

QUITCLAIM DEED

Background

Centex Homes, a Nevada general partnership (the "Developer" as further defined in Article 1 hereof) owns certain real property located in Pickerington, Ohio (the "Property" as further defined in Article 1 hereof). The Developer intends to develop a residential community known as Preston Trails consisting of approximately 504 lots (the "Community" as further defined in Article 1 hereof) on the Property.

The Preston Trails Homeowners Association, Inc. (the "Association" as further defined in Article 1 hereof), a not-for-profit corporation, has been or will be established pursuant to the laws of the State of Ohio, for purposes of owning, operating, maintaining, and administering certain real property within the Community, along with certain improvements constructed and developed or to be constructed and developed thereon, including without limitation, an entranceway feature; open space which will contain a stormwater detention and/or retention pond; bike path; and associated landscaping.

The costs incurred by the Association in connection with the use, operation, maintenance, repair, replacement and administration of the "Improvements" (as further defined in Article 1 hereof), shall be an encumbrance upon certain portions of the real property comprising the Community.

By this Quitclaim Deed (the "Deed") the Developer intends to establish certain covenants, conditions, and restrictions upon the use and development of certain portions of the "Initial Property" (as further defined in Article 1 herein), which covenants, conditions, and restrictions shall be administered and enforced by the Association.

By this Deed, the Developer submits the Initial Property, to the covenants, conditions and restrictions set forth herein, and imposes upon the Initial Property the obligation to pay to the Association certain assessments as further set forth herein.

This Deed shall not be construed to impose covenants, conditions or restrictions upon the use and development of any portion of the Property (as hereinafter defined) except the Initial Property, unless and until such portion of the Property is Annexed to the Community in accordance with Article 3 herein.

Conveyance

The Developer, in consideration of One Dollar and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, BARGAIN, SELL and CONVEY to Terry E. Andrews, Trustee (the "Grantee"), his successors and assigns forever, the Initial Property.

TRANSFERRED

SEP 27 1999

Barbara Curtiss
County Auditor, Fairfield County, Ohio

REAL ESTATE CONVEYANCE

Fee \$ _____

Exempt # EXM

Barbara Curtiss
Auditor, Fairfield County, Ohio

TO HAVE AND TO HOLD the Initial Property, with all the privileges and appurtenances thereunto belonging, to the Grantee, his successors and assigns forever. And the Developer, for itself and its successors, does hereby covenant that it is lawfully seized of the Initial Property and that the Initial Property is FREE AND CLEAR FROM ALL ENCUMBRANCES WHATSOEVER except: public streets and highways; zoning ordinances and governmental regulations; conditions, restrictions, liens, easements, and encumbrances of record; easements and restrictions contained on the subdivision plat of Preston Trails Section 1 Part 1, recorded in Plat Cabinet 2, Slot 1 and on the subdivision plat of Preston Trails Section 1 Part 2, recorded in Plat Cabinet 2, Slot 5 of the Fairfield County Recorder's Office; and the lien of real estate taxes and assessments not yet due and payable; and that it will forever WARRANT AND DEFEND the same, with all the appurtenances, unto the Grantee, his successors and assigns, against the lawful claims of all persons whomsoever except as noted above.

Covenants, Restrictions, Conditions and Assessment Lien

The Developer and the Grantee hereby agree that the Initial Property is conveyed, and shall be held, conveyed, hypothecated, encumbered, leased, occupied, and otherwise used, improved, and transferred, in whole or in part, subject to the conditions, covenants, restrictions, and lien for assessments, as set forth herein, all of which shall run with the Initial Property for all purposes and shall be binding upon and inure to the benefit of the Initial Property, the Developer and the Grantee, together with their respective heirs, successors, and assigns.

Prior Instrument Reference: Book 676 Page 854, Fairfield County Recorder's Office, State of Ohio.

(Nothing further on this page.)

TABLE OF CONTENTS

ARTICLE 1	1
DEFINITIONS	1
ARTICLE 2	3
GENERAL CHARACTER AND PURPOSES	3
ARTICLE 3	3
EXPANSION	3
ARTICLE 4	4
ASSOCIATION	4
4.01 <u>Establishment of Association</u>	4
4.02 <u>Board of Trustees</u>	4
4.03 <u>Powers and Duties of the Association</u>	4
4.04 <u>Authority to enter into Contracts</u>	5
4.05 <u>Observation of all Laws</u>	6
4.06 <u>Insurance</u>	6
ARTICLE 5	6
DEVELOPMENT RESTRICTIONS	6
5.01 <u>Architectural Control</u>	6
5.02 <u>Fences</u>	7
5.03 <u>Completion</u>	7
5.04 <u>Land Use</u>	7
5.05 <u>Setback</u>	7
5.06 <u>Utilities</u>	7
5.07 <u>Permanent Outside Storage Buildings</u>	7
5.08 <u>Mailboxes</u>	8
5.09 <u>Storage Tanks</u>	8
5.10 <u>Nuisances</u>	8
5.11 <u>Temporary Structures</u>	8
5.12 <u>Signs</u>	8
5.13 <u>Animals</u>	8
5.14 <u>Vehicles, Boats, Campers</u>	8
5.15 <u>Waste Disposal</u>	8
5.16 <u>Yard Lights</u>	9
5.17 <u>Sight Distance at Intersection</u>	9
5.18 <u>Miscellaneous Restrictions</u>	9
5.19 <u>Dwelling Sizes</u>	9
5.20 <u>Abatement and Suit</u>	10
5.21 <u>Construction and Severability</u>	10

