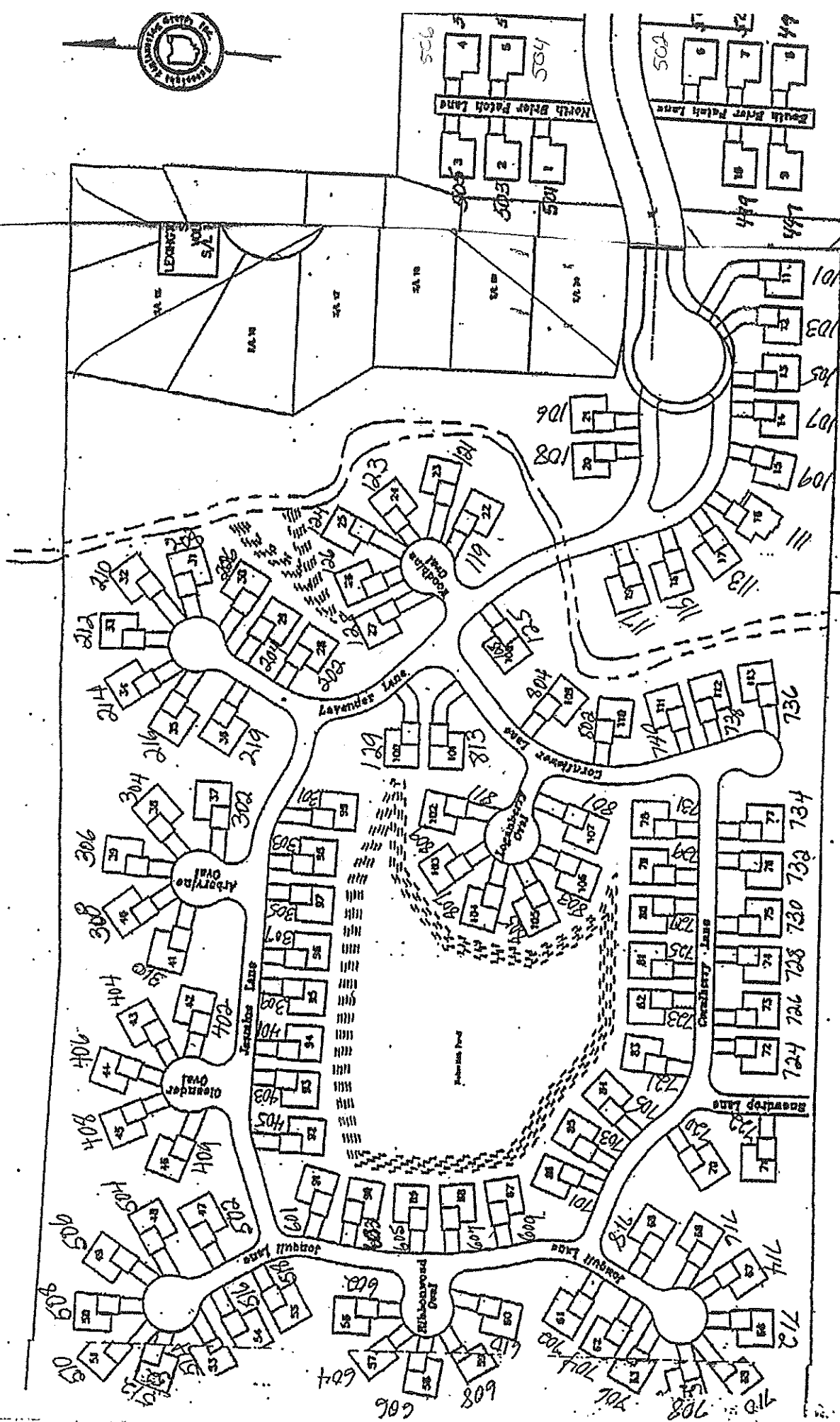


**EXHIBIT "A"**  
**TO**  
**DECLARATION OF CONDOMINIUM OWNERSHIP**  
**FOR**  
**SWEET BRIER CONDOMINIUMS**

Allotted Drawings of Phase I of the Sweet Brier Condominiums  
See Volume \_\_\_\_\_, of Maps, Page \_\_\_\_\_ of Lake County Records



**EXHIBIT "B"**  
**TO**  
**DECLARATION OF CONDOMINIUM OWNERSHIP**  
**FOR**  
**SWEET BRIER CONDOMINIUMS**

By-Laws of Sweet Brier Condominium Unit Owners Association, Inc.

*BYLAWS OF SWEET BRIER*

*CONDOMINIUM UNIT OWNERS ASSOCIATION, INC.*

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## BYLAWS OF SWEET BRIER

### CONDOMINIUM UNIT OWNERS ASSOCIATION, INC.

The within Bylaws are executed and incorporated in the Declaration of Condominium Ownership for Sweet Brier Condominiums ( Declaration ) pursuant to Chapter 5311 Ohio Revised Code ( Act ). Certain of the terms used in these Bylaws have been defined in the Declaration and when used herein shall have the same meaning as set forth in the Declaration unless the context clearly indicates a different meaning therefor. The purpose of the within Bylaws is to provide for the establishment of a Unit Owners Association for the government of the Condominium Property in the manner provided by the Declaration and by these Bylaws. This purpose shall be accomplished on a non-profit basis and no part of the earnings of the Association shall inure to the benefit of any private person firm corporation association or organization. All present or future owners or tenants or their employees or any other person who might use the facilities of the Condominium Property in any manner shall be subject to the covenants provisions or regulations contained in the Declaration and these Bylaws and shall be subject to any restriction condition or regulation hereafter adopted by the Association. The mere acquisition or rental of any of the Units located within the Condominium Property described in the Declaration or the mere act of occupancy of any of the Units will constitute acceptance and ratification of the Declaration and of these Bylaws.

## ARTICLE I

### THE ASSOCIATION

Section 1. Name and Nature of Association. The Association shall be an Ohio corporation not for profit and shall be called the Sweet Brier Condominium Unit Owners Association, Inc. in accordance with Article IV of the Declaration.

Section 2. Membership. Each Unit Owner upon acquisition of title to a Unit shall automatically become a member of the Association. Such membership shall terminate upon the sale or other disposition by such member of this Unit ownership at which time the new owner of such Unit shall automatically become a member of the Association. Membership in the Association shall be limited to Unit Owners. In addition to any other rights the Declarant may have pursuant to the Declaration the Declarant shall be a member of the Association with respect to all Units owned by Declarant and shall have the right without limitation to exercise the voting power appurtenant to such Units and the power to vote the same.

Section 3. Voting Rights. On any question on which the vote of Unit Owners is permitted or required the owner or owners of each Unit shall be entitled to exercise one (1) vote for each such Unit. In the case of a Unit Owned or held in the name of a corporation or a partnership a certificate signed by said Unit Owner shall be filed with the Secretary of the Association naming the person authorized to cast a vote for such Unit which certificate shall be conclusive until a subsequent substitute certificate is filed with the Secretary of the Association. If such certificate is not on file the vote of such corporation or partnership shall not be considered nor shall the presence of such Unit Owner at a meeting be considered

in determining whether the quorum requirement for such meeting has been met. Fiduciaries and minors who are owners of record of a Unit may vote their respective interests as a Unit Owner. If two or more persons whether fiduciaries tenants in common or otherwise own undivided interests in a Unit each may exercise that proportion of the voting power of all of the Unit Owners of said Unit that is equivalent to their respective proportionate interests in said Unit. When any fiduciary or other legal representative of a Unit Owner has furnished to the Association proof satisfactory to it of his authority he may vote as though he were the Unit Owner. The Declarant or its nominee shall be the voting member with respect to any Unit owned by the Declarant. The vote of the Association with respect to any Units owned by the Association shall be determined by the Board.

Section 4. Majority. Except as otherwise provided in the Act the Declaration or these Bylaws all actions taken by the Unit Owners shall require the affirmative vote of a majority of the voting power of the Association present at a meeting at which a quorum is present.

Section 5. Proxies. Unit Owners may vote or act in person or by proxy. The person appointed as proxy need not be a member of the Association. Designation by a member or members of a proxy to vote or act on his or their behalf shall be made in writing to the Secretary of the Association (or if there is no Secretary then with the person conducting the meeting for which the proxy is given) at or before the meeting and shall be revocable at any time by actual notice to the Secretary of the Association by the member or members making such designation. Notice to the Association in writing or in open meeting of the revocation of the designation of a proxy shall not affect any vote or act previously taken or authorized. The presence at a meeting of the person appointing a proxy does not revoke the appointment.

