter 5311 of the Ohio Revised Code, hereinafter called the Condominium act, by Declaration recorded simultaneously herewith in the office of the Recorder of Ashtabula County, Ohio.

Section Two: Applicability to Property. The provisions of these Bylaws are applicable to the Condominium, which term includes the land, the buildings, and all other improvements thereon, all easements, rights, and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith.

Section Three: Applicability to Persons. All present and future owners, lessees, and mortgagees, their employees, and any other person who may use the facilities of the project in any manner shall be subject to these Bylaws, the Declaration relevant Unit deeds, and rules and regulations pertaining to the use and operation of the Condominium property attached hereto as Exhibit A.

Acquisition, rental, or occupancy of any Unit in the Condominium shall be sufficient to signify acceptance and ratification of the provisions of the aforementioned instruments, and an agreement to comply therewith.

Section Four: Office. The office of the Condominium and of the Board of Directors shall be located at 5635 Lake Road, Geneva-on-the-Lake, Ohio, or such other place as may be designated in the future.

ARTICLE TWO

BOARD OF DIRECTORS

Section One: Number and Qualifications. The affairs of the Condominium will be administered by a Unit Owners Association, all power and authority of which will be exercised by a Board of Directors. The Board of Directors will be composed of five persons all of whom must be owners, co-owners, spouses of owner, or mortgagees of Units, or in the case of corporate owners or mortgagees of Units, officers, directors, shareholders, or employees of such corporations.

Section Two: Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium, and may do all such acts and things as are not by law, by the Declaration, or by these Bylaws directed to be exercised and done by the owners. The powers and duties to be exercised by the Board of Directors shall include, but shall not be limited to, the following:

- A. Care, upkeep, maintenance, and operation of the Common Elements;
- B. Determination of amounts required to defray Common Expenses of the Condominium (such as amounts required for operation and maintenance of the Common Elements);
- C. Collection of common charges from Unit Owners;
- D. Maintenance of detailed and accurate records, in chronological order, of receipts and disbursements arising from the operation of the property, which records shall be made available for examination by Unit Owners at convenient hours during the business week;
- E. Authorization and prosecution, in the name of the Association of any and all actions and proceedings deemed necessary or appropriate in furtherance of the interests of Unit Owners generally, including suits to foreclose liens for nonpayment of common charges or to recover money judgments for unpaid common charges;

- F. Entry into any and all contracts deemed necessary or appropriate in furtherance of the interests of Unit Owners generally;
- G. Employment and dismissal of personnel necessary or appropriate for the maintenance and operation of the property, the Common Elements, and the restricted Common Elements;
- H. Adoption and amendment of rules and regulations, not inconsistent with these Bylaws, covering the details of operation and use of the property, subject to the right of a majority of Unit Owners to change such rules and regulations;
- I. Establishment of bank accounts in the name of the Condominium, and authorization of signatories therefor;
- J. Purchasing, leasing, or otherwise acquiring in the name of the Board of Directors, or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale, lease, or surrender by their owners to the Board of Directors;
- K. Purchasing Units at foreclosure or other judicial sale in the name of the Board of Directors or its designee, corporate or otherwise, on behalf of all Unit Owners;
- L. Selling, leasing, mortgaging, or otherwise dealing with Units acquired by, and subleasing apartment Units leased by, the Board of Directors, or its designee, corporate or otherwise on behalf of all Unit Owners;
- M. Organizing corporations to act as designees of the Board of Directors in acquiring title to or leasing Units on behalf of all Unit Owners;
- N. Leasing of stores, professional offices, and parking spaces issuance of swimming pool memberships, and granting of vending machine licenses;
- O. Procuring of insurance for the Condominium Property, including the Units thereof, as hereinafter provided;

- P. Contracting for repairs of and additions and improvements to the Common Elements of the property, and for repairs and restoration of the property in accordance with the provisions of these Bylaws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;
- Q. In addition to all other powers enumerated above, the Board may exercise all powers of the Association, including the power to do the following:
1. Hire and fire attorneys, accountants, and other independent contractors and employees that the Board determines are necessary or desirable in the management and/or operation of the Condominium Property and the Association;
 2. Commence, defend, intervene in, settle, or compromise any civil, criminal, or administrative action or proceeding that is in the name of, or threatened against, the Association, the Board, or the Condominium Property, or that involved two or more Unit Owners and relates to matters affecting the Condominium Property;
 3. Adopt rules that regulate the use or occupancy of Units, the maintenance, repair, replacement, modification, and appearance of Units, Common Elements, and Limited Common Elements when the actions regulated by those rules affect Common Elements or other Units;
 4. Grant easements, leases, licenses, and concessions through or over the Common Elements;
 5. Impose and collect fees or other charges for the use, rental, or operation of the Common Elements or for services provided to Unit Owners; and
 6. Invest excess funds in investments that meet standards for fiduciary investments under Ohio law.