ARTICLE 6	10
ASSESSMENT OF THE ANNUAL CHARGE	10
6.01 <u>Establishment of Assessment</u>	10
6.02 <u>Annual Statement</u>	11
6.03 <u>Interest on Delinquent Assessment</u>	11
6.04 <u>Delinquency for More than 90 Days</u>	11
6.05 <u>Rules and Procedures for Billing and Collecting Assessments</u>	11
6.06 <u>Certification of Status of Assessments</u>	11
ARTICLE 7	12
IMPOSITION OF CHARGE AND LIEN UPON THE PROPERTY	12
7.01 <u>Establishment of Lien</u>	12
7.02 <u>Personal Liability for Assessment</u>	12
ARTICLE 8	12
USE OF FUNDS	12
8.01 <u>Application of Assessments</u>	12
8.02 <u>Authority to Maintain Surplus</u>	13
ARTICLE 9	13
RIGHTS OF ENJOYMENT IN THE PROPERTY	13
9.01 <u>Designation of Certain Property</u>	13
9.02 <u>Authority to Convey Reserve Areas</u>	14
ARTICLE 10	14
PERIOD OF DURATION	14
ARTICLE 11	14
CONSTRUCTIVE NOTICE AND ACCEPTANCE	14
ARTICLE 12	14
EASEMENTS	14
12.01 <u>Utility Easements</u>	14
12.02 <u>Reservation of Landscape Easements</u>	15
ARTICLE 13	15
RIGHTS OF MORTGAGEE	15
ARTICLE 14	15
MUTUALITY	15
ARTICLE 15	16

INTERPRETATION	16
ARTICLE 16	16
FAILURE TO ENFORCE NOT A WAIVER OF RIGHTS	16
ARTICLE 17	16
PARAGRAPH HEADINGS	16
ARTICLE 18	16
EFFECT OF INVALIDATION	16
ARTICLE 19	16
AMENDMENTS	16

ARTICLE 1
DEFINITIONS

Unless the context otherwise specifies or requires, the terms defined in this Article 1 shall, for all purposes of this Deed, have the meanings specified:

1.01 Annexed or Annexation: shall mean the process by which portions of the Remaining Property are made a part of the Community.

1.02 Annual Charge: shall mean the yearly assessment against each individual Lot as established in accordance with Section 6.01 hereof.

1.03 Association: shall mean Preston Trails Homeowners Association, Inc., an Ohio not-for-profit corporation, and its successors and assigns. Each Owner shall automatically upon his/her purchase of a Lot become a member of the Association.

1.04 Bike Path: shall mean any bike path located within the Community required by the City of Pickerington.

1.05 Board: shall mean the Board of Trustees of the Association. The Board shall, until such time as Developer, in its sole discretion, determines (but in no event beyond such time that 100% of the Lots have been sold to persons other than the Developer), be comprised of three individuals, such individuals to be determined by the Developer in its sole discretion. Thereafter, the Board shall consist of seven (7) members to be selected by the vote of the members of the Association.

1.06 Code of Regulations: shall mean the Code of Regulations of Preston Trails Association, Inc. governing certain activities and procedures of the Association and its Board as it may be lawfully amended from time to time.

1.07 Community: shall mean the Initial Property and all portions of the Remaining Property Annexed to and being a part of the residential community known as Preston Trails.

1.08 Deed: shall mean this Quitclaim Deed.

1.09 Developer: shall mean Centex Homes, a Nevada general partnership, and any person or entity or more than one of them which shall become successors or assigns of Centex Homes with respect to the development of the Community.

1.10 Dwelling: shall mean and include all structures to be used for residential purposes, together with all projections and extensions thereof and accessory structures, whether or not connected or attached, including, but not limited to, garages, porches, canopies, shelters, and storage areas.

1.11 Entranceway Easement: shall have the meaning set forth in Section 9.01 of this Deed.

1.12 Entranceway Areas: shall mean those portions of the Community comprising the areas of the Entranceway Easements.

1.13 Exempt Property: shall mean any portion of the real property comprising the Community dedicated to public use or owned by the United States, the State of Ohio, Fairfield County, the City of Pickerington, any township, any school board, or any instrumentality or agency or any such entity, for so long as any such entity or any such instrumentality or agency shall be the owner thereof, and for so long as such property is not used for residential or commercial purposes.

1.14 Grantee: shall mean Terry E. Andrews, the Trustee hereunder, and any subsequent transferee of any interest in the Initial Property, including tenants, as defined herein, together with their respective heirs, personal representatives, successors and assigns.

1.15 Improvements: shall mean and include, without limitation, signage, drainage system, earth mounds, plantings, and necessary utility systems located within the Scenic/Landscape Easement Areas, the Entranceway Areas, Bike Path and the Reserve Areas.

1.16 Initial Property: shall mean all real property comprising Preston Trails Section 1 Part 1 and Preston Trails Section 1 Part 2, and described in Exhibit A attached hereto.

1.17 Lot or Lots: shall mean any portion of the Community whether improved or not, and whether owned singly or in common with others which portion is assessed as a unit by the appropriate public officials for the purpose of real estate taxes imposed or collected (or which could be imposed or created) by Fairfield. If Fairfield County shall ever cease to impose or collect real estate taxes, then such term shall mean and refer to such parcels, lots, living units, and improvements as are set forth, designated, and delineated in a declaration filed by the Association in the appropriate public office, which declaration may be modified and amended from time to time by the Association, in its sole discretion. "Lot" or "Lots" shall not include the Reserve Areas.

1.18 Owner: shall mean the holder of record in title to the fee interest in any Lot, whether or not such title holder actually resides on or in any part of the Community.

