

BY-LAWS
OF
BRIDGE PATH HOMEOWNER'S
ASSOCIATION

TABLE OF CONTENTS

			<u>PAGE NO.</u>
ARTICLE	I	Definition.....	1
ARTICLE	II	Membership.....	2
ARTICLE	III	Voting Rights.....	3
ARTICLE	IV	Property Rights and Rights of Enjoyment.....	4
ARTICLE	V	General Powers of the Association.....	4
ARTICLE	VI	Board of Trustees.....	7
ARTICLE	VII	Officers.....	9
ARTICLE	VIII	Meetings of Members.....	11
ARTICLE	IX	Proxies.....	13
ARTICLE	X	Determination and Payment of Assessments.....	13
ARTICLE	XI	Amendments.....	16
ARTICLE	XII	General Provisions.....	16

BY-LAWS
OF
BRIDGE PATH HOMEOWNER'S
ASSOCIATION

ARTICLE I

DEFINITIONS

SECTION 1.

"Association" shall mean and refer to the Bridge Path Colony Homeowner's Association, a nonprofit corporation organized and existing under the laws of the State of Ohio.

SECTION 2.

"The Properties" shall mean and refer to Bridge Path Colony, and the Unit Cluster Parcels appurtenant thereto as described in the recorded Declaration of Covenants and Restrictions and such additions thereto as may hereafter be brought within the jurisdiction of the Association as provided in Article V, Section 6 of these By-Laws.

SECTION 3.

"Common Areas" shall mean and refer to those areas of land shown on any recorded subdivision plat of The Properties and intended to be devoted to the common use and enjoyment of the Owners of The Properties to the extent owned by the Association.

SECTION 4.

"Living Unit" shall mean and refer to any building situated within the Properties, designed and intended for use and occupancy as a residence by a single family.

SECTION 5.

"Unit Cluster Parcel" shall mean and refer to those areas of land shown on the plat of the Properties and intended to be devoted to the uses allowed by Section 1125.60 of the Codified Ordinances of the City of Strongsville, or any other successor ordinance regulating Single Family Detached Housing and Cluster Developments. Each Unit Cluster Parcel shall be given a separate permanent parcel number by the County Auditor upon recording of the deed to said Unit Cluster Parcel.

SECTION 6.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title

to any Living Unit or Unit Cluster Parcel situated upon The Properties, but shall not mean or refer to the mortgagee thereof, unless and until such mortgagee has acquired title pursuant to foreclosure, or any proceeding in lieu of foreclosure.

SECTION 7.

"The Developer" shall mean and refer to Kingswood Group, Inc., a corporation organized and existing under the laws of the State of Ohio, and its successors and assigns, including but not limited to Parkview Corp. and Ancrist Development Company, corporations organized and existing under the laws of the State of Ohio.

ARTICLE II

MEMBERSHIP

SECTION 1. Membership.

Each person or entity who is a record Owner of a fee or undivided fee simple interest in any Living Unit or Unit Cluster Parcel, including the Developer, shall automatically be a Member of the Association, provided that any such person or entity who holds such interest merely as a security for the payment of money or performance of an obligation shall not be a Member. When more than one person holds such interest, or interests, in any Living Unit or Unit Cluster Parcel, all such persons shall be Members, but for quorum, voting, consenting and all other rights of Membership, such persons shall collectively be counted as a single Member, and entitled to one (1) vote for each such Living Unit or Unit Cluster Parcel, which vote for such Living Unit or Unit Cluster Parcel shall be exercised as they among themselves deem. Each such Member shall be jointly and severally liable for the payment of the assessments hereinafter provided with respect to such Living Unit or Unit Cluster Parcel.

SECTION 2. Rights Subject to Payment of Assessments.

The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each Owner of and becomes a lien upon the property against which such assessments are made as provided by Article V of the Declaration of Covenants and Restrictions to which The Properties are subject.

SECTION 3. Suspension of Membership Rights.

The membership rights of any person whose interest in The Properties is subject to assessments under Section 2 of this Article II, whether or not he be personally obligated to pay such assessments, may be suspended by action of the Trustees during

the period when the assessments remain unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored. If the Trustees have adopted and published rules and regulations governing the use of the Common Areas and facilities, and the personal conduct of any person thereon, as provided in Article V, Section 2 of these By-Laws, they may in their discretion, suspend the rights of any such person for violation of such rules and regulations for a period not to exceed thirty (30) days.