Section Three: Delegation of Duties. Any right, privilege, power, or duty herein granted to or imposed on the Board of Directors of the Unit Owners Association, other than the powers set forth in Subsections b, e, f, h, i, k, l, and m of Section Two of this article, may be delegated to a professional corporate managing agent by mutually binding contract entered into between the President or authorized agent of the Unit Owners Association and such managing agent.

Section Four: Election and Terms of Office. At the first annual meeting of Unit Owners, the terms of office of the Board of Directors shall be fixed as follows: The terms of office of one member shall be set at three years; the terms of office of two members shall be set at two years; and the terms of office of two members shall be set at one year. At the expiration of the initial term of office of each Board member, his successor shall be elected to serve for a term of three years. Board members shall hold office until their successors have been elected and hold their first meeting. No individual may serve more than two terms in succession.

Section Five: Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a manager by a vote of the Unit Owners, shall be filled by vote of the majority of the remaining Board members, even though they may constitute less than a quorum; each person so elected shall hold office until a successor is elected at the next annual meeting of Unit Owners.

Section Six: Removal of Board Members. At any regular or special meeting duly called, any one or more members of the Board of Directors may be removed with or without cause by a majority of Unit Owners, and a successor may then and there be elected to fill the vacancy so created. Any Board member so elected shall serve for the unexpired term of his predecessor in office. Any manager whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting at which a vote is to be taken on the issue of his removal.

Section Seven: Organizational Meeting. The first meeting of the Board of Directors shall be held within thirty days of the first annual meeting of Unit Owners at which Board members are elected and at such place as may be fixed by the Board of Directors. No notice shall be necessary to the newly elected Board of Directors to legally constitute such a meeting, providing a majority of the Board shall be present.

Section Eight: Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall from time to time be determined by the Board; provided, however, that at least six such meetings shall be held during each fiscal year. Notice of each regular meeting shall be given to each Board member personally, or by mail, telephone or telegraph, at least three days prior to the date set for such meeting.

Section Nine: Special Meetings. Special meetings of the Board of Directors may be called by the President, and shall be called by the President or Secretary on the written request of at least two Board members, twenty-four hours' notice to each Board member, given personally, or by mail, telephone or telegraph. Any such notice shall state the time, place and purpose of the meeting.

Section Ten: Waiver of Notice. Any Board member may at any time waive notice of any meeting of the Board of Directors in writing and any such waiver shall be deemed equivalent to giving the notice required herein. Attendance by any Board member of any Board meeting shall constitute a waiver by that member of notice of the time and place of such meeting. If all Board members are present at any meeting of the Board, no notice shall be required, and any business may be transacted.

Section Eleven: Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Board shall constitute a quorum for the transaction of business, and the acts of a majority of members present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors. If at any meeting of the Board of Directors less than a quorum is present, a majority of those present may adjourn the meeting from time to time. At any such subsequent meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice. Any Board meeting may be held in person or by any method of communication, including electronic or telephonic communication, provided that each Board member can hear, participate and respond to every other Board member.

Section Twelve: Dishonesty Coverage. The Board of Directors shall require that all officers and employees of the Condominium handling or responsible for Condominium funds shall be covered with Dishonesty Coverage for the protection of the Association. The premiums on such coverage shall constitute a Common Expense.

Section Thirteen: Compensation. No member of the Board of Directors shall receive compensation from the Condominium for acting as such, but by resolution of the Board of Directors, a fixed fee and expenses of attendance may be allowed for attendance at each regular and special meeting. Nothing herein contained shall be construed to preclude any Board member from serving the Condominium or the Board of Directors in any other capacity and receiving compensation therefor.

Section Fourteen: Liability of Board of Directors. Members of the Board of Directors shall not be liable to Unit Owners for mistakes in judgment, for negligence, or otherwise, except for their own willful misconduct or bad faith. Nor shall members of the Board of Directors be personally liable with respect to any contract made by them on behalf of the Condominium, and Unit Owners shall indemnify the Board of Directors and each member thereof against all contractual liability to third parties arising out of contracts made by the Board of Directors on behalf of the Condominium. However, such indemnification shall not extend to any contract made in bad faith or contrary to the provisions of the Declaration or these Bylaws. The liability of each Unit Owner arising out of any contract made by the Board of Directors or out of the aforesaid indemnification of the members of the Board of Directors shall be the proportion of the total liability that such Unit Owner's interest in the Common Elements bears to the interests of all Unit Owners in the Common Elements. Every agreement made by the Board of Directors or by any managing agent or manager employed by the Board on behalf of the Condominium shall provide that the members of the Board, or the managing agent or manager, as the case may be, are acting only as agents for the Unit Owners, and shall have no personal liability thereunder except as Unit Owners, and shall further provide that each Unit Owner's liability thereunder is limited to the proportion of the total liability thereunder that his interest in the Common Elements bears to the interests of all Unit Owners in the Common Elements.