1.19 Plat: shall mean the plat of Preston Trails Section 1 Part 1 recorded in Plat Cabinet 2, Slot 1 and the plat of Preston Trails Section 1 Part 2 recorded in Plat Cabinet 2 Slot 5 of the Office of the Recorder, Fairfield County.

1.20 Property: shall mean and refer to all property located in the State of Ohio, County of Fairfield, City of Pickerington, in the area bounded on the east by Diley Road and on the west

by Hill Road, adjacent to or contiguous with the Initial Property and owned by the Developer.

1.21 Remaining Property: shall mean all real property comprising the Property excepting therefrom the Initial Property.

1.22 Reserve Areas: shall have the meaning set forth in Section 9.01 of this Deed.

1.23 Residents: shall mean and include: 1) each person lawfully residing on or in any part of a Lot; and 2) members of the immediate family of each such person actually living in the same household with such person.

1.24 Restrictions: shall mean the assessments and all provisions applicable thereto as contained herein and the covenants, restrictions, and conditions contained herein, as they now appear or as they may hereafter be amended.

1.25 Scenic/Landscape Easements: shall have the meaning set forth in Section 9.01 of this Deed.

1.26 Scenic/Landscape Easement Areas: shall mean those portions of the Community comprising the areas of the Scenic/Landscape Easements.

1.27 Street Trees: shall mean any trees required by the City of Pickerington to be installed and maintained along the streets and/or roadways within the Community. Street Trees are required every forty (40) feet with typical Lots having one (1) to two (2) trees and corner Lots having up to four (4) trees.

ARTICLE 2 GENERAL CHARACTER AND PURPOSES

The Initial Property is subject to the within Restrictions to insure the proper usage and most appropriate development of each Lot, as well as the maintenance and preservation of the Scenic/Landscape Easement Areas, Bike Path and the Reserve Areas. It is the intent of these Restrictions to insure that the Community will be maintained as an attractive residential community with ample landscaping and open areas.

ARTICLE 3 EXPANSION

For a period of ten (10) years from the recording of this Deed, Developer reserves the right, but shall not be obligated, to expand the Community beyond the Initial Property to include all or part of the Remaining Property. (Developer shall have the unilateral right to transfer to any

other person the right to expand the Community, hereby reserved, by an instrument duly recorded.) Such expansion may be accomplished by and shall be effective upon, the filing for record with the Fairfield County Recorder those documents necessary to impose covenants, restrictions, conditions and the encumbrance for assessment liens in form and substance substantially similar to the Restrictions on any real property being Annexed to the Community; provided however, that those Restrictions relative to the Association (Article 4 hereof); the Assessment of the Annual Charge (Article 6 hereof); the Imposition of Charge and Lien Upon the Property (Article 7 hereof); and the Use of Funds (Article 8 hereof); shall be identical and applied equally to all properties Annexed to and comprising the Community. Such Annexation shall not require the consent of the Owners. The expansion may be accomplished in stages.

ARTICLE 4 ASSOCIATION

4.01 Establishment of Association: The Association has been or will be formed as an Ohio non-profit corporation. The Association shall have the duties, powers and rights set forth in this Deed and in its articles of incorporation and/or its Code of Regulations.

4.02 Board of Trustees: The affairs of the Association shall be managed by the Board. The Board shall have the duties, powers and rights set forth in this Deed and in the articles of incorporation of the Association and/or the Code of Regulations.

4.03 Powers and Duties of the Association: The Association shall have the following powers and duties, which powers and duties shall be exercised by and through the Board:

(a) To accept title to the Reserve Areas and any Improvements located thereon transferred to it by Developer. After such transfer, the Association shall have the sole responsibility to perform any and all duties associated therewith, provided that the exercise of such duties is not inconsistent with the provisions contained in this Deed. The Reserve Areas transferred to the Association by Developer shall be appurtenant to or associated with the Community. The transfer of the Reserve Areas to the Association shall be by Limited Warranty Deed, free and clear of all liens (other than a lien for real property taxes and assessments not then due and payable), but shall be subject to the terms of these Restrictions, the Plat, the plat(s) of the Remaining Area and any and all easements, rights of way, reservations, if any, covenants, conditions, restrictions, equitable servitudes and other encumbrances granted or reserved by Developer. Any Reserve Areas transferred to the Association may be subject to special restrictions governing the use of such Reserve Areas and special obligations on the Association with respect to the maintenance of such property.

All costs and expenses of the Reserve Areas shall be paid by the Association as provided in this Deed.

- (b) To maintain and control the Reserve Areas and the Improvements located thereon in good repair, such maintenance to be funded as hereinafter provided. Maintenance shall include but not be limited to: providing and replacing such lighting as the Board may deem advisable in any Reserve Areas; maintenance, repair and replacement of entrance feature and other ornamental features; and, replacement and maintenance of all landscaping and other flora.
- (c) To enforce, either in the name of the Association, or in the name of an Owner or Resident, any and all of the Restrictions.
- (d) The right, but not the obligation, to maintain the Scenic/Landscape Easement Areas, the Entranceway Areas, and the Bike Path, and the Improvements located thereon in a manner as provided within this Deed relative to Preston Trails Section 1 Part 1 and Preston Trails Section 1 Part 2, and, if applicable, the plat(s) and restrictions of the Remaining Property, such maintenance to be funded as hereinafter provided.
- (e) The right, but not the obligation, to enforce restrictions and limitations pertaining to all Tree Preservation Areas designated on any plat(s) of the Remaining Property; provided such enforcement is not prohibited by applicable law.
- (f) The right, but not the obligation, to install, maintain and replace Street Trees on any Lot; provided such installation, maintenance and replacement is not prohibited by applicable law.
- (g) To establish policies and procedures relative to the exercise of its powers and duties.
- (h) To establish and amend and/or modify the articles of incorporation of the Association or the Code of Regulations.
- (i) To provide for the insurance as set forth in Section 4.06 of this Article.
- (j) To provide for a budget for the expenses of maintaining the Reserve Areas, the Entranceway Area, the Scenic/Landscape Easement Areas, and the Bike Path, and to estimate, assess and collect the Annual Charge for the purpose of paying the expenses for maintaining the Reserve Area, the Scenic/Landscape Easement Areas, the Entranceway Areas and the Bike Path and to otherwise undertake such actions as are necessary to enforce all of the rights and remedies provided in Article 6 relating to assessments.