Section 6. Establishment of Unit Owners Association and Meetings of Members .

(A) Establishment of Unit Owners Association. The Unit Owners Association shall be established not later than the date the deed or other evidence of ownership is filed for record following the first sale of a Condominium Ownership Interest in the Development. Until the Unit Owners Association is established the Declarant shall act in all instances where action of the Unit Owners Association or its officers is authorized or required by law or in the Declaration.

(B) Annual Meeting. The annual meeting of members of the Association for the election of members of the Board of Managers the consideration of reports to be laid before such meeting and the transaction of such other business as may properly be brought before such meeting shall be held at the office of the Association or at such other place in Lake County as may be designated by the Board and specified in the notice of such meeting at 8:00 p.m. or at such other time as may be designed by the Board and specified in the notice of the meeting. The first annual meeting of the Association shall be held upon ten days written notice given by the Declarant not later than the time that Condominium Ownership interests to which twenty-five percent (25%) of the undivided interests in the Common Areas and Facilities appertain have been sold and conveyed by the Declarant, unless the Declarant shall consent in its sole discretion, to a lesser percentage. Thereafter the annual meeting of members of the Association shall be held on the second Tuesday of January, in each succeeding year, if not a legal holiday, and if a legal holiday, then on the next succeeding business day.



(C) Special Meeting. Special meetings of the Members of the Association may be held on any business day when called by the President of the Association or by the Board of Managers of the Association or by members entitled to exercise at least twenty-five percent (25%) of the voting power of the Association or by the Declarant or any Unit Owner when a meeting is required for the election of members to the Board of Managers pursuant to Article II, Section 5. hereof. Upon request in writing delivered either in person or by certified mail to the President or the Secretary of the Association by any persons entitled to call a meeting of members such officer shall forthwith cause to be given to the members entitled thereto notice of a meeting to be held on a date not less than seven (7) or more than sixty (60) days after the receipt of such request as such officer may fix. If such notice is not given within thirty (30) days after the delivery or mailing of such requests the persons calling the meeting may fix the time of the meeting and give notice thereof. Each special meeting shall be called to convene at 8:00 o'clock P.M. and shall be held at the office of the Association or at such other place in Lake County as shall be specified in the notice of meeting.

(D) Notices of Meetings. Not less than seven (7) nor more than sixty (60) days before the day fixed for a meeting of the members of the Association written notice stating the time place and purpose of such meeting shall be given by or at the direction of the Secretary of the Association or any other person or persons required or permitted by these Bylaws to give such notice. The notice shall be given by personal delivery or by mail to each member of the Association who is an owner of a Unit of record as of the day next preceding the day on which notice is given. If mailed the notice shall be addressed to the members of the Association at their respective addresses as they appear on the records of the Association. Notice of the time place and purposes of any meeting of members of the Association may be waived in writing either before or after the holding of such meeting by any members of the Association which writing shall be filed with or entered upon the records of the meeting. The attendance of any member of the Association at any such meeting without protesting prior to or at the commencement of the meeting the lack of proper notice shall be deemed to be a waiver by him of notice of such meeting.

(E) Quorum; Adjournment. Except as may be otherwise provided by law or by the Declaration at any meeting of the members of the Association the members of the Association entitled to exercise one-half ( $\frac{1}{2}$ ) of the voting power of the Association present in person or by proxy shall constitute a quorum for such meeting; provided, however, that no action required by law, by the Declaration or by these By Laws to the authorized or taken by a designated percentage of the voting power of the Association may be authorized or taken by a lesser percentage; and provided further, that the members of the Association entitled to exercise a majority of the voting power represented at a meeting of members, whether or not a quorum is present, may adjourn such meeting from time to time; if any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting.

Section 7. Order of Business. The order of business at all meetings of Unit Owners of the Association shall be as follows:

- (1) Calling of meeting to order.
- (2) Proof of notice of meeting or waiver of notice.
- (3) Reading of minutes of preceding meeting.
- (4) Reports of Officers.
- (5) Reports of Committees.
- (6) Election of Inspectors of election.
- (7) Election of members of the Board of Managers.
- (8) Unfinished and/or old business.
- (9) New Business.
- (10) Adjournment.

The order of business at each special meeting shall be that business specified in the notice therefor.

Section 8. Actions without a Meeting. All actions which may be taken at a meeting of the Association except an action for the removal of a Board member may be taken without a meeting with the approval of and in a writing or writings signed by the members of the Association having the percentage of voting power required to take such action if the same were taken for a meeting. Such writing or writings shall be filed with the Secretary of the Association.

## ARTICLE II

### BOARD OF MANAGERS

Section 1. Qualifications. Except as otherwise provided herein all members of the Board of Managers (herein called Board Members or Board ) shall be Unit Owners; spouses of Unit Owners; mortgagees of Units; partners agents or employees of partnerships owning a Unit; officers directors agents or employees of corporations or associations owning a Unit; or fiduciaries officers agents or employees of fiduciaries owning a Unit. Board members elected or designated by the Declarant need not fulfill the qualifications imposed by this Section 1 of this Article II or any other qualifications imposed on Board Members elected by Unit Owners other than the Declarant except as otherwise provided in these Bylaws or by law, and Board members elected or designated by the Declarant may be removed only by the Declarant or as otherwise provided herein. If a Board Member shall cease to meet such qualifications during his term he shall thereupon cease to be a member of the Board and his place on the Board shall be deemed vacant. No single Unit may be represented on the Board by more than one (1) person at any time.

Section 2. Number of Board Members. Subject to such limitations as are or may be imposed by Chapters 1702 and 5311 of the Ohio Revised Code the Declaration or these Bylaws (including Section 14 hereof) as any of the same may be lawfully amended from time to time all power and authority of the Association shall be exercised by the Board of Managers consisting of three (3) members in accordance with Section 3 hereof.

Section 3. Election of Board Members by Declarant and Unit Owners Prior to the First Annual Meeting. Until such time as Condominium Ownership Interests to which less than twenty-five percent (25%) of the undivided interests in the Common Areas and Facilities appertain have been sold and conveyed by the Declarant, the Declarant shall have the right to

elect or designate all three (3) Board Members. Not later than the time that Condominium Ownership interests to which twenty-five percent (25%) of the undivided interests in the Common Areas and Facilities appertain have been sold and conveyed by the Declarant, the Association shall meet and the Unit Owners other than the Declarant shall elect one (1) Board Member who shall replace one (1) of the Board Members previously elected or designated by the Declarant. The Declarant shall have the sole right to designate the one (1) Board Member who will be replaced. Since one (1) of the three (3) Board Members representing one-third (1/3rd) of the Board Members is to be elected by Unit Owners other than the Declarant when Condominium Ownership Interests to which twenty-five percent (25%) of the individual interests in the Common Areas and Facilities appertain have been sold or conveyed by the Declarant, it will not be necessary to have a meeting when Condominium Ownership Interests to which fifty percent (50%) of the individual interests in the Common Areas and Facilities appertain have been sold and conveyed by the Declarant since at that time Unit Owners other than the Declarant will have elected the required thirty-three and one-third percent (33-1/3%) of the members of the Board.

Section 4. First Annual Meeting. Within thirty (30) days after the earlier of either: (a) five (5) years following the date of the establishment of the Association (or such earlier period of time as Declarant at its option may designate); or (b) the date of the sale and conveyance of Condominium Ownership Interests to which appertain seventy-five percent (75%) or more of the undivided interests in the Common Areas and Facilities to purchasers in good faith for value, the Association shall meet (herein referred to as the First Annual Meeting ) and all Unit Owners (including Declarant if Declarant shall own any Units) and elect all three (3) members of the Board of the Association, and all persons previously elected or designated whether by the Declarant or by the other Unit Owners shall immediately resign; provided however that such persons shall be eligible for re-election to the Board. The persons so elected at the First Annual Meeting shall take office upon such election and shall serve such terms for which they are elected in accordance with Section 5 of this Article.

Section 5. Election of Board Members From and After the First Annual Meeting. Except for the procedures set forth in Section 3. of this Article II for the election of Board members prior to the First Annual Meeting, Board Members shall be elected at the annual meeting of members of the Association but when the annual meeting is not held, or Board Members are not elected thereat, they may be elected at a special meeting called and held for that purpose.