ARTICLE THREE

UNIT OWNERS ASSOCIATION

Section One: Annual Meetings. The Association's annual meeting will be held at such time, at such place, on either Saturday or Sunday of the Memorial Day weekend or any other date designated by the Board of Directors for each

fiscal year and as stated in the meeting notice, for the election of Directors, the consideration of reports to be laid before the meeting, and the transaction of such other business as is set forth in the meeting notice.

Section Two: Special Meetings. The President may, and shall if directed by resolution of the Board of Directors or by petition signed and presented to the Secretary by Unit Owners owning a total of at least fifty percent 50% of the common interest, call a special meeting of the Association. The notice of any special meeting shall state the time and place of the meeting, and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent either in person or by proxy of Unit Owners owning at least 66-2/3% of the common interest, excluding unsold Units and proportional parts of the Common Elements related thereto, if any.

Section Three: Place of Meetings. Meetings of the Association shall be held at the principal office of the Condominium, or at such other suitable place convenient to the owners as may be designated by the Board of Directors.

Section Four: Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose, time, and place thereof, to each Unit Owner at least 10 days, but not more than 30 days prior to such meeting. Any notice so mailed shall be considered served.

Section Five: Quorum; Majority Voting. At all meetings of the Association, Unit Owners holding in the aggregate 51% of the total interest in the Common Elements shall constitute a quorum for transaction of business. If a quorum is present at a meeting, the acts of those Unit Owners entitled to exercise 51% or more of the total voting power of those Unit Owners present shall bind all Unit Owners for all purposes other than those for which a higher percentage is required by law, by the Declaration, or by these Bylaws. If, at any meeting of Unit Owners, less than a quorum is present, those Unit Owners entitled to exercise 51% or more of the total voting power of Unit Owners present may adjourn the meeting to a time not less than 24 hours from the time the original meeting was called. At any such subsequent meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section Six: Order of Business. The order of business at all meetings of Unit Owners shall be as follows:

- A. Roll call.
- B. Proof of notice of meeting or waiver of notice.
- C. Reading of minutes of preceding meeting.
- D. Reports of officers.
- E. Report of Board of Directors.
- F. Reports of committees.
- G. Election of inspectors of election (when appropriate).
- H. Election of members of Board of Directors (when required).
- I. Unfinished business.
- J. New business.

Section Seven: Voting. The owner or owners of each Unit, or some person appointed by such owner or owners to act as proxy on his or their behalf, shall be entitled to cast the vote appurtenant to each such Unit at all meetings of Unit Owners. The appointment of any proxy shall be made in writing filed with the Secretary, and shall be revocable at any time by notice in writing to the Secretary. Voting shall be on a Unit basis and the vote to with an owner or owners is entitled shall be the percentage or the sum of the percentages of his interest in the Ownership of Common Elements as defined in the Declaration of Condominium Ownership.

Section Eight: Title to Units. Title to Units may be acquired and held in the name of an individual, in the name of two or more persons as tenants in common, or tenants in common with right of survivorship, or in the name of a corporation, a partnership, or a fiduciary.

ARTICLE FOUR

OFFICERS

Section One: Designation. The principal officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of Directors.

Section Two: Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board, and shall hold office at the pleasure of the Board.

Section Three: Removal of Officers. On the affirmative vote of a majority of the Board of Directors, any officer may be removed, with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for that purpose.

Section Four: President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Board of Directors and of Unit Owners. He shall have all general powers and duties that are incident to the office of President of a business corporation organized under the laws of the state of Ohio, including, but not limited to, the power to appoint committees from among the owners from time to time as he may deem appropriate to assist in the conduct of the affairs of the Association.

Section Five: Vice-President. The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice-President shall also perform such other duties as may from time to time be imposed upon him by the Board of Directors.

Section Six: Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and of Unit Owners; he shall have charge of such books and papers as the Board of Directors may determine, and he shall, in general perform all duties incident to the office of Secretary of a business corporation organized under Ohio law.