4.04 Authority to enter into Contracts: The Association shall have the power and authority to contract with any person, corporation, firm or other entity, for the exercise of any one or more of the various powers and authority granted to and duties to be performed by the Association hereunder, and to delegate such powers and authority to any agent or employee of

the Association, and the exercise of those powers and authority by such person, corporation, firm, entity, agent or employee shall be deemed the exercise of those powers and authority by the Association, except that no independent contractor shall be deemed by virtue of these provisions to be the agent of the Association.

4.05 Observation of all Laws: The Association shall at all times observe all applicable city, state, county and federal laws. If at any time any of the provisions herein pertaining to the Association shall be found to be in conflict with any such applicable laws, then such parts of the provisions as are in conflict with such laws shall become null and void but no other parts as are not in conflict therewith shall be affected thereby.

4.06 Insurance: The Board shall obtain in such amounts as it deems advisable, insurance for the benefit of the Association (including members of the Board) against liability for death, personal injury, or property damage arising or relating to the Reserve Area. The Board shall further obtain insurance on the Improvements insuring those hazards ordinarily insured against in fire and extended coverage policies in Fairfield County, Ohio in an amount not less than the actual replacement cost of such Improvements (exclusive of the cost of foundation, footings and excavation) as determined by the insurer at the time of issuance of the policy or policies. The amount of such insurance coverage shall be reviewed and redetermined annually. All proceeds payable by reason of an insured loss under the policy or policies shall be paid to the Association. Any such proceeds paid under fire and extended coverage hazard insurance policy or policies shall be utilized to pay the cost of repair or restoration of that part of the Improvement damaged or destroyed. The Board may also, at its discretion, obtain fidelity bonds guarantying the performance and security of any persons handling, administering, or accounting for funds of the Association. Further, the Board may obtain officers and trustees liability insurance providing protection against errors and omissions committed by any member of the Board or any officer of the Association. The cost of such insurance policies and fidelity bonds provided herein shall be an expense of the Association.

ARTICLE 5 DEVELOPMENT RESTRICTIONS

As used in this Article 5, the term Initial Property shall exclude Exempt Property and the Reserve Area. The following Restrictions pertaining to use shall be applicable to the Initial Property as defined in this Article 5.

5.01 Architectural Control: No Dwelling or driveway or any addition thereto or alteration thereof shall be erected, placed or suffered to remain upon any Lot unless or until the size, location, type and style of architecture, materials of construction, color scheme, grading plan of the Lot, including the grade elevation of the Dwelling, plot plan showing the proposed location of the Dwelling upon the lot and the plans and specifications therefor have been submitted in writing to and approved by Developer, which approval shall not be unreasonably withheld or delayed. If Developer fails to approve or disapprove such plans and specifications

within fifteen (15) days after submission to Developer, such plans and specifications which have been submitted in accordance with the terms hereof shall be deemed to have been approved by Developer. Developer retains the right to inspect all construction work at all reasonable times to insure compliance herewith and with the plans and specifications as approved. If Developer fails to specifically assign this right of approval to a successor in interest after Developer has sold 100% of the Lots in the Community (which assignment shall be in writing and filed with the Recorder of Fairfield County, Ohio), then the approval required hereunder shall be unnecessary and the provisions of this Section shall be inoperative.

5.02 Fences: Wire, chain link, or other non-decorative metal fences are prohibited. No fence or wall shall be erected, placed or suffered to remain on any Lot beyond the building setback line(s) as shown on the Plat, nor shall any fence or wall be greater than four (4) feet in height. No portion of any Lot nearer to any street than the building setback line(s) as shown on the Plat shall be used for any purpose other than that of lawn. No fence or wall of any kind or for whatever purpose, shall be erected, placed or suffered to remain on any Lot nearer to any street, now existing or hereafter created, than the front of the Dwelling. Subject to paragraph 5.17, nothing herein contained shall be construed to prevent the use of such portion of any Lot for walks, drives, planting of trees or shrubbery, growing of flowers or other ornamental plants. Notwithstanding the foregoing, fences located immediately adjacent to Dwellings for the purpose of screening, if approved by the Developer pursuant to Section 5.01, may be greater in height than four (4) feet, but in no event greater than six (6) feet.

5.03 Completion: All construction on any Lot shall be completed within twelve (12) months after the start thereof.

5.04 Land Use: Each Lot shall be used and occupied solely and exclusively for the purpose of a private residence by a single family and no more than one (1) single family private residence building shall be erected, placed or suffered to remain thereon.

5.05 Setback: No Dwelling or any part thereof shall be located on any Lot nearer to the lot line(s) than the minimum building setback line(s) shown on the Plat. For this purpose, eaves, steps and open porches shall not be considered. A variance to building setback requirements granted by the City of Pickerington for any Lot shall be considered a variance to this Section 5.05 for such Lot.