Such election shall be by written secret ballot whenever requested by any member of the Association; but, unless such request is made, the election may be conducted in any manner approved at such meeting.

Any Board Member elected or designated prior to the First Annual Meeting shall hold office for a term not to exceed one (1) year after his election or designation. Commencing with the First Annual Meeting, Board Members shall be elected for such terms so that the terms of office of not less than one-third of the Board Members shall expire each year. Accordingly, at the First Annual Meeting of the Association, one (1) Board Member shall be elected for a term of three (3) years, one (1) Board Member shall be elected for a term of two (2) years and one (1) Board Member shall be elected for a term of one (1) year.

All Board Members shall be elected in accordance with the provisions of this Article II. At meetings of the Association subsequent to the First Annual Meeting which are called for the

purpose of electing Board Members, each Board Member shall be elected for terms of three (3) years or to complete unfinished terms.

Except as otherwise provided herein, each Board Member shall hold office until the expiration of his term and until his successor is elected, or until his earlier resignation, removal from office or death. Any Board Member may resign at any time by oral statement to that effect made at a meeting of the Board or by a writing to that effect delivered to the Secretary of the Association; such resignation shall take effect immediately or at such other time as the Board Member may specify.

Each member of the Association may cast as many of his votes as there are Board Members to be elected. By way of example, if two (2) Board Members are to be elected, a member of the Association shall have the right to cast a maximum of two (2) votes, but not more than one (1) vote may be cast for any candidate. The candidates receiving the greatest number of votes shall be elected and those receiving the highest percentages of the total vote cast shall serve for the longest terms. Tie votes shall be decided by drawing of lots or by a flip of a coin.

Section 6. Organization Meeting. Immediately after each annual meeting of members of the Association, the newly elected Managers and those Managers whose terms hold over shall hold an organization meeting for the purpose of electing officers and transacting any other business. Notice of such meeting need not be given.

Section 7. Regular Meetings. Regular meetings of the Board of Managers may be held at such times and places as shall be determined by a majority of the Managers, but at least four (4) such meetings shall be held during each fiscal year.

Section 8. Special Meetings. Special meetings of the Board of Managers may be held at any time upon call by the President or any two Managers. Written notice of the time and place of each such meeting shall be (given to each Manager either by personal delivery or by mail, telegram or telephone at least two (2) days before the meeting, which notice need not specify the purposes of the meeting; provided, however, that attendance of any Manager at any such meeting without protesting (prior to or at the commencement of the meeting) the lack of proper notice shall be deemed to be a waiver by him of notice of such meeting and such notice may be waived in writing either before or after the holding of such meeting, by any Manager, which writing shall be filed with or entered upon the records of the meeting. Unless otherwise indicated in the notice thereof, any business may be transacted at any organization, regular or special meeting.

Section 9. Quorum, Adjournment. A quorum of the Board of Managers shall consist of a majority of the Managers then in office; provided that a majority of the Managers present at a meeting duly held, whether or not a quorum is present, may adjourn such meeting from time to time, if early meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting. At each meeting of the Board of Managers at which a quorum is present, all questions and business shall be determined by a majority vote of those present, except as may be otherwise expressly provided in the Declaration or in these By laws.

Section 10. Powers and Duties. Except as otherwise provided by law, the Declaration or these Bylaws, all power and authority of the Association shall be exercised by the Board. In carrying out the purposes of the Condominium Property and subject to the limitations prescribed by law, the Declaration or these Bylaws, the Board, for and on behalf of the Association, may do the following:

- (A) Maintenance, repair, replacement and surveillance of the Condominium Property and the Common Areas and Facilities and certain of the Limited Common Areas and Facilities.
- (B) Levy of Assessments against the Unit Owners and the collection of same.
- (C) Designation and dismissal of the personnel necessary for the maintenance and operation of the Condominium Property, the Common Areas and Facilities and the Limited Common Areas.
- (D) In carrying out the purposes of the Association and subject to the limitations prescribed by law, the Declaration or these Bylaws, the Board, for and on behalf of the Association, may:
  - (1) Purchase or otherwise acquire, lease as lessee, hold, use, lease as lessor, sell, exchange, transfer, and dispose of property of any description or any interest therein.
  - (2) Grant easements for access, utility and other purposes set forth in Article III of the Declaration for the benefit of the Condominium Development, Additional Property or any neighboring property.
  - (3) Make contracts.
  - (4) Effect insurance.
  - (5) Borrow money and issue sell and pledge notes bonds and other evidence of indebtedness of the Association provided however if such borrowing is in excess of Five Thousand Dollars (\$5 000.00) the prior approval of the members of the Association entitled to exercise a majority of the voting power of the Association shall be obtained at a special meeting duly held for such purpose.
- (E) Employ a managing agent to perform such duties and services as the Board may authorize.
- (F) Employ lawyers and accountants to perform such legal and accounting services as the Board may authorize.
- (G) Adopt Rules and Regulations.
- (H) To do all things permitted by law and exercise all power and authority within the purposes stated in these Bylaws or the Declaration or incidental thereto.

Section 11. Removal of Board Members. Except as otherwise provided herein and in the Act the Board may remove any Board Member and thereby create a vacancy in the Board if by order of court such Board Member has been found to be of unsound mind or if he is physically incapacitated adjudicated a bankrupt or fails to attend three consecutive meetings of the Board. At any regular or special meeting of members of the Association duly called at which a quorum shall be present any one or more of the Board Members may be removed with or without cause by the vote of members entitled to exercise a majority of the voting power of the Association and a successor or successors to such Board Member so removed may be elected at the same meeting for the unexpired term for each such removed Board Member. Any Board Member whose removal has been proposed by the members of the Association shall be given an opportunity to be heard at such meeting.

Section 12. Vacancies. Except as otherwise provided and subject to the provisions of the Act vacancies in the Board may be filled by a majority vote of the remaining Board Members until an election to fill such vacancies is held. Members of the Association shall have the right to fill any vacancy in the Board (whether or not the same has been temporarily filled by the remaining Board Members) at any meeting of the members of the Association called for that purpose and any Board Members elected at any such meeting of members of the Association shall serve until the next annual election of Board Members and until their respective successors are elected and qualified.

Section 13. Fidelity Bonds. The Board of Managers may require that all officers and employees of the Association handling on responsible for Association funds shall furnish adequate Fidelity Bonds. The premiums on such bonds shall be paid by the Association and shall be a common expense.

Section 14. Initial Board of Managers. Notwithstanding any of the other provisions contained in this Article II, the Declarant may designate the initial Board of Managers to serve until the first meeting of the Unit Owners. The initial Board of Managers may consist of not less than three (3) members and such members may be officers, directors, employees or other designated representatives of Declarant, and need not be owners or occupiers of Units.

Section 15. Compensation. The Board of Managers shall not receive any salary or compensation for their services, as such, provided nothing herein contained shall be construed to preclude any Board Member from having dealings With the Association in any other capacity and receiving compensation therefor.

### ARTICLE III

#### OFFICERS

Section 1. Election and Designation of Officers. The Board of Managers shall elect a President, a Vice President, a Secretary and a Treasurer, each of whom shall be a member of the Board of Managers. The Board of Managers may also appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary who are not members of the Board of Managers but who are members of the Association.

Section 2. Term of Office; Vacancies. The officers of the Association shall hold office until the next organization meeting of the Board of Managers and until their successors are elected, except in case of resignation, removal from office or death. The Board of Managers may remove any officer at any time with or without cause by a majority vote of the Managers then in office. Any vacancy in any office may be filled by the Board of Managers.

Section 3. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Board of Managers. Subject to directions of the Board of Managers, the President shall have general executive supervision over the business and affairs of the Association. He may execute all authorized deeds, contracts and other obligations of the Association and shall have such other authority and shall perform such other duties as may be determined by the Board of Managers or otherwise provided for in the Declaration or in these Bylaws. The President shall have the power to appoint committees from among the Officers and other Unit Owners as he may deem necessary to assist with affairs of the Association.

Section 4. Vice President. The Vice President shall perform the duties of the President whenever the President is unable to act and shall have such other authority and perform such other duties as may be determined by the Board of Managers.