Section Seven: Treasurer. The Treasurer shall have responsibility for the funds and securities of the Association, for keeping full and accurate accounts showing all receipts and disbursements, and for the preparation of all necessary financial statements. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Directors, or managing agent, in such depositories as may from time to time be designated by the Board of Directors, and shall, in general, perform all duties incident to the office of Treasurer of a business corporation organized under Ohio law.

Section Eight: Compensation. The salaries of all officers shall be fixed by the Board of Directors, and the fact that any officer is a member of the Board of Directors shall not preclude him from receiving his salary or from voting on any resolution providing for the same.

ARTICLE FIVE

OPERATION OF PROPERTY

Section One: Determination of Common Charges. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominiums, which budget shall include projections of Common Expenses, common revenues (from sources other than assessments of Unit Owners), the amount of common charges required to meet the excess of the former over the latter, and an allocation and assessment of such common charges against Unit Owners as provided in the Declaration. As used in these Bylaws, the term "Common Expenses" of "common charges" shall mean expenses or charges for which Unit Owners are proportionately liable, and shall include, but shall not be limited to the following:

- A. All expenses of administration, maintenance, repair and replacement of the Common Elements.
- B. Insurance premiums on all policies of insurance obtained by the Board of Directors, managing agent, or manager, as the case may be, pursuant to Sections Fifteen and Sixteen of this Article.
- C. Working capital reserve.
- D. General operating reserve.
- E. Repair and replacement reserve, which shall be \$4,500.00 per annum for the first three years of operation.
- F. Reserve for deficits accrued in prior years.
- G. Reserve for acquisition or lease of Units, the owners of which have elected to sell or lease the same, or that may become available at foreclosure or other judicial sale.
- H. Utility rates for water and related sewer rents.
- I. Utility rates for gas.

- J. Utility rates for electricity serving the Common Elements, which shall be separately metered.
- K. All other amounts that the owners may agree upon or that the Board of Directors may deem necessary or appropriate for the operation, administration, and maintenance of the Condominium.
- L. All other amounts designated Common Expenses by the Declaration, these Bylaws, or law.

The Board of Directors shall furnish all Unit Owners and mortgagees with copies of the budget on which the allocations and assessments of common charges are based.

Section Two: Collection of Assessment. The Board of Directors shall assess common charges against the Unit owners from time to time, and at least annually, and shall advise each Unit owner in writing of the amount of common charges payable by him. If any common charge remains unpaid for more than 10 days from the date due, the Board of Directors shall take prompt action to collect the same.

The Association will credit payments made by a Unit Owner in the following order of priority:

- (1) First, to interest owed to the Association;
- (2) Second, to administrative late fees owed to the Association;
- (3) Third, the collection costs, attorney's fees, and paralegal fees incurred by the Association; and
- (4) Fourth, to the principal amounts the Unit Owner owes to the Association for the Common Expenses or enforcement Assessments chargeable against the Unit.

Section Three: Common Surplus. If in any taxable year the net income of the Association from assessments and all other sources except casualty insurance proceeds and other nonrecurring items exceeds the sum of (a) total Common Expenses for which payment has been made or liability incurred within the taxable year, and (b) reasonable reserves for Common Expenses in the next succeeding taxable year as may be determined by the Board of Directors, such

excess shall be returned forthwith to Unit Owners, the share of each being in proportion to the amount of assessments for Common Expenses paid by him within the taxable year. In the alternative, if the Association has collected a Common Surplus at the end of any fiscal year, the Board may determine that such amount will be applied toward reserves.

Section Four: Liability for Assessments. All Unit Owners are obligated to pay the common charges assessed by the Board of Directors at such times as the Board may determine. No Unit Owner may exempt themselves from liability for any assessment for common charges by waiver of the use of enjoyment of any of the Common Elements or by abandonment of his Unit.

The Board shall place a minimum of 10% of the annual assessments into the reserve account on a budgeted basis for capital improvements in accordance with Chapter 5311.081(A)(1) of the Ohio Revised Code unless waived pursuant to the rules set forth therein.

Section Five: Default in Payment of Common Charges. In the event a Unit Owner shall fail for 10 days following the due date thereof, to pay to the Board of Directors the common charges assessed against his Unit, such Unit Owner shall be deemed in default, and shall be obligated to pay interest at the legal rate on such common charges from the due date thereof, together with all expenses, including reasonable attorneys' fees, incurred by the Board of Directors in any proceeding brought to collect the same or to foreclose a lien for nonpayment thereof.