5.06 Utilities: Easements for the installation and maintenance of utilities and drainage facilities are reserved as shown on the Plat. All utility lines serving the Property shall be located underground unless otherwise required by the respective utility company.

5.07 Permanent Outside Storage Buildings: No metal storage building shall be erected, placed or suffered to remain on any Lot. However, permanent outside buildings or sheds may be constructed only with the approval of the Developer pursuant to Section 5.01 of this Deed; and in any event may only be constructed with the same building materials and colors as the Dwellings

on the Lot.

5.08 Mailboxes: All mailboxes serving Dwellings shall be of uniform type, grade and color, as approved by the Developer.

5.09 Storage Tanks: No storage tank(s) larger than ten (10) cubic feet including, but not limited to, those used for storage of water, gasoline, oil, other liquid or any gas shall be permitted on any Lot. All fuel tanks installed on any Lot must satisfy State of Ohio Environmental Protection Agency requirements.

5.10 Nuisances: No noxious or offensive activity shall be carried on or upon any Lot, nor shall anything be done thereon which is an annoyance or nuisance to the neighborhood. No well, either temporary or permanent, for gas, water, oil or other substances shall be erected, placed or suffered to remain upon any Lot; nor shall any Lot be used for any purpose which may endanger the health or unreasonably disturb the quiet possession of the Owner(s) of any Lot.

5.11 Temporary Structures: No structure of a temporary character, trailer, basement, tent, shack, barn, garage, or other outbuilding shall be used on any Lot as a residence either temporarily or permanently.

5.12 Signs: No sign of any kind shall be displayed to the public view on any Lot except: one (1) professional sign of not more than one (1) square foot may be attached to the front of a Dwelling; one (1) temporary sign of not more than six (6) square feet advertising the premises for sale may be placed upon each Lot, and other signs as may be approved by Developer intended to be used by a builder to advertise the premises during the construction and sales period. The Developer reserves the right to establish standards for uniform signage and the total number of signs to be used by each builder and real estate broker during the construction and sales period as to Lots. The Developer reserves the right to permit signage at the entrances to the Initial Property from Diley Road to advertise the sale of Lots and model homes.

5.13 Animals: No animals or insects of any kind except dogs, cats, or other household pets which are kept for domestic purposes only and are not kept or bred for any commercial purpose shall be kept upon on any Lot. No wild or vicious animals shall be kept upon any Lot at any time.

5.14 Vehicles, Boats, Campers: No trucks, commercial vehicles, boats, trailers, campers, mobile homes, or other recreational vehicles shall be parked or stored within the Initial Property unless the same are in a garage, provided, however, that nothing herein contained shall prohibit the reasonable use of such vehicles as may be necessary during the construction of the Initial Property and the Dwellings therein.

5.15 Waste Disposal: No Lot shall be used as a dumping ground for rubbish. Trash, garbage, or other waste shall not be kept except in sanitary containers. All equipment for the

storage or disposal of such materials shall be kept in a clean and sanitary condition.

5.16 Yard Lights: A yard post light shall be purchased and installed on each Lot containing a Dwelling. The model, make and location of such lights will be determined by the Developer. Each Lot Owner shall be responsible for the repair, maintenance, and if necessary, the replacement of such yard post light.

5.17 Sight Distance at Intersection: No fence, wall, hedge or planting which obstructs sight lines at elevations of between two (2) and six (6) feet above the roadways shall be erected, placed or suffered to remain upon any corner Lot within the triangular areas formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the property lines so extended. The same sight line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

5.18 Miscellaneous Restrictions: The following structures, improvements, and activities shall not be permitted on any Lot in the subdivision:

- (a) above-ground swimming pools measuring more than sixty-four (64) square feet;
- (b) satellite receiver ("dish") in excess of eighteen (18) inches in diameter;
- (c) solar energy collector panels or attendant hardware or other energy conservation equipment unless it is an integral and harmonious part of the architecture or design of the Dwelling, as determined in the sole discretion of the Developer.
- (d) antennas extending more than eighteen (18) inches above the finished grade of the roof of any Dwelling.
- (e) windmills, wind generators or other apparatus for generating power from the wind.

5.19 Dwelling Sizes: All Dwellings shall conform to the following building requirements:

- (a) The minimum floor area requirement for each Dwelling (exclusive of basements, open porches, garages, and unfinished areas) erected, placed or structurally altered on any Lot shall be a minimum of:
 - (i) Two Story: One Thousand Seven Hundred (1,700) square feet;
 - (ii) One Story or Ranch: One Thousand Five Hundred (1,500) square feet;

and

- (iii) One and One-Half Story: One Thousand Seven Hundred (1,700) square feet.

- (b) Each Dwelling shall have an attached garage of a size reasonably intended to accommodate at least two (2) automobiles.

5.20 Abatement and Suit: Violation or breach of any of these Restrictions shall give to the Association and to Developer the joint and several right to enter the property involved and abate and remove the same at the expense of the Owner of the property involved (which expense may be assessed and collected in the same manner the yearly assessment is assessed and collected under Article 6, and it shall become a part of the Annual Charge against and lien upon the Lot as provided in Article 6 and in Article 7, below) or to proceed at law or in equity against such Owner or any person or persons who have violated or are attempting to violate them from doing so, and to cause said violation or attempted violation to be remedied, or to recover damages therefor. In any legal or equitable proceedings for the enforcement of the provisions of these Restrictions, the unsuccessful party or parties shall pay the attorneys' fees of the prevailing party or parties, in such amount as may be affixed by the Court in such proceedings. All remedies provided herein or at law or in equity shall be cumulative and not exclusive.