Section 5. Secretary. The Secretary shall keep the minutes of meetings of the members of the Association and of the Board of Managers, shall give notices of meetings of the members of the Association and of the Board of Managers as required by law, or by these Bylaws or otherwise, and shall have such authority and shall perform such other duties as may be determined by the Board of Managers.

Section 6. Treasurer. The Treasurer shall receive and have in charge all money, bills, notes and similar property belonging to the Association, and shall do with the same as may be directed by the Board of Managers. He shall keep accurate financial accounts and hold the same open for the inspection and examination of the Managers and shall have such authority and shall perform such other duties as may be determined by the Board of Managers.

Section 7. Other Officers. The Assistant Secretaries and Assistant Treasurers, if any, and any other officers whom the Board of Managers may appoint shall, respectively, have such authority and perform such duties as may be determined by the Board of Managers.

Section 8. Delegation of Authority and Duties. The Board of Managers is authorized to delegate the authority and duties of any officer to any other officer and generally to control the action of the officers and to require the performance of duties in addition to those mentioned herein.

Section 9. No Compensation to Officers. None of the officers of the Association shall receive compensation for his services as such.

## ARTICLE IV

### GENERAL POWERS OF THE ASSOCIATION

Section 1. Payments from Maintenance Funds. The Association, for the benefit of all the owners, shall acquire, and shall pay for out of the maintenance fund hereinafter provided for all Common Expenses arising with respect to, or in connection with, the Condominium Property, including, without limitation, the following:

(A) Utility Service for Common Areas and Facilities. Water, waste removal, electricity, telephone, heat, power and any other necessary utility service for the Common Areas and Facilities; and the expense of maintaining, repairing and replacing storm and sanitary sewers, water lines and other utilities situated on the Condominium Property or servicing the same.

(B) Casualty Insurance. A policy or policies of fire insurance, with extended coverage, vandalism and malicious mischief endorsements, as provided in the Declaration, the amount of which insurance shall be reviewed annually;

(C) Liability Insurance; Directors' and Officers' Liability Insurance. A policy or policies insuring the Association, the members of the Board and the owners against any liability to the public or to the owners (of Units and of the Common Areas and Facilities, and their invitees, or tenants), incident to the ownership and/or use of the Common Areas and Facilities and Units, as provided in the Declaration, the limits of which policy shall be reviewed annually. Furthermore, the Board, at its option, may obtain directors' and officers' liability insurance;

(D) Workmen's Compensation. Workmens compensation insurance to the extent necessary to comply with any applicable laws;

(E) Wages and Fees for Services The services of any person or firm employed by the Association, including, without limitation the services of a person or firm to act as a manager or managing agent for the Condominium Property, the services of any person or persons required for the maintenance of or operation of the Condominium Property (including a recreation director, if any), and legal and/or accounting services necessary or proper in the operation of the Condominium Property or the enforcement of the Declaration and these Bylaws and for the organization, operation and enforcement of the rights of the Association.

(F) Care of Common Areas and Facilities. Landscaping, gardening, snow removal, painting, cleaning, tuck pointing, maintenance, decorating, repair and replacements of the Common Areas and Facilities and Limited Common Areas and Facilities as provided in the Declaration (but not including the exterior surfaces [including the roof, walls and foundations] and the interior surfaces of the Units, which the owner shall paint, clean, decorate, maintain and repair in accordance with the Declaration), the operation of recreational facilities, if any, and such furnishings and equipment for the Common Areas and Facilities as the Association shall determine are necessary and proper, and the Association shall have the exclusive right and duty to acquire the same for the Common Areas and Facilities;



(G) Additional Expenses. Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, insurance or assessments which the Association is required to secure or pay for pursuant to the terms of the Declaration and these Bylaws or by law of which in its opinion shall be necessary or proper for the maintenance and operation of the Condominium Property as a first-class condominium property or for the enforcement of the Declaration and these Bylaws;

(H) Discharge of Mechanic's liens. Any amount necessary to discharge any mechanic's lien or other encumbrances levied against the entire Condominium Property or any part thereof which may in the opinion of the Association constitute a lien against the Condominium Property or against the Common Areas and Facilities, rather than merely against the interests therein of particular owners; it being understood, however, that the foregoing authority shall not be in limitation of any statutory provisions relating to the same subject matter. Where one or more owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Association by reason of said lien or liens shall be specially assessed to said owners;

(I) Certain Maintenance of Units. Maintenance and repair of any Unit if, at the sole discretion of the Association, the owner or owners of said Unit have failed or refused to perform said maintenance or repairs within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Association to said owner or owners provided that the Association shall levy a special assessment against such Unit Owner for the cost of said maintenance or repair.

(J) Limitation on Capital Additions and Improvements. The Association's powers hereinabove enumerated shall be limited in that the Association shall have no authority to acquire and pay for out of the maintenance fund any acquisitions capital additions and improvements or structural alterations to the Common Areas and Facilities (other than for purposes of maintaining replacing restoring or repainting portions of the Common Areas and Facilities subject to all the provisions of the Declaration and these Bylaws) having a total cost in excess of Five Thousand Dollars (\$5 000.00), nor having an aggregate cost in any one (1) calendar year period in excess of Ten Thousand Dollars (\$10 000) without in each case the prior approval of the members of the Association entitled to exercise a majority of the voting power of the Association provided however so long as Declarant has the authority to elect or designate any Board Members the Declarant's prior written consent to such expenditure shall be required. The limitations of expenditures by the Association contained in this Section shall not apply to repair of the Condominium Property due to casualty loss emergency repairs immediately necessary for the preservation and safety of the Condominium Property or for the safety of persons or to avoid suspension of any necessary services. The foregoing provisions of this Section 1.(K) also shall not apply to the rehabilitation and renewal of obsolete property which shall be governed by the Declaration;

(K) Miscellaneous. The Association shall pay such other costs and expenses designated as "Common Expenses" in the Declaration and in these Bylaws.

Section 2. Rules and Regulations. The Board of Managers by vote of the members entitled to exercise a majority of the voting power of the Board map adopt such reasonable rules and regulations and from time to time amend the same supplementing the rules and regulations set forth in the Declaration and these Bylaws as it may deem advisable for the maintenance,

conservation and beautification of the Condominium Property and for the health comfort safety and general welfare of the owners and occupants of the Condominium Property. Written notice of such rules and regulations shall be given to all owners and occupants and the Condominium Property shall at all times be maintained subject to such rules and regulations. In an action or proceeding brought by the Association against an Owner and/or Occupant of a Unit to enforce such rules or regulations the Association shall be entitled to collect costs of suit and reasonable attorneys' fees from such Owner and/or Occupant. In the event such supplemental rules and regulations shall conflict with any provisions of the Declaration or of these Bylaws, the provisions of the Declaration and of these Bylaws shall govern.

Section 3. No Active Business to be Conducted for Profit. Nothing herein contained shall be construed to give the Association authority to conduct an active business for profit on behalf of all the owners or any of them.

Section 4. Special Services. The Association may arrange for the provision of any special services and facilities for the benefit of such owners and/or occupants as may desire to pay for the same including without limitation cleaning repair and maintenance of Units. Fees for such special services and facilities shall be determined by the Board of Managers and may be charged directly to participating owners or paid from the maintenance fund and levied as a special assessment due from the participants.

Section 5. Delegation of Duties. Nothing herein contained shall be construed so as to preclude the Association through its Board of Managers and officers from delegating to persons firms or corporations of its choice including any Manager or managing agent, such duties and responsibilities of the Association as the Managers of the Association shall from time to time specify and to provide for reasonable compensation for the performance of such duties and responsibilities.

Section 6. Applicable Laws. The Association shall be subject to and governed by the provisions of any statute adopted at any time and applicable to property submitted to the Condominium form of ownership (including without limitation, Chapter 5311, Ohio Revised Code); provided, however, that all inconsistencies between or among the permissive provisions of any statute and any provision of the Declaration and these Bylaws, shall be resolved in favor of the Declaration and these Bylaws and any inconsistencies between any statute applicable to associations formed to administer property submitted to the Condominium form of ownership and the Articles or Bylaws of the Association shall be resolved in favor of the statute. In the event of any conflict or inconsistency between the provisions of the Declaration and the Articles or Bylaws of the Association the terms and provisions of the Declaration shall prevail and the owners and all persons claiming under them covenant to vote in favor of such amendments in the Articles or Bylaws as will remove such conflicts or inconsistencies.