Section Six: Foreclosure of Liens for Unpaid Common Charges. It shall be the right and duty of the Board of Directors to attempt to recover unpaid common charges, together with interest thereon, and expenses of the proceeding, including reasonable attorneys' fees (a) in an action brought against any Unit Owner in default on his obligation to pay the same, or (b) by foreclosure of the lien, provided for by Section 5311.18 of the Ohio Revised Code, on any Unit in respect to which such default has occurred. During the pendency of any such foreclosure the Unit Owner shall be required to pay reasonable rental for the Unit, and the President of the Association, as plaintiff in such foreclosure, shall be entitled to the appointment of a receiver to collect the same. The Association, or its agent, duly authorized by action of the Board of Directors, acting on behalf of all Unit Owners, shall have power to bid on and purchase any such Unit and to acquire, hold, lease, mortgage, convey, or otherwise deal with the same. Suit to

recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same, and foreclosure shall be maintainable notwithstanding the pendency of a suit to recover a money judgment.

Section Seven: Maintenance and Repair.

- A. Every owner shall promptly perform all maintenance and repair work within his own Unit, which if omitted would affect any Common Element, any portion of the property belonging to other owners, or the Condominium as a whole, being expressly responsible for all damages and liabilities that any failure to repair or maintain may engender.
- B. All maintenance, repairs, and replacements to the Common Elements, whether located inside or outside individual Units, shall be the responsibility of the Board of Directors and shall be charged to all Unit Owners as Common Expenses unless such maintenance, repairs, or replacements are necessitated by the negligence or misconduct of individual Unit Owners, in which case they shall be the responsibility of, and shall be charged to such individual Unit Owners.
- C. Each Unit Owner shall be responsible for any expenditures incurred in repairing or replacing any Common Element damaged through his fault, and shall reimburse the Condominium accordingly.

Section Eight: Uses of Units.

- A. Units shall be occupied and used by their respective owners only as private dwellings for the owner, his family, tenants, and social guests, and for no other purpose whatsoever.
- B. Residents shall exercise extreme care about making noises or playing music which may disturb other residents. Residents keeping domestic animals must abide by municipal sanitary regulations. All radios/cd/tape players or other personal music devices are prohibited in Common Elements unless earphones are used.

- C. Hanging, cleaning or beating garments, rugs, etc., from or on the windows, terraces, or facades of the building is prohibited.
- D. Throwing garbage or trash outside disposal installations provided for such purposes is prohibited.
- E. No owner, resident, or lessee shall install wiring for any electrical or telephone installation, television antenna, CB or short-wave antenna, air conditioning Unit, or machine of any kind on the exterior of the building or which protrudes through the walls or the roof of the building except as authorized by a majority of Unit Owners.
- F. Owners shall not permit to be done or kept in their Units anything that would increase the rate of fire insurance thereon or on the Condominium as a whole.
- G. No immoral, improper, offensive, or unlawful uses shall be made of Condominium Property or any part thereof, and each Unit Owner, at his own expense, shall comply with all city, state, and federal laws, statutes, ordinances, regulations, orders, or requirements affecting his Unit.
- H. No parking of vehicles in excess of 6,500 pounds or with more than two axles (deliveries excepted).
- I. There shall be no charcoal grills or "outdoor fireplaces" in, or outside any Unit, garage, or patio.
- J. Any interior fireplaces added to Units must be approved by the Board to insure proper installation.
- K. Renters are prohibited from having pets on the premises.
- L. Pool bracelets shall be required in the spa area and deck as well as in the pool.

Section Nine: Modifications by Unit Owners. No Unit Owner shall make any structural addition or alteration to his Unit without the prior written consent of the Board of Directors. The Board shall answer the request by any Unit Owner for approval of a proposed addition or alteration within sixty days after receipt thereof, and failure to do so within the stipulated time shall constitute a consent. Any application to any governmental authority for a permit to make any addition or alteration to any Unit shall be executed by the Board of Directors only. However, neither the Board nor any member thereof shall be liable to any contractor, subcontractor, or materialmen, or to any person claiming injury to person or property as a result of such addition or alteration or the construction thereof.

Section Ten: Right of Entry. Each Unit Owner shall grant to the manager, managing agent, or other person or persons authorized by the Board of Directors, a right of entry to (a) correct any condition threatening his Unit or originating in his Unit and threatening another Unit or a Common Element, (b) install, alter, or repair mechanical or electrical services or other Common Elements located in his Unit or elsewhere, and (c) correct any condition which violates the provisions of any mortgage secured by any other Unit. Requests for entry shall be made in advance and shall be scheduled for times convenient to the owner. In case of emergencies, right of entry shall be immediate, and shall exist whether the Unit Owner is present at the time or not.

Section Eleven: Use of Common Elements. Unit owners shall not place or cause to be placed in the lobbies, vestibules, stairways, elevators, and other Condominium areas and facilities of a similar nature both common and restricted, any furniture, packages or objects of any kind. Except for lobbies, such areas shall be used only for normal transit purposes.