5.21 Construction and Severability: These Restrictions shall be construed toward their strict enforcement whenever reasonably necessary to insure a uniform and harmonious and planned development and use of the Initial Property and, if necessary, they shall be so extended and enlarged by reasonable implication so as to make them fully effective to accomplish said purpose. The reasonable construction placed upon them by Developer or the Board in good faith shall be final and binding as to all persons and property benefitted or bound thereby. The invalidity of any provision hereof or any part thereof shall not affect the remaining provisions hereof or parts thereof, nor shall any failure by the Developer, of or to enforce any provisions hereof or parts thereof, however long continued (except in the case of a specific waiver thereof), to object to any breach of or to enforce any provision which is contained herein, be deemed as a waiver of the right to do so thereafter as to the same breach or as to any breach occurring prior or subsequent thereto.

ARTICLE 6

ASSESSMENT OF THE ANNUAL CHARGE

6.01 Establishment of Assessment: For the purpose of providing funds for the uses specified in Section 8.01, hereof, and for carrying out the powers and duties of the Association, the Board shall for each calendar year, commencing with the calendar year 2000, fix and assess the Annual Charge. The Annual Charge for each Lot shall be equal to the total of all expenditures made during the preceding calendar year for the uses specified in Section 8.01 and

for carrying out the powers and duties of the Association, plus increases in those expenditures anticipated for the coming year, divided by the total number of Lots, which number in no event shall be deemed less than fifty (50). Notwithstanding the foregoing, such yearly assessment for the years 2000 through and including 2002, the Annual Charge with respect to each Lot shall be no greater than One Hundred Dollars (\$100.00), unless such rate is increased by an affirmative vote of at least two-thirds of the voting members of the Association other than the Developer. Each Lot shall be charged with and be subject to a lien for the amount of the Annual Charge on such Lot.

6.02 Annual Statement: As soon as shall be practicable in each year, the Association shall send a written statement to each Owner providing the amount assessed by the Board as the yearly assessment for the year in question and the amount of the Annual Charge assessed against the respective Lot, stated in terms of the total sum due and owing as the Annual Charge. The Annual Charge may be billed, however, in annual, semiannual, quarterly, or monthly installments, as the Association shall in its sole discretion determine.

6.03 Interest on Delinquent Assessment: If an Owner shall fail to pay any installment of the Annual Charge within thirty (30) days following the date of issuance of the statement therefor, the same shall be deemed delinquent and will bear interest at the higher rate of a rate of eighteen percent (18%) per annum or the maximum interest rate permitted by law until paid.

6.04 Delinquency for More than 90 Days: If the Owner of any Lot shall fail to pay the Annual Charge or any installment thereof within ninety (90) days following the date of issuance of the statement therefor, the Association shall have the right to sue such Owner for a personal judgment, and, in addition, shall have the right to enforce the lien hereinafter imposed. The amount due by such Owner shall include the unpaid Annual Charge or installment thereof as well as the cost of such proceedings, including reasonable attorneys' fees, and the interest provided in Section 6.03. In the event an appropriate court refuses jurisdiction of a proceeding to enforce said lien or finds said lien to be unenforceable, invalid, or ineffective, then the Association shall have the right to sell the Lot at public or private sale in satisfaction of the amounts then owing. Every aspect of the sale including the method, manner, time, place and terms shall be commercially reasonable. The Association shall give such Owner reasonable notice by registered mail or by publication in a newspaper of general circulation in Fairfield County of such sale at least thirty (30) days prior to such sale, and if such sale is to be public such notice shall contain the date, time and place of such sale.

6.05 Rules and Procedures for Billing and Collecting Assessments: The Board shall have the power and authority to adopt rules and procedures respecting the billing and collection of the Annual Charges, which shall be binding on all Owners, provided that such procedures shall not be inconsistent with the provisions hereof.

6.06 Certification of Status of Assessments: Upon written demand by an Owner, the Association shall within a reasonable period of time thereafter issue and furnish to Owner a

certificate stating that all Annual Charges or installments thereof (including interest and costs, if any) have been paid with respect to any specified Lot as of the date of such certificate, or, if all Annual Charges and installments thereof have not been paid, setting forth the amount (including interest and costs, if any) due and payable as of such date. The Association may make a reasonable charge for the issuance of such certificates, which must be paid at the time that the request for such certificate is made. Any such certificate, when duly issued as herein provided, shall be conclusive and binding with regard to any matter therein stated as between the Association and any bona fide purchaser of, or lender on, the Lot in question.

ARTICLE 7

IMPOSITION OF CHARGE AND LIEN UPON THE PROPERTY

7.01 Establishment of Lien: The Annual Charge, both prior to and after each yearly assessment, together with the continuing obligation to pay all future Annual Charges assessed in all future years and all installments thereof, shall be and remain a first charge against, and a continuing first lien upon the Lot related to such Annual Charge. The charge and lien imposed hereunder shall bind such property in the hands of the then Owner, his or its heirs, executors, administrators, successors and assigns, and said charge and lien shall be superior to any and all other charges, liens or encumbrances which may hereafter in any manner arise or be imposed upon the Lot whether arising from or imposed by judgment or decree by any agreement, contract, mortgage or other instrument, saving and excepting only such liens for taxes or other public charges as are by applicable law made superior thereto, and any mortgage liens which enjoy priority over the lien for assessments, pursuant to Article 13, below.