ARTICLE III

VOTING RIGHTS

SECTION 1. Classes of Membership.

"Member" shall mean and refer to every person or entity who holds membership in the Bridge Path Colony Homeowners' Association, pursuant to the By-Laws of the Association. Each person or entity who is a record Owner of a fee or undivided fee simple interest in any Unit Cluster Parcel, including the Developer, shall automatically be a Member of the Association, provided that any such person or entity who holds such interest merely as security for the payment of money or performance of an obligation shall not be a Member. The Association (until December 31, 1986, and thereafter until the occurrence of the event specified below) shall have two classes of voting Membership:

CLASS A: Class A Members shall be all Members with the exception of the Developer. Class A Members shall be entitled to one vote for each Unit Cluster Parcel owned by them.

CLASS B: The Class B Member shall be the Developer. The Class B Member shall be entitled to three votes for each Unit Cluster Parcel owned by it provided that the Class B Membership shall cease and become converted to a Class A Membership when (but not before December 31, 1989) title to ninety percent (90%) of the Unit Cluster Parcels within the Premises has been conveyed by Developer to Unit Cluster Parcel owners. From and after the happening of said event, the Class B Member shall be deemed to be a Class A Member and entitled to one vote for each Unit Cluster Parcel owned by it.

ARTICLE IV

PROPERTY RIGHTS AND
RIGHTS OF ENJOYMENT

SECTION 1. Right of Enjoyment.

Each Member shall be entitled to the use and enjoyment of the Common Areas as provided by Article IV of the Declaration of Covenants and Restrictions applicable to The Properties.

SECTION 2. Delegation of Rights.

Any Member may delegate his rights of enjoyment in the Common Areas to his immediate household and guests or to any of his lessees who reside upon the Properties under a leasehold interest for a term of one (1) year or more. Such Member shall notify the Secretary in writing for the name of any such person and of the relationship of the Member to such person. The rights and privileges of such person are subject to suspension under Article II, Section 3 hereof to the same extent as those of the Member, and are further subject to the reasonable rules and regulations of the Association governing the use of the Common Areas.

ARTICLE V

GENERAL POWER OF
THE ASSOCIATION

SECTION 1. Payments from Assessment Funds.

The Association shall pay out of the fund hereinafter provided for the following:

(a) Care of Common Area. Grass, trees, shrubs and other landscaping located outside of any privacy fence, snow plowing from driveways only, cleaning, maintenance, repair and replacements of the Common Areas and any of its facilities, the operation, maintenance and repair of any recreational facilities on The Properties, a reasonable pro-rate are of the costs of operation, maintenance and repair of such other recreational areas and facilities may be made available for the non-exclusive use of all Owners (whether or not located on the Properties), and such other common expenses as the Association shall determine are necessary and proper. The Association will paint front entrance doors, garage doors and necessary doortrim, Developer shall have the duty to maintain all Common Areas, storm sewers, and swales until such time as all improvements are installed, completed, paid for in full and turned over to the Homeowner's Association. The Association shall have the same

duty to maintain all Common Area, storm sewers, and swales as does the Developer, as set out in this Article, after title has been conveyed to the Association. Maintenance of these items will be determined by the Board of Managers and not determined by number of years;

(b) Wages and Fees for Services. The services of any person or firm employed by the Association, including without limitation, the services of any person or persons required for the maintenance or operation of the Common Areas (including a recreation director, if any) and legal and/or accounting services, necessary and proper in the operation of The Properties or the enforcement of the Declaration and these By-Laws and for the organization, operation and enforcement of the rights of the Association;

(c) Capital Additions and Improvements. The Association's powers herein enumerated shall be limited in that the Association shall have no authority to acquire and pay for out of the maintenance fund any capital additions and improvements, having a total cost in excess of One Thousand Dollars (\$1,000.00), nor shall the Association authorize any structural alterations, capital additions to, or capital improvements of the Common Areas requiring an expenditure in excess of One Thousand Dollars (\$1,000.00) 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;

(d) 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 Living Units and their invitees or tenants, incident to the ownership and/or use of the Common Areas, the limits of which policy shall be reviewed annually;