Section Twelve: Modifications by Board of Directors. Any additions or alterations to the Common Elements costing more than \$5,000.00 or less may be made by the Board of Directors without approval of the Association, and the costs thereon shall be treated as Common Expenses. Whenever in the judgment of the Board of Directors, the Common Elements require additions or alterations costing in excess of \$5,000.00 the making of such additions or alterations shall require approval by a majority of Unit Owners. After such approval has been obtained, the Board of Directors shall proceed with the additions or alterations, and the costs thereof shall be treated as Common Expenses.

Section Thirteen: Repair or Reconstruction. In the event of damage to or destruction of all or any part of the Common Elements, the Unit Owners, by the affirmative vote of those entitled to exercise at least 75% of the voting power of the Association, may elect not to repair or restore the same. On such election, all the property shall be subject to an action for sale at the suit of any Unit Owner. The net proceeds of any such sale, together with the net proceeds of insurance policies, shall be considered as one fund and shall be divided among all Unit Owners in proportion to their respective common interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his share of such fund all liens on his Unit.

In all other cases, in the event of damage to or destruction of the building or buildings, the Board of Directors shall arrange for the prompt repair and restoration of the building or buildings, including individual Units therein, but not including furniture, furnishings, decorations, fixtures or equipment installed by Unit Owners in their Units. The Board of Directors shall disburse in appropriate progress payments, the proceeds of all insurance policies to the contractors engaged in repair and restoration work. Costs of repair and restoration in excess of insurance proceeds shall be treated as Common Expenses.

Section Fourteen: Rehabilitation of Property. In the event the Unit Owners shall determine that the Condominium Property is obsolete, in whole or in part, they may elect, by affirmative vote of those Unit Owners entitled to exercise 75% of the voting power of the Association, at a meeting duly called and held for the purpose of considering such action, to renew and rehabilitate the property or any part thereof, and in the event of such election, the cost of renewal and rehabilitation shall be treated as a Common Expense.

Section Fifteen: Fire and Extended Coverage Insurance. The Board of Directors of the Association, or the managing agent or manager, as the case may be, shall obtain and continue in effect for the benefit of and provide insurance in an amount sufficient to rebuild the structures and the Units in the manner as originally sold, replacing appliance, fixtures, HVAC, plumbing, electrical, floor and wall coverings and other components to the original quality. Such insurance may have usual coverage deductibles. Furniture, fixtures, decorations, equipment and the like installed or placed in the Units by Unit Owners will not be covered. The premiums for such insurance shall be a Common Expense to be paid by monthly assessments levied by the Board of Directors.

Section Sixteen: Liability Insurance. The Board of Directors of the Association, the managing agent, or manager, as the case may be, shall obtain and continue in effect insurance against liability for personal injury and death and for damage to property arising from accidents occurring within the Common Elements and Limited Common Elements in such amounts as shall be determined by the Board of Directors. The premiums for such insurance shall be a Common Expense.

Section Seventeen: Right of Owners to Insure Units. Any insurance obtained or maintained by the Board of Directors, managing agent, or manager, as the case may be, shall be without prejudice to the rights of Unit Owners to obtain and maintain such Unit insurance as they see fit.

Section Eighteen: Rules of Conduct. Rules and regulations concerning the use of the Common Elements and of individual Units may be promulgated and amended from time to time by the Board of Directors with the approval of the majority of Unit Owners. Copies of all such rules and regulations shall be furnished by the Board of Directors to each Unit Owner prior to their effective date. Initial rules and regulations, which shall be adopted at the first organizational meeting of the Unit Owners Association to be held on or about 1/1/89, until amended by the Board of Directors with the approval of a majority of Unit Owners, are to deal with the areas identified in the document and made a part hereof as "Exhibit B."

Section Nineteen: Abatement of Violations. Violation of any provision of the Declaration, of these Bylaws, or of any rule or regulation adopted pursuant hereto, shall give the Board of Directors, acting on behalf of all Unit Owners, the right, in addition to any other rights set forth herein.

- A. To enter any Unit in or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any thing or condition constituting such violation or breach, and the Board of Directors shall not be deemed guilty of trespass in so doing.
- B. To enjoin, abate, or remedy the continuance of such violation or breach by appropriate legal proceedings.

ARTICLE SIX

MORTGAGES

Section One: Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, sell, or lease his Unit unless and until he shall have paid in full to the Board of Directors all unpaid charges theretofore assessed against his Unit, and until he shall have satisfied all unpaid liens against his Unit other than mortgage liens.