## ARTICLE V

### DETERMINATION AND PAYMENT OF ASSESSMENTS

Section 1. Payment of Assessments. Following the establishment of the Association and prior to the preparation of the estimated budget in accordance with Section 2 of this Article V monthly assessments shall be paid by Unit Owners including Declarant in its capacity as owner of any unsold Units in an amount estimated by the Board of Managers as being sufficient to cover the initial working capital requirements for the Association (the respective amounts payable by each Unit Owner being based upon such Unit Owner's percentage of interest in the Common Areas and Facilities as set forth in the Declaration) and if such monthly assessments shall be less than required to meet current Common Expenses all Unit Owners including the Declarant in its capacity as owner of any unsold Units shall make up any deficiency on a prorata basis in accordance with their respective percentages of interest in the Common Areas and Facilities as set forth in the Declaration.

In addition to such regular monthly assessments each purchaser of a Unit from the Declarant will be required to make, at the time such purchaser acquires title to a Unit, an initial capital contribution to the Association in the sum of \$200.00 for each Unit purchased. The general purpose of this contribution is to provide the Association with a portion of the necessary initial working capital and/or a contingency reserve. Such funds may be used for certain prepared items (e.g., insurance premiums, utility deposits and organizational, equipment and supply costs) and for such other purposes as the Board may determine. This initial capital contribution is not an escrow or advance, is not refundable and shall not be required of the Declarant, but only from those persons who or which purchase a Unit or Units from the Declarant.

Regular monthly assessments shall be paid to the Association commencing on the first day of the calendar month immediately following the date on which the first Unit is sold and the deed evidencing such sale shall have been filed for record with the Lake County Ohio Recorder and shall continue to be due and payable on the first day of each and every calendar month thereafter. Said assessments shall be deposited when received by the Association in an account established in the name of the Association at a bank or savings and loan association in Lake County Ohio. Unit Owners (including Declarant as to unsold units) shall continue to pay such monthly assessments as aforesaid until revised assessments are made by the Board of Managers in the manner herein provided.

Section 2. Preparation of Estimated Budget. Each year on or before December 1st the Association shall estimate the total amount necessary to pay the cost of wages materials insurance services and supplies which will be required during the ensuing calendar year for the rendering of all services together with a reasonable amount considered by the Association to be necessary for a reserve for contingencies and replacements and shall on or before December 15th notify each owner in writing as to the amount of such estimate with reasonable itemization thereof. Said estimated cash requirement shall be assessed to the owners according to each owner's percentage of ownership in the Common Areas and Facilities as set forth in the Declaration. On or before January 1st of the ensuing year and the 1st of each and every month of said year each Owner shall be obligated to pay to the Association or as it may direct one-twelfth (1/12) of the assessment made pursuant to this

Section. On or before the date of the annual meeting of each calendar year the Association shall supply to all owners an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid together with a tabulation of the amounts collected pursuant to the estimate provided and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each owner's percentage of ownership in the Common Areas and Facilities to the next monthly installments due from owners under the current year's estimate until exhausted and any net shortage shall be added according to each owner's percentage of ownership in the Common Areas and Facilities to the installments due in the succeeding six months after rendering of the accounting.

Section 3. Reserve for Contingencies and Replacements. The Association shall be obligated to build up and maintain a reasonable reserve to finance the cost of repair or replacement of the components of the Common Areas and facilities. Included in the reserve is the amount (or a portion thereof) payable by each Purchaser of a Unit at the time such Purchaser acquires title to his Unit. Upon the sale of a Unit by any Unit Owner, such Unit Owner shall have no right to any portion of the funds in the reserve account; nor shall any such Unit Owner have any claim against the Association with respect thereto. Extraordinary expenditures not originally included in the annual estimate which may be necessary for the year, shall be charged first against such reserve. If said "estimated cash requirement" proves inadequate for any reason, including non-payment of any owner's assessment, the Association shall prepare an estimate of the additional cash requirements then necessary, or necessary for the balance of the year, which additional amount of cash requirements shall be assessed to the owners according to each owner's percentage of ownership in the Common Areas and Facilities. The Association shall serve notice of such further assessment on all owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective with the monthly maintenance payment which is due not more than ten (10) days after the delivery or mailing of such notice of further assessments. All owners shall be obligated to pay the adjusted monthly amount.

Section 4. Budget for First Year. When the first Board of Managers elected hereunder takes office, the Association shall determine the "estimated cash requirement" as hereinabove defined, for the period commencing thirty (30) days after said election and ending on December 31st of the calendar year in which said election occurs. Assessments shall be levied against the owners during said period as provided in Section 2 of this Article V.

Section 5. Failure to Prepare Annual Budget. The failure or delay of the Association to prepare or serve the annual or adjusted estimate on the owner shall not constitute a waiver or release in any manner of such owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the owner shall continue to pay the monthly maintenance charge at the existing monthly rate established for the previous period until the monthly maintenance payment which is due not more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

Section 6. Books and Records of Association. The Association shall keep full and correct books of account and the same shall be open for inspection by any owner or any representative of an owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by the Owner. Upon ten (10) days' notice

to the Board of Managers and upon payment of a reasonable fee, any Unit Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such owner.

Section 7. Status of Funds Collected by Association. All funds collected hereunder shall be held and expended solely for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all of the owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the use, benefit and account of all of the owners in proportion to each owner's percentage ownership in the Common Areas and Facilities as provided in the Declaration.

Section 8. Annual Statements. Within one hundred twenty (120) days after the end of each fiscal year of the Association, the Board shall furnish to each Unit Owner a financial statement consisting of: (A) a balance sheet containing a summary of the assets and liabilities of the Association as of the date of such balance sheet; and (B) a statement of the income and expenses for the period commencing with the date marking the end of the period for which the last preceding statement of income and expenses required hereunder was made and ending with the date of said statement, or in the case of the first such statement, from the date of formation of the Association to the date of said statement. The financial statement shall have appended thereto a certificate signed by the President or the Vice President or Secretary of the Treasurer of the Association or by a public accountant or firm of public accountants to the effect that the financial statement presents fairly the financial position of the Association and the results of its operations in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period except as may be specified therein.

Section 9. Annual Audit. The books of the Association shall be reviewed once a year by the Board of Managers, and such review shall be completed prior to each annual meeting. If requested by two or more members of the Board of Managers, such review shall be made by a Certified Public Accountant. In addition, and at any time, if requested by Unit Owners having more than fifty percent (50%) of the voting power of the Association, or upon the request of two or more members of the Board of Managers, the Board shall cause an additional review to be made.

Section 10. Remedies for Failure to Pay Assessments. If an owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the members of the Board of Managers may bring suit for and on behalf of themselves and as representatives of all owners, to enforce collection thereof or to foreclose the lien therefor as provided in the Declaration; and, there shall be added to the amount due the costs of said suit, together with legal interest and reasonable attorneys' fees to be fixed by the Court. To the extent permitted by the Declaration, any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, costs and fees as above provided shall be and become a lien or charge against the Condominium Ownership Interest of the owner involved when payable and may be foreclosed by an action brought in the name of the Board of Managers as in the case of foreclosure of liens against real estate, as provided in the Declaration. As provided in the Declaration, the members of the Board of Managers and their successors in office, acting on behalf of the other Unit Owners, shall have the power to bid in the interest so foreclosed at foreclosure

sale, and to acquire and hold, lease, mortgage and convey the same. Any mortgagee shall be entitled to written notice of such failure to pay such assessment. The Board of Managers shall have the power to suspend the voting rights and the right to use of the recreational facilities of a Unit Owner during any period in which such Unit Owner shall be in default in the payment of any assessment levied by the Association. In addition, each Unit Owner shall be personally liable for all assessments levied by the Association against his Unit during the period he has an ownership in interest therein, and any Common Assessment not paid within ten (10) days after the same shall become due and payable, shall bear interest at the maximum rate provided by law until such time as the Common Assessment has been paid in full and the Association shall be entitled to levy against the delinquent Unit Owner a service charge of five percent (5%) of the amount of the delinquent payment in order to defray the cost of collection.