7.02 Personal Liability for Assessment: In addition to taking subject to the charge and lien imposed by 7.01 hereof, each Owner of each Lot by the acceptance of a deed or other instrument of conveyance therefor, whether or not it shall be so expressed in such deed or instrument of conveyance, and every other Owner, regardless of how he or it acquired title to a Lot, shall be deemed to have agreed to be personally liable for the payment of each Annual Charge assessed by the Association against such Lot in each year during any part of which such owner holds title to such Lot.

ARTICLE 8

USE OF FUNDS

8.01 Application of Assessments: The Association shall apply all funds received by it pursuant to these Restrictions, and all other funds and property received by it from any source, including without limitation, the surplus funds referred to in 8.02, to the following, in the order stated:

- (a) Administrative costs and expenses, including attorney fees, incurred by the Association in the exercise of its powers, authority, and duties described in this Deed; and

(b) The promotion of the recreation, health, safety and welfare of the Owners, and the enhancement of the values and amenities of the Initial Property and if applicable, the Remaining Property, by means of the construction, repair, maintenance, operation and administration of the Improvements, Reserve Areas, Scenic/Landscape Easement Areas, Entranceway Area, and Bike Path, including, but not limited to, the payment of taxes and insurance premiums on the Reserve Areas, and the cost of the purchase, construction, repair, replacement and additions thereto, and the cost of labor, equipment, materials, utility services, management and supervision with respect thereto.

8.02 Authority to Maintain Surplus: The Association shall not be obligated to spend in any particular time period all the sums collected or received by it in such time period or in any other time period and may carry forward, as surplus, any balances remaining; nor shall the Association be obligated to apply such surpluses to the reduction of the amount of the Annual Charge in any year, but may carry forward from year to year and time to time such surplus as the Board in its absolute discretion may determine to be desirable for the greater financial security of the Association and the effectuation of its purpose as set forth in this Deed and the articles of incorporation of the Association.

ARTICLE 9

RIGHTS OF ENJOYMENT IN THE PROPERTY

9.01 Designation of Certain Property: Developer intends to convey, reserve or assign to the Association, subsequent to the recordation of this Deed and subsequent to the reconveyance of the Initial Property to Developer, certain property interests in certain portions of the Community and, if applicable, the Improvements located thereon. Said property interests shall include but not be limited to:

(a) easements across certain Lots (the "Scenic/Landscape Easements") as designated on any plat, for the purpose of maintaining and replacing landscape materials, including, but not limited to fencing, entry wall(s), lighting, irrigation, plants, earth mounds, and drainage tiles, within the Scenic/Landscape Easement Areas. As to the Remaining Property, the Scenic/Landscape Easements shall be designated and limited on the plat(s) of the respective property Annexed to and comprising the Community. Unless otherwise provided herein or on the plat creating the Scenic/Landscape Easement, all Scenic/Landscape Easements shall be non-exclusive and any Owner of any Lot burdened by a Scenic/Landscape Easement may use the Scenic/Landscape Easement Area so long as said use does not impair the structural integrity or purpose of the Improvements constructed thereon or unreasonably interfere with the purposes of the respective Scenic/Landscape Easement.

(b) fee simple title to the reserve areas ("Reserve Areas") as shall be designated and limited on the plat(s) of the respective property Annexed to the Community, which will

include but not be limited to drainage area(s) (storm water retention or detention areas); and open space. Once designated and conveyed to the Association, the Reserve Area shall remain such in perpetuity, subject to the provisions of 9.02.

9.02 Authority to Convey Reserve Areas: Notwithstanding the rights, easements and privileges granted under this Article 9, the Association shall nevertheless have the power and authority to convey or dedicate any property or easement or right of way over the Reserve Areas free and clear of all such rights, easements and privileges if such conveyance or dedication is for use as a public roadway or pedestrian walkway, for a public park or recreation area, or to a public or private utility for the installation, operation and maintenance of utility services. Any other conveyance or dedication of the Reserve Areas shall be made only for a public purpose and, if made for a purpose other than those specified in the immediately preceding sentence of this 9.02, only by an affirmative vote of at least two-thirds of the voting members of the Association represented in person or by proxy entitled to vote at a meeting (annual or special) called for such purpose.

ARTICLE 10 PERIOD OF DURATION

These Restrictions, and the charges and liens provided for herein, shall be deemed to run with the land; shall continue in full force and effect for a period of twenty-five (25) years from the date hereof; and shall be automatically reinstated for a period of ten (10) years unless written objection is theretofore declared and filed by the Association or by Developer with the Recorder of Fairfield County, Ohio.

ARTICLE 11 CONSTRUCTIVE NOTICE AND ACCEPTANCE

Every person who now or hereafter owns or acquires any rights, title or estate in any portion of the Initial Property is and shall be conclusively deemed to have consented and agreed to every covenant, condition and restriction contained herein whether or not a reference to these Restrictions is contained in the instrument by which such person acquired an interest in said property.

ARTICLE 12 EASEMENTS

12.01 Utility Easements: Grantee and Grantee's successors and assigns hereby agree to grant utility easements to Developer or to the Association for the purpose of constructing utility lines over or through the Initial Property. Developer or the Association, as the case may be, shall

present to Grantee, or Grantee's successors and assigns, a survey of any proposed easement which shall be subject to approval, and which approval Grantee or Grantee's successors and assigns agree will not be unreasonably withheld. Subject to the aforesaid approval, Grantee and Grantee's successors and assigns agree to execute all appropriate papers and documents to accomplish the foregoing.