Section Two: Notice of Unpaid Assessments. The Secretary of the Association shall, at the request of the mortgagee of a Unit, report any unpaid assessments due from the owner of such Unit.

Section Three: Notice of Default. Upon giving notice to a Unit Owner of a default, whether in payment of common charges or otherwise, the Board of Directors shall send a copy of such notice to each holder of a mortgage on such Unit who has requested such notice in writing.

Section Four: Inspection of Books. Unit owners shall be permitted to inspect the books of account of the Association at reasonable times during business hours, by prior appointment, but not more often than once per month.

ARTICLE SEVEN

SALES AND LEASES OF UNITS

Section One: Compliance with Article. No Unit Owner may sell or lease his Unit or any interest therein except by complying with the provisions of this article.

Section Two: Severance of Ownership. Any sale of a Unit must include the sale of the undivided interest in the Common Elements appurtenant to that Unit, the interest of the seller in any Units theretofore acquired by the Board of Directors, or the proceeds of the sale or lease thereof, and the interest of the seller in any other assets of the Association (hereinafter collectively referred to as appurtenant interests). No part of the appurtenant interest of any Unit may be sold, transferred, or otherwise disposed of, except as part of a sale, transfer, or

other disposition of the apartment Unit to which such interests are appurtenant, or as a part of a sale, transfer, or other disposition of such part of the appurtenant interests common to all Units. Any deed, mortgage, or other instrument purporting to affect a Unit or one or more appurtenant interests without including all such interests shall be deemed to include the interest or interests so omitted, it being the intention hereof to prevent any severance of combined ownership of Units and their appurtenant interests.

Section Three: Right of First Refusal. Any Unit Owner who receives a bona fide offer for the sale or lease of his Unit which he intends to accept, shall give notice to the Board of Directors of the terms of the offer, the name and address of the offeror, and such other information as the Board of Directors may reasonably request. The giving of such notice shall constitute a warranty and representation by the Unit Owner to the Board of Directors that such Unit Owner believes the offer to be bona fide in all respects, and intends to accept the same. Within 10 days after receipt of such notice, the Board of Directors may elect, by notice to such Unit Owner, to purchase or lease the Unit, on behalf of all other Unit Owners, on the same terms and conditions stated in the Unit Owner's notice. If the Board of Directors or its designee shall fail to give notice of its intent to purchase or lease the Unit within 10 days, the Unit Owner shall be free to contract to sell or lease the same to the outside offeror on the terms and conditions set forth in the original offer.

Section Four: Consent of Unit Owners. The right of first refusal hereinbefore provided may not be exercised by the Board of Directors without the prior approval of a majority of Unit Owners.

Section Five: Release of Right of First Refusal. The right of first refusal hereinbefore provided may be released or waived by the Board of Directors.

Section Six: Certificate of Termination or Waiver of Right of First Refusal. Any Unit Owner who has in fact given the notice required in Section Three of this article, or in respect to whom the provisions of such section have been waived, may request a certificate of termination or waiver, as the case may be, of the right of first refusal. On such request, a certificate of termination or waiver shall be executed and acknowledged by the Secretary of the Association, and such certificate shall be binding on the Board of Directors and the Unit Owners in favor of all persons relying thereon in good faith.

Section Seven: Financing Acquisition of Apartment Units by Board of Directors. Acquisition of apartment Units may be financed from the acquisitions reserve, working capital, and common charges in the hands of the Board of Directors. If such funds are insufficient, the Board of Directors may levy an assessment against Unit Owners in proportion to their ownership of the Common Elements, as a common charge. The Board of Directors is also authorized to borrow money to finance the acquisition of such Units, provided however, that no lien or encumbrance on any property, other than the Unit to be acquired, may be suffered to secure such financing.

Section Eight: Exceptions. The right of first refusal hereinbefore provided shall not apply with respect to any sale or lease of a Unit by its owner to his spouse, to any of his or her children, to his or her parent or parents, to his or her brothers or sisters, or to any one or more of them; or to the acquisition or sale of any Unit by a mortgagee acquiring title by foreclosure or by deed in lieu of foreclosure. Also, such right shall not apply to any transfer or conveyance of a Unit by gift, devise, or intestate succession.

Section Nine: Leasing and Rentals. Units may be leased or rented in accordance with the Rules and Regulations and Units are primarily to be used as a residence or second home and not as a "resort rental," however, there may be no more than one rental per calendar month and only one rental per 7 day period. Rentals may not exceed 30 days. The owner must obtain an extension approval from the Board for each 30-day extension. The Board may require that the owner provide the Board with a criminal background check (including a check for any child molestation charges) before the Board provides approval. The Board may also consider the conduct of the tenant in considering the granting of approval.