Any encumbrancer may from time to time request in writing a written statement from the Board of Managers setting forth the unpaid Common Expenses with respect to the Unit covered by his or its encumbrance and unless the request shall be complied with within twenty (20) days, all unpaid Common Expenses which become due prior to the date of the mailing of such request shall be subordinate to the lien of such encumbrance. Any encumbrancer holding a lien on a Unit may pay any unpaid Common Expenses payable with respect to such Unit and upon such payment such encumbrancer shall have a lien on such Unit for the amounts paid at the same rank as the lien of his encumbrance.

## ARTICLE VI

### INDEMNIFICATION

Section 1. In General. The Association shall indemnify any member of the Board, officer, employee, or agent of the Association or any former member of the Board, officer, employee or agent of the Association and/or its or their respective heirs, executors and administrators, against reasonable expenses, including attorneys' fees, judgments, decrees, fines, penalties or amounts paid in settlement actually and necessarily incurred by him in connection with the defense of any pending or threatened action, suit, or proceeding, criminal or civil, to which he is or may be made a party by reason of being or having been such member of the Board, officer, employee or agent of the Association, provided it is determined in the manner hereinafter set forth: (A) that such member of the Board, officer, employee or agent of the Association was not, and is not, adjudicated to have been negligent or guilty of misconduct in the performance of his duty to the Association, (B) that such member of the Board acted in good faith in what he reasonably believed to be in the best interest of the Association, (C) that, in any matter the subject of a criminal action, suit or proceeding, such Board member had no reasonable cause to believe that this conduct was unlawful, and (D) in case of settlement, that the amount paid in the settlement was reasonable. Such determination shall be made either by the members of the Board of the Association acting at a meeting at which a quorum consisting of members of the Board who are not parties to or threatened with any such action, suit or proceeding is present, or, in the event of settlement, by a written opinion of independent legal counsel selected by the members of the Board.

Section 2. Advance of Expenses. Funds to cover expenses, including attorneys' fees, with respect to any pending or threatened action, suit or proceeding may be advanced by the Association prior to the final disposition thereof upon receipt of an undertaking by or on

behalf of the recipient to repay such amounts unless it shall ultimately be determined that he is entitled to indemnification hereunder.

Section 3. Indemnification Not Exclusive; Insurance The indemnification provided for in this Article VI shall not be exclusive, but shall be in addition to any other rights to which any person may be entitled under the Articles of Incorporation, Rules and Regulations of the Association, any agreement, any insurance provided by the Association, the provisions of Section 1701.12(E) of the Ohio Revised Code or otherwise. The Association may purchase and maintain insurance on behalf of any person who is or was a member of the Board, officer, agent or employee of the Association against any liability asserted against him or incurred by him in any such capacity or arising out of his status as such whether or not the Association would have the power to indemnify him against such liability under the provision of this Article.

Section 4. Indemnification of Unit Owners. The Members of the Board and officers of the Association shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board and officers of the Association against all contractual liability to third parties arising out of contracts made on behalf of the Association except with respect to any such contracts made in bad faith or contrary to the provisions of the Declaration or these Bylaws. It is intended that the members of the Board and officers of the Association shall have no personal liability with respect to contracts entered into on behalf of the Association. Every agreement made by any members of the Board, officer, employee or agent of the Association or by a management company, if any, on behalf of the Association, shall provide that such members of the Board, officer, employee or agent of the Association, or the management company, as the case may be, is acting only as agent for the Association and shall have no personal liability thereunder (except as a Unit Owner), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his percentage of interest in the Common Areas and Facilities bears to the total percentage interest of all Unit Owners in the Common Areas and Facilities.

Section 5. Cost of Indemnification. Any sum paid or advanced by the Association under this Article VI shall constitute a Common Expense and the Association and the Board shall have the power to raise and the responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations under this Article VI; provided, however, that the liability of any Unit Owner arising out of any contract made by or other acts of any member of the Board, officer, employee or agent of the Association, or out of the aforesaid indemnity in favor of such member of the Board, officer, employee or agent of the Association, shall be limited to such proportion of the total liability hereunder as said Unit Owner's percentage of interest in the Common Areas and Facilities bears to the total percentage interest of all the Unit Owners in the Common Areas and Facilities.

## ARTICLE VII

### GENERAL PROVISIONS

#### Section 1. Copies of Notice to Mortgage Lenders; Rights of First Mortgagees.

(A) Upon written request to the Board of Managers by the holder of any duly recorded mortgage or trust deed against any Unit ownership, the Board of Managers shall give such mortgage holder a copy of any and all notices permitted or required by the Declaration or these Bylaws to be given to the owner or owners whose Unit ownership is subject to such mortgage or trust deed.

(B) A first mortgagee of a Unit shall be entitled to written notice from the Association of any default by its mortgagor Unit Owner which is not cured within sixty (60) days. Any first mortgagee may from time to time request in writing a written statement from the Board of Managers setting forth any and all unpaid assessments due and owing from its mortgagor Unit Owner with respect to the Unit subject to the lien of its mortgage and such request shall be complied with within fifteen (15) days from receipt thereof. Any first mortgagee holding a mortgage on a Unit may pay any unpaid Common Expenses assessed with respect to such Unit and upon such payment such first mortgagee shall have a lien on such Unit for the amounts so paid at the same rank as the lien of its mortgage .

Section 2. Service of Notices on the Board of Managers. Notices required to be given to the Board of Managers or to the Association may be delivered to any member of the Board of Managers or officer of the Association either personally or by mail addressed to such member or officer at his Unit.

Section 3. Service of Notices on Devisees and Personal Representatives. Notices required to be given any devisees or personal representatives of a deceased owner may be delivered either personally or by mail to such party at his her or its address appearing on the records of the court wherein the estate of such deceased owner is being administered.

Section 4. Non-Waiver of Covenants. No covenants restrictions conditions obligations or provisions contained in the Declaration or 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 or breaches which may occur.

Section 5. Agreements Binding. All agreements and determinations lawfully made by the Association in accordance with the procedures established in the Declaration and these Bylaws shall be deemed to be binding on all Unit Owners and their respective heirs, executors, administrators, successors and assigns.

Section 6. Notices of Mortgages. Any owner who mortgages his unit shall notify the Association in such manner as the Association may direct of the name and address of his mortgagee and thereafter shall notify the Association of the payment cancellation or other alteration in to the status of such mortgage. The Association shall maintain such information in a book entitled "Mortgagees of Units".



Section 7. Severability. The invalidity of any covenant restriction condition limitation or any other provision of these Bylaws or any part thereof shall not impair or affect in any manner the validity, enforceability or effect the rest of this Declaration.

Section 8. Perpetuities and Restraints on Alienation. If any of the options, privileges, covenants or rights created by these Bylaws shall be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provision, (b) the rule restricting restraints or alienation, or (c) any other statutory or common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living descendants, Bill Clinton, President of the United States of America, or Al Gore, Vice President of the United States of America.

Section 9. Definitions. The terms used in these Bylaws (except as herein otherwise expressly provided or unless the context otherwise required) for all purposes of these Bylaws and of any amendment hereto shall have the respective meanings specified in Article I of the Declaration.

Section 10. Amendments. Provisions of these Bylaws may be amended by the Unit Owners at a meeting held for such purpose by the affirmative vote of those entitled to exercise not less than seventy-five percent (75%) of the voting power, provided, however, that no amendment shall have any effect upon Declarant, the rights of Declarant under these Bylaws and the rights of bona fide mortgagees of Units until the written consent of Declarant and/or such mortgagees to such amendment has been secured.

Section 11. Captions. The captions used in these Bylaws are inserted solely as a matter of convenience and shall not be relied upon and/or used in construing the effect or meaning of any of the text hereof.

**EXHIBIT "C"**  
**TO**  
**DECLARATION OF CONDOMINIUM OWNERSHIP**  
**FOR**  
**SWEET BRIER CONDOMINIUMS**

Form of Management Agreement Between  
Sweet Brier Condominium Unit Owners Association, Inc.  
and  
J.W. Betteley Building Co.