(e) Workmen's Compensation. Workmen's Compensation Insurance to the extent necessary to comply with any applicable laws;

(f) Discharge of Mechanics's Liens. Any amount necessary to discharge any mechanic's lien or other encumbrance levied against The Properties or any part thereof which may in the opinion of the Association constitute a lien against the Common Areas rather than merely against the interests 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 specifically assessed to said Owners;

(g) Additional Expenses. Any other materials, supplies, labor, services, maintenance, repairs, alterations, insurance or assessments which the Association is required to secure or pay for pursuant to the terms of the Declaration and these By-Laws or by law or which in the opinion of the Trustees shall be necessary or proper for the maintenance and operation of The Properties or the enforcement of the Declaration or these By-Laws.

SECTION 2. Rules and Regulations.

The Association, by vote of the Members entitled to exercise a majority of the voting power of the Association, may 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 By-Laws as it may deem advisable for the maintenance, conservation and beautification of The Properties and for the health, comfort, safety and general welfare of the Owners and occupants of The Properties. Written notice of such rules and regulations shall be given to all Owners and The Properties shall at all times be maintained subject to such rules and regulations. In the event such supplemental rules and regulations shall conflict with any provisions of the Declaration or of these By-Laws, the provisions of the Declaration and of these By-Laws 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. Delegation of Duties.

Nothing herein contained shall be construed so as to preclude the Association, through its Board of Trustees and officers, from delegating to persons, firms or corporations of its choice such duties and responsibilities of the Association as the Trustees of the Association shall from time to time specify, and to provide for reasonable compensation for the performance of such duties and responsibilities.

SECTION 5. Applicable Laws.

The Association shall be subject to and governed by the provisions of any statutes adopted at any time and applicable to The Properties, provided, however, that all inconsistencies between or among the permissive provisions of any statute and any provision of the Declaration and these By-Laws, shall be resolved in favor of the Declaration and these By-Laws, and any inconsistencies between any statute applicable to Associations formed to administer the Common Property shall be resolved in favor of the latter statute. In the event of any conflict or inconsistency between the provisions of the Declaration and the Articles or By-

Laws 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 By-Laws as will remove such conflicts or inconsistencies.

SECTION 6. Additions to Properties and Membership.

Additions to The Properties may be made only in accordance with the provisions of the recorded Declaration of Covenants and Restrictions applicable to said Properties. Such additions, when properly made under the applicable covenants, shall extend the jurisdiction, functions, duties, and membership of the Association to such Properties.

ARTICLE VI

BOARD OF TRUSTEES

SECTION 1. Number and Qualifications.

The affairs of the Association shall be managed by a board of three (3) Trustees, all of whom must be Members of the Association.

SECTION 2. Election of Trustees; Vacancies.

The Trustees shall be elected at each annual meeting of Members of the Association or at a special meeting called for the purpose of electing Trustees. At a meeting of Members of the Association at which Trustees are to be elected, only persons nominated as candidates shall be eligible for election as Trustees, and the candidates receiving the greatest number of votes shall be elected. In the event of the occurrence of any vacancy or vacancies in the Board of Trustees, however caused, the remaining Trustees, though less than a majority of the whole authorized number of Trustees, may, by the vote of a majority of their number, fill any such vacancy for the unexpired term.

SECTION 3. Term of Office; Resignations.

Each Trustee shall hold office until the second annual meeting of the Members of the Association, following his election, and until his successor is elected, or until his earlier resignation, removal from office or death. Any Trustee may resign at any time by oral statement to that effect made at a meeting of the Board of Trustees or in a writing to that effect to take effect immediately or at such other time as the Trustee may specify. Members of the Board of Trustees shall serve without compensation. At the first annual meeting of the Members of the Association, the term of office of three Trustees shall be fixed so that such term will expire on the date of the following annual meeting of Members of the Association. At the expiration

of such initial term of office of each respective Trustee, his successor shall be elected to serve for a term of one (1) year.

SECTION 4. Organization Meeting.

Immediately after each annual meeting of the Association, the newly elected Trustees and those Trustees 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 5. Regular Meetings.

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

SECTION 6. Special Meetings.