The Owner of the Unit is responsible for all damages to Common Elements caused by or the misconduct of both renters and non-paying guests (friends and family).

Unit Owners who have two incidents of misconduct resulting in damages to Common Elements in one calendar year by either renters or guests will be subject to sanction of use by renters or non-paying guests for one year.

The Board shall require a deposit of \$500.00 from any Owner who rents their Unit and will hold such deposit for so long as the Owner intends to rent. The deposit will be available to cover Enforcement Assessments or damages

resulting from the misconduct or renters and will be returned when the owner no longer rents.

ARTICLE EIGHT

CONDEMNATION

Section One: Condemnation of Common Elements. In the event of a taking in condemnation or eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Directors. If those Unit Owners entitled to exercise 75% or more of the total voting power of the Association duly and promptly approve the repair and restoration of the Common Elements, the Board of Directors shall contract for such repair and restoration, and shall disburse the proceeds of the award in appropriate progress payments to contractors engage in such repair and restoration. If the proceeds of the award are insufficient to defray the entire expense of repair and restoration, the excess of such expense over such proceeds shall be treated as a Common Expense. In the event that those Unit Owners entitled to exercise 75% or more of the total voting power of the Association do not duly and promptly approve the repair and restoration of the Common Elements, the net proceeds shall be divided by the Board of Directors among all Unit Owners in proportion to their respective common interests, paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in order of priority of such liens.

Section Two: Condemnation of Units. In the event of a taking in condemnation or eminent domain of part or all of any Unit or Units, other than the undivided interest or interests in the Common Elements appurtenant thereto, the award for such taking shall be payable directly to the owner or owners of such Units.

ARTICLE NINE

RECORDS

Section One: Records. The manager or managing agent, and Board of Directors shall keep detailed records of all actions of such manager or managing agent, and Board of Directors. The Secretary shall keep minutes of the Board of

Directors, and minutes of the meetings of the Unit Owners. The Treasurer shall keep financial records and books of account for the Condominium, including a chronological record of all receipts and disbursements. A separate account shall also be kept for each Unit containing, among other things, the amount of each assessment against such Unit, the date when due, amounts paid thereon, and the balance remaining due. The Board of Directors shall also prepare a quarterly written report summarizing receipts and disbursements of the Condominium, copies of which shall be made available to all Unit Owners. Additionally, an annual report of receipts and disbursements of the Condominium reviewed or prepared by an independent certified public accountant, shall be rendered by the Board of Directors to all Unit Owners requesting same; promptly after the end of each fiscal year.

ARTICLE TEN

MISCELLANEOUS

Section One: Notices. All notices required or permitted under the Declaration or Bylaws, to the Association or the Board of Directors, must be in writing and sent by regular U.S. mail, first-class postage prepaid, to the Board of Directors or the Association at the address of the Condominium Property or to such other address as the Board of Directors may designate from time to time by notice in writing to all Unit Owners. All notices required or permitted under the Declaration or Bylaws to any Unit Owner must be hand-delivered, sent by electronic mail, or sent by regular U.S. mail, first-class postage prepaid, to such Unit Owner's Unit address or to such other address as may be designated by him/her from time to time, in writing, to the Board of Directors. Any notice required or permitted to be given to any Occupant of a Unit other than a Unit Owner will effectively be given if hand-delivered or sent by regular U.S. mail, first-class postage prepaid, to the Unit address.

Section Two: Waiver. No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations and instances of failure to enforce that may occur.

Section Three. Invalidity. If any one or more provisions of these Bylaws are declared invalid, such invalidity shall in no way impair or affect the validity, enforceability, or effect of the remaining provisions.

Section Four: Captions. Captions are inserted in these Bylaws for convenience and reference only. They shall not be construed to limit or describe the scope of these Bylaws or any provision hereof in any way.

Section Five: Special Services. The Board may impose reasonable charges to the Unit Owner for providing copies of the Declaration, Bylaws or amendments thereto as well as reasonable charges for the handling of re-financing and/or resale documentation, and/or statements of unpaid Assessments.

ARTICLE ELEVEN

AMENDMENTS

Section One: Amendments. These Bylaws may be modified or amended by the vote of 75% in number and in common interest of all Unit Owners at a meeting of Unit Owners duly called and held for such purposes.

ARTICLE TWELVE

CONFLICTS

Section One: Conflicts. These Bylaws are intended to comply with the requirements of, and are promulgated pursuant to Chapter 5311 of the Ohio Revised Code. If these Bylaws or any provisions thereof are so construed as to be in conflict with the provisions of such statute, or of the Declaration to which they are attached, the provisions of such statute or of the Declaration, as the case may be, shall control.