**MANAGEMENT AGREEMENT  
FOR  
SWEET BRIER CONDOMINIUMS  
MADISON VILLAGE, OHIO**

This Management Agreement ("Agreement") made and entered into at Painesville, Ohio this \_\_\_\_ day of \_\_\_\_\_, 1996, by and between J.W. BETTELEY BUILDING CO. an Ohio Corporation, who with its successors and assigns, is hereinafter referred to as the "Manager", and SWEET BRIER CONDOMINIUM UNIT OWNERS ASSOCIATION, INC., an Ohio Corporation not for profit, who, with its successors, is hereinafter referred to as the "Association"

**W I T N E S E T H**

WHEREAS, the Manager desires to provide for the maintenance, operation, service and care of the Common Areas and Facilities of Sweet Brier Condominiums (hereinafter referred to as the "Condominium Property"), pursuant to the authority vested in the Association by the Declaration of Condominium Ownership for Sweet Brier Condominiums and the By-Laws of the Association, and to charge the costs thereof as Common Expenses to the respective Unit Owners of Sweet Brier Condominiums (each such unit owner being hereinafter referred to as "Owner") in proportion to their respective percentage ownership interest in the Common Areas and Facilities in the Condominium Property as of the date of execution of this Agreement; and

WHEREAS, the Association desires that Manager provide for the maintenance, operation, service and care of the Condominium Property.

NOW, THEREFORE, in consideration of One Dollar (\$1.00) and other valuable consideration mutually received, and in and for the covenants and promises hereinafter set forth, the parties hereto covenant and agree as follows:

1. Employment of Manager. Association shall and does hereby appoint and engage Manager as its sole and exclusive agent to maintain, operate, service and care for the Condominium Property, and Manager shall and does hereby accept the appointment as sole and exclusive agent to maintain, operate, service and care for the Condominium Property upon the terms and conditions hereinafter set forth.
2. Term. The term of employment of the Manager shall be for three (3) years commencing on the date of execution hereof and shall automatically renew itself for consecutive one-year additional terms, subject to and upon the terms and provisions hereinafter set forth. If either party hereto desires to terminate the term of this Agreement, then sixty (60) days prior to the expiration of the original term or any renewal term, the party desiring

to exercise its right to terminate the original term or any renewal term hereof shall give the other party hereto written notice of such termination, which written notice shall be delivered to the other party hereto sixty (60) days prior to the date of the end of the original term or the renewal term as the case may be. Notwithstanding the foregoing, when control of the Association vests in the Unit Owners of the Condominium Property other than the Developer and when a majority of the Board of Managers of the Association are elected by Unit Owners other than the Developer, applicable statutory provisions, if any, limiting the term of employment of the Manager and affording the Association rights to terminate this Agreement shall govern and control such matters to the extent that such statutory rights are inconsistent with the terms and provisions hereof.

3. Duties and Authority of Manager. From and after the commencement date of the term of this Agreement, Manager shall have the exclusive right and duty to manage the Condominium Property as general manager, with full authority, power and control over all phases of the management thereof, and the Association expressly agrees to assume and pay all expenses incurred in connection therewith. In its capacity as general manager of the Condominium Property, Manager shall be responsible for furnishing, at the expense of the Association, all services incident to the management of the Condominium Property, including, but not limited to, the following rights, duties, responsibilities and authorities:

- a) Cause to be hired, paid and supervised any and all persons and employees who are deemed necessary by Manager to be employed, hired and/or supervised in order to properly maintain, operate, service and care for the Condominium Property.
- b) Cause the Condominium Property to be maintained, operated, serviced and cared for in such condition as may be deemed advisable by Manager, including interior and exterior cleaning, and cause repairs and alterations of the Condominium Property to be made, including, but not limited to, electrical, plumbing, carpentry, decorating and such other incidental alterations or changes thereof as the Manager shall deem necessary and proper, subject only to the limitations contained in this Agreement. Ordinary repairs or alterations involving any single expenditure in excess of Five Thousand Dollars (\$5,000.00) shall be made only upon prior approval of the Board of Managers of the Association; provided, however, those repairs immediately necessary for the preservation or safety of the Condominium Property may be made by the Board of Managers of the Association after consultation with the President of the Association, the Vice President of the Association, or any one of the Board of Managers of the Association in the order given or if no such officer or person is available to Manager, then the Manager shall make such repairs and provide such services as are deemed reasonably necessary by Manager to provide for the preservation or safety of the Condominium Property and the Owners and occupants thereof.

- c) Cause such acts or things to be done in and about the Condominium Property as may be necessary or desirable to comply with any and all orders, statutes, rules and/or ordinances applicable to the Condominium Property by any federal, state, municipal and/or governmental authority having jurisdiction thereof; provided, however, that should any single expenditure be in excess of \$5,000.00, in order to obtain compliance with such order, statute, rule and/or ordinance, approval therefor shall be first obtained from the Association.
- d) Enter into contracts on behalf of the Association for the maintenance, operation, service and care of the Condominium Property, including, but without limiting the foregoing, rubbish removal, snow removal, landscaping and the like, but any such contract shall not be for a term in excess of one year or provide for annual payments in excess of Two Thousand Dollars (\$2,000.00) for each contract unless approval therefor shall be first obtained from the Association, and such contract may be with persons, firms, and corporations related to or controlled by Manager.
- e) Purchase all material, equipment and supplies which are necessary to maintain, operate, service and care for the Condominium Property.
- f) Supervise the moving in and out of Owners or other occupants of the Condominium Property, as far as possible arrange the date thereof so that there shall be a minimum of disturbance to the operation of the Condominium Property and of inconvenience to other Owners, and to establish rules, regulations and deposits, if any, required to be paid to the Association in connection with moving in or out of a Unit by an Owner or tenant.
- g) Consider and receive and, when reasonable, attend to the complaints of Owners and the Association and, if Manager deems that any such complaint is unreasonable, it shall advise the complaining party of the reason that such complaint is unreasonable.

Manager shall have such other rights and authorities to make any and all contracts and disbursements and to incur obligations on behalf of the Association and do all other things necessarily required of it to carry out the rights, duties, responsibilities, authorities delegated, conferred and/or imposed upon Manager by this Agreement. Manager, in performing its services provided herein, shall have the right to enter into contracts or agreements with persons, firms or corporations related to and/or connected with the Manager and, provided that all of the same are on reasonable price and terms, the same shall not be challenged by the Association by virtue of the relationship between the Manager and the other contracting party.

4. Compensation. The Association shall pay to Manager as and for full compensation for its services hereunder during the term of this Agreement:

- a) The sum of \$8.00 per month per Unit, (hereinafter referred to as "Base Compensation"), which Base Compensation shall be payable in monthly installments in advance on the first day of each calendar month.

- b) Any and all such additional amounts set forth in a monthly or quarterly statement which Manager shall mail or deliver to the Association (all such costs and expenses which the Association is required to pay Manager as set forth in this Agreement and this Paragraph 4 are hereinafter referred to as "Additional Compensation") and the same shall be paid to Manager within ten (10) days of the mailing or delivery of such monthly statement to the Association and said monthly statement to the Association shall include; (i) any and all costs and expenses incurred by Manager in connection with the maintenance, operation, service and care of the Condominium Property; (ii) all costs and expenses of all goods, materials, equipment and machinery acquired, maintained and/or operated by Manager in connection with its maintenance, operation, service and care of the Condominium Property; (iii) any and all other direct costs and expenses which Manager attributes to the maintenance, operation, service and care of the Condominium Property; (iv) a proportionate part of the monthly wages or salaries of all employees in the employ of Manager in connection with the work done and services rendered by such employees in or about the Condominium Property; (v) a proportionate part of any and all costs and expenses for wages, salaries and/or other compensation for clerical personnel, office personnel and the like who are employed by Manager in connection with the preparation of the Annual Budget (hereinafter defined), monthly statements and/or any other work or acts in connection with the operation of Manager's office and/or clerical staff or the rendering of any services in connection with the maintenance, operation, service and care of the Condominium Property, and (vi) any and all other costs and expenses which are incurred by Manager in connection with the maintenance, operation, service and care of the Condominium Property which Manager attributes to the Condominium Property.

5. Budget. Manager shall, from time to time, and at least annually, prepare and submit to the Association a tentative annual budget (hereinafter referred to as "Annual Budget") of any and all costs and expenses which Manager expects to incur in connection with the maintenance, operation, service and care of the Condominium Property and which Annual Budget shall specifically include the following terms:

- a) A listing of such expense to be incurred and/or paid.
- b) A listing of any and all contracts entered into by Manager on behalf of the Association for the maintenance, operation, service and care of the Condominium Property and annual payments required thereunder.
- c) A listing of all costs which are to be shared or apportioned to the Unit Owners of the Condominium Property.
- d) Any and all sources of income derived from or generated in or about the Condominium Property and the projected amount thereof, estimated on an annual basis.