12.02 Reservation of Landscape Easements: A Scenic/Landscape Easement as depicted on the Plat, in, over, under, across, and through Lot 1 and a Scenic/Landscape Easement as depicted on the Plat, in, over, under, across, and through Lot 25 are hereby reserved to the Developer, its successors and assigns, or designee, to be assigned to the Association, for the purposes set forth in Section 9.01(a) hereof. The terms and conditions of the Landscape Easements herein reserved shall be those set forth in Section 9.01(a) hereof. The easements reserved in this Section 12.02 shall not merge with Developer's interest in the Initial Property, notwithstanding a subsequent conveyance of the Initial Property to Developer.

ARTICLE 13 RIGHTS OF MORTGAGEE

All provisions of this Deed, including the provisions hereof respecting the liens and charges against each Lot, shall be deemed subject and subordinate to the lien of all recorded first mortgages and deeds on all or any portion of the Initial Property, including any Lot, securing a debt, now or hereafter executed, and none of the provisions hereof shall supersede or in any way reduce the security or affect the validity of such lien or mortgage or deed to secure such debt; provided, however, that if any portion of said Initial Property, including any Lot, is sold or conveyed under a foreclosure or other enforcement of any mortgage or under the provisions of any deed to secure debt, any grantee or purchaser at such sale, and his heirs, personal representatives, successors and assigns, shall hold any and all property so conveyed or purchased, subject to all the covenants, conditions, restrictions and liens and other provisions of the Deed.

ARTICLE 14 MUTUALITY

All restrictions, conditions and covenants contained herein are made for the direct mutual and reciprocal benefit of Developer, the Association, and the Grantee and their successors and assigns; these Restrictions shall create mutual equitable servitudes upon the Property; these Restrictions shall create reciprocal rights and obligations between the respective owners of all Lots and privity of contract and estate between all Grantees thereof; and these Restrictions shall, as to the Owner of any such Lot, his heirs, personal representatives, successors and assigns, operate as covenants running with the land for the benefit of all such Lots and the Owners thereof.

ARTICLE 15
INTERPRETATION

In case of uncertainty as to the meaning of any article, paragraph, sentence, clause, phrase or word in these Restrictions, the interpretation by the Association shall be final and conclusive upon all interested parties.

ARTICLE 16
FAILURE TO ENFORCE NOT A WAIVER OF RIGHTS

Failure of the Developer, the Association or any Owner to enforce any of these Restrictions shall in no way be deemed a waiver of the rights to do so thereafter or the right to enforce any other of the provisions hereof.

ARTICLE 17
PARAGRAPH HEADINGS

The paragraph headings are intended for convenience only and are not intended to be a part of these Restrictions in any way to define, limit or describe the scope or intent of the particular paragraph to which they refer.

ARTICLE 18
EFFECT OF INVALIDATION

If any provision of these Restrictions is held to be invalid by any Court of competent jurisdiction, the invalidity of such provision shall not affect the validity of the remaining provisions hereof.

ARTICLE 19
AMENDMENTS

So long as Developer owns property in the Community, but no longer than ten (10) years from the date hereof, Developer may unilaterally amend the Restrictions if such amendment is:

- (a) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, regulation or judicial order,
- (b) necessary to enable any reputable title insurance company to issue title insurance coverage on any Lot,

(c) required to conform to the requirements of the Federal Housing Administration, Veterans Administration or the United States Department of Housing and Urban Development.

(d) necessary to correct errors; provided, however, any such amendment shall not materially adversely affect the title to any Lot unless the Owner thereof has consented to such amendment in writing.

Any amendment, to be effective, must be recorded in the office of the Recorder of Fairfield County, Ohio.

The Grantor and Grantee intend that this covenant shall run with the land and shall not be deemed a personal covenant. The Grantor may enforce this covenant against any subsequent grantees as well as against the original Grantee, its successors and assigns. The Grantor and Grantee do not intend this covenant to negate in anyway the purpose of uniform development of the Property.

(Nothing further on this page.)

IN WITNESS WHEREOF, Centex Homes has hereunto caused these presents to be subscribed by its managing general partner, Centex Real Estate Corporation, a Nevada general partnership, by Joseph H. Mathias, its Division President this 27th day of September, 1999.

Signed and Acknowledged
in the presence of:

CENTEX HOMES

By: Centex Real Estate Corporation

By:

Joseph H. Mathias, Division President

TERRY E. ANDREWS

STEPHEN C. WILEY

State of Ohio

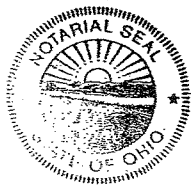
:

SS.

County of Franklin

:

The foregoing instrument was acknowledged before me this 27th day of September, 1999 by Joseph H. Mathias, the Division President of Centex Real Estate Corporation, a Nevada corporation and the managing general partner of Centex Homes, a Nevada general partnership, on behalf of the partnership.



STEPHEN C. WILEY, ATTORNEY AT LAW

NOTARY PUBLIC, STATE OF OHIO

My commission has no expiration date.

Section 147.03 R.C.

Notary Public

EXHIBIT A

Situated in the State of Ohio, County of Fairfield, City of Pickerington, and being Lots Numbered One (1) through Twenty-five (25) both inclusive, of Preston Trails Section 1 Part 1, subdivision to the City of Pickerington, Ohio, as the same are numbered and delineated upon the recorded plat thereof, of record in Plat Cabinet 2, Slot 1, Recorder's Office, Fairfield County, Ohio, and being Lots Numbered Twenty-six (26) through Seventy (70), both inclusive, of Preston Trails Section 1 Part 2, subdivision to the City of Pickerington, Ohio, as the same are numbered and delineated upon the recorded plat thereof, of record in Plat Cabinet 2, Slot 5, Recorder's Office, Fairfield County, Ohio.

COLUMBUS, OH
142 E RICH ST
CHARTER BROWN
158000051230