- e) A projection of annual costs and expenses for the next succeeding year for the maintenance, operation, service and care of the Condominium Property.
- f) A listing of any individual cost or expense which totals more than \$5,000.00 on an annual basis in connection with the maintenance, operation, service and care of the Condominium Property.

Manager shall not be bound by the Annual Budget and any and all estimates and projections of costs, expenses and/or income contained herein shall only service as an estimate and a projection of such anticipated costs, expenses and/or revenues in connection with the Condominium Property and the Annual Budget shall only be used as a planning tool both for the Association and for Managers.

6. Collection of Funds. Any and all monies collected by Manager in or from the operation of the Condominium Property, including but not limited to, vending machines and services rendered to Owners or at the request of Owners to persons or parties for which Manager receives separate compensation and/or other receipts from the Condominium Property, including common assessments shall be deposited by Manager in an account in a bank or savings and loan association in Lake County, Ohio, in the name of Manager for the benefit of the Association, and shall be appropriately and adequately designated and identified and, out of such amount, Manager may pay itself or reimburse itself for any and all obligations and expenditures necessary and proper in connection with the maintenance, operation, service and care of the Condominium Property, and any and all such credits and payments to or from such accounts shall be specifically listed and designated on the monthly statement sent to the Association. Manager shall have the right to commingle the Association's payment in its general accounts and the Manager shall make allocations and separations only on its books and records. The first funds paid each month from receipts by the Association shall be the monthly amount of the Base Compensation.
7. Association Default. In the event of default on the part of the Association in the payment of any Base Compensation or any other sum due and payable to Manager after the Association has received written notice specifying such default and, should each such specified default continue for a period of ten (10) days thereafter, Manager shall be entitled to all rights and remedies at law with or without terminating this Agreement, including one or more of the following rights and remedies:
  - a) To bring a suit for the collection of any Base Compensation, Additional Compensation and/or any other amounts which the Association may be in default of payment to Manager.
  - b) To sue the Association for the collection of any Base Compensation remaining unpaid for the balance of the term of this as liquidated damages.
  - c) To sue and to charge the Association for any and all expenses, direct or indirect, incurred by Manager in connection with such default.

All rights and remedies granted to Manager herein and any other rights and/or remedies which Manager may have at law or in equity are hereby declared cumulative and non-exclusive, and Manager may elect, without terminating this Agreement, to exercise any and all rights herein granted to Manager, and the fact that Manager may have exercised any remedy without terminating this agreement shall not impair Manager's rights thereafter to terminate this Agreement or to exercise any other remedy herein granted or to which Manager may otherwise be entitled. All amounts due to Manager which are not paid when due shall bear interest at the rate equal to four percent (4%) over the Prime Interest Rate in effect on the date when such payments are due and shall continue to bear interest at the Prime Interest Rate plus 4% on the last day of each calendar quarter while said amount is unpaid, and all funds received by Manager shall be first applied to the payment of accrued and unpaid interest. The term "Prime Interest Rate" shall mean the interest rate from time to time charged by Society National Bank of Cleveland, Ohio, for unsecured loans to its best customers for periods of less than ninety (90) days.

8. Manager Default. In the event of default on the part of Manager in its performance of the terms hereof and if Manager fails to perform such action or duty within thirty (30) days after due written notice has been served by the Association upon Manager specifying such default (or if the default is such that it cannot be removed within said thirty-day period and Manager shall thereafter fail to proceed with reasonable diligence to completely remove or cure such default), then Manager shall be deemed to be in default and the Association may, as its sole remedy, terminate this Agreement by thirty (30) days written notice to Manager specifying the particular default and the failure to cure such default and by paying to Manager any and all sums accrued to the date of termination and thereafter accruing.
9. Indemnification. The Association, for itself and each Unit Owner, shall and does hereby agree to defend, indemnify and save harmless Manager and its agents and employees from and against:
  - a) Any and all claims, demands, expenses, costs and/or causes of action, including reasonable attorney fees, sustained or incurred for loss, injury and/or damage to any person or property in, about the Condominium Property and/or in connection with the Association, its properties and facilities, for any cause whatsoever, unless such loss, injury or damage shall be caused by Manager's own gross negligence or failure to comply with its obligations hereunder.
  - b) Any and all claims, demands, liabilities, damages, penalties, costs and/or expenses for any and all acts performed by Manager pursuant to the instructions of the Association and/or the rights, duties, responsibilities and/or authorities herein delegated to and/or conferred or imposed upon Manager.

Manager shall not be liable or responsible for any error judgment or for anything it may do or refrain from doing under this Agreement, except in cases of willful misconduct or gross negligence. The Association and each Unit Owner shall and do hereby waive and relinquish any claim, demand or cause of action it or they may have against the Manager for any damage to person or property which the Association or any Unit Owner may incur due to the acts of the



Manager and its agents, servants and employees; provided, however, that the within waiver shall be applicable only to the extent that the event causing such damage is insured by insurance policies maintained by the Association or any Unit Owner to the extent that the within waiver shall not invalidate any policies of insurance so maintained. The Association shall maintain fire and extended coverage insurance and public liability insurance, insuring the Association, its property and Condominium Property against all perils customarily insured against fire and extended coverage insurance.

10. Notice. Any and all notices required herein shall be delivered by hand or mail to the party entitled to receive the same by regular United States mail, postage prepaid, except notice of default or termination of this Agreement, which shall be delivered by hand or mailed to the party entitled to receive the same by United States Certified Mail Return Receipt Requested as follows.
11. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands at the time and place hereinabove written.

**MANAGER:**  
**J.W. BETTELEY BUILDING CO.**

BY: \_\_\_\_\_  
Kirk D. Betteley, President

**ASSOCIATION:**  
**SWEET BRIER CONDOMINIUM**  
**UNIT OWNERS ASSOCIATION, INC.**

BY: \_\_\_\_\_  
Kirk D. Betteley, President  
Board of Managers

**EXHIBIT "D"**  
**TO**  
**DECLARATION OF CONDOMINIUM OWNERSHIP**  
**FOR**  
**SWEET BRIER CONDOMINIUMS**

Narrative Description of Unit

Phase I of the Sweet Brier Condominiums is situated on a .3648 acre parcel of land located in the Village of Madison, Lake County, Ohio, and includes North Brier Patch Lane, a private street, running off Lexington Blvd., a public street.

Phase I of Sweet Brier Condominiums consists of one free-standing single-family dwelling, such dwelling being known as a Unit.

Such Unit is constructed principally of wood frame with drywall finish on the interior walls and vinyl siding and exterior brick-to-grade. The roof is asphalt shingle.

The Condominium Development will include seven (7) different Unit types known as the Patty Ann, Lexy 1, Lexy 2, Lexy 3, Megan 1, Megan 2 and Megan 3. Generally, the various Unit types which Developer contemplates are single-story ranch and/or two-story cape code in style. The Unit contained within Phase I of the Condominium Development is a Patty Ann, which is a single-story Unit containing two bedrooms and approximately 1290 square feet of space exclusive of the attached two-car garage. Exhibit "A" to the Declaration of Condominium Ownership for Sweet Brier Condominiums includes a drawing depicting the "footprint" and general layout of the Unit.

**EXHIBIT "E"**  
**TO**  
**DECLARATION OF CONDOMINIUM OWNERSHIP**  
**FOR**  
**SWEET BRIER CONDOMINIUMS**

Percentage Interest Schedule

***SWEET BRIER CONDOMINIUMS***

**UNIT NUMBERS AND SCHEDULE OF PERCENTAGE INTEREST  
IN COMMON AREAS AND FACILITIES**

**PHASE I**

<u>Unit Number</u>	<u>Percentage Interest</u>
4	100%

TOTAL: 100.0%

**Note:**

In the event that the Developer elects to submit all or any portion of the Additional Property to the Condominium Act and to construct additional Units thereon, each Owner's interest in the Common Areas and Facilities shall be reduced proportionately.

The maximum number of Units which may be constructed as part of *SWEET BRIER CONDOMINIUMS* in any event is fourteen hundred (1400) including a maximum of thirteen hundred ninety nine (1399) Units to be constructed on the Additional Property. In the event that a total of fourteen hundred (1400) Units become a part of *SWEET BRIER CONDOMINIUMS*, each Owner's percentage interest in the Common Areas and Facilities shall be 1/14 of 1% (1/14%).