Special meetings of the Board of Trustees may be held at any time upon call by the President or any two Trustees. Written notice of the time and place of each such meeting shall be given to each Trustee either by personal delivery or by mail, telegram or telephone at least two (2) days before the meeting, which notice need not specify the purpose of the meeting; provided, however, that attendance of any Trustee 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 given in writing either before or after the holding of such meeting, by any Trustee, 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 of the Trustees.

SECTION 7. Quorum; Adjournment.

A quorum of the Board of Trustees shall consist of a majority of the Trustees then in office; provided, that a majority of the Trustees present at a meeting duly held, 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. At each meeting of the Board of Trustees 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 8. Removal of Trustees.

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 Trustees may be removed with or without cause by the vote of Members entitled to exercise at least seventy-five percent (75%) of the voting power of the Association, and a successor or successors to such Trustee or Trustees so removed shall then and there be elected to fill the vacancy or vacancies thus created. Any Trustee whose removal has been proposed by the Members of the Association shall be given an opportunity to be heard at such meeting.

SECTION 9. Fidelity Bonds.

The Board of Trustees shall require that all officers and employees of the Association handling or 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 10. Indemnification of Trustees.

Each Trustee shall be indemnified by the Owners against all expenses and liabilities, including attorneys' fees, reasonably incurred or imposed upon him in connection with any proceeding to which he may be a party, or which he may become involved, solely by reason of his being or having been a Trustee, or any settlement thereof, whether or not he is a Trustee at the time the expenses are incurred, except in such cases wherein the Trustee is adjudged guilty of wilful misfeasance or malfeasance in the performance of his duties, provided, that in the event of a settlement, the indemnification shall apply only when the Board of Trustees approves such settlement and reimbursement as being for the best interests of the Board of Trustees and the Association.

ARTICLE VII

OFFICERS

SECTION 1. Election and Designation of Officers.

The Board of Trustees shall elect a President, a Vice-President, a Secretary and a Treasurer. The Board of Trustees may also appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in their judgment may be necessary. The President and the Treasurer shall be members of the Board of Trustees and all officers shall be Members of the Association.

SECTION 2. Term of Office; Vacancies.

The officers of the Association shall hold office until the next organizational meeting of the Board of Trustees and until their successors are elected, except in the case of resignation, removal from office or death. The Board of Trustees may

remove any officer at any time with or without cause by a majority vote of the Trustees then in office. Any vacancy in any office may be filled by the Board of Trustees.

SECTION 3. The President.

The President shall preside at all meetings of the Board of Trustees, shall see that orders and resolutions of the Board of Trustees are carried out and shall sign all notes, checks, leases, mortgages, deeds and all other written instruments, which shall be countersigned as provided below.

SECTION 4. The Vice President.

The Vice-President shall perform all the duties of the President in his absence.

SECTION 5. The Secretary.

The Secretary shall be ex officio the secretary of the Board of Trustees, shall record the votes and keep the minutes of all proceedings in a book to be kept for the purpose. The Secretary shall sign all certificates of membership. He shall keep the records of the Association. The Secretary shall record in a book kept for that purpose the names of all Members of the Association together with their addresses as registered by such Members. He shall countersign all leases, mortgages, deeds and all other written instruments, along with the President, or in his absence, the Vice-President.

SECTION 6. The Treasurer.

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Trustees, provided, however, that a resolution of the Board of Trustees shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer shall sign all checks and notes of the Association, provided that such checks and notes shall also be signed by the President, or in his absence, by the Vice-President.

The Treasurer shall keep proper books of account and cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the membership at its regular annual meeting.

SECTION 7. Other Officers.

The Assistant Secretaries and Assistant Treasurers, if any, and any other officers which the Board of Trustees may

appoint shall, respectively, have such authority and perform such duties as may be determined by the Board of Trustees.

SECTION 8. Delegation of Authority and Duties.

The Board of Trustees 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.

ARTICLE VIII

MEETINGS OF MEMBERS

SECTION 1. Annual Meeting.

The regular annual meeting of the Members shall be held on the third Saturday of the month of January in each year at ten o'clock a.m. or at such other time as may be designated in the notice of such meeting.

SECTION 2. Special Meetings.

Special meetings of the Members for any purpose may be called at any time by the President, the Vice-President, the Secretary or the Treasurer, or by any two or more Members of the Board of Trustees, or upon written request of the Members who have a right to vote one-fourth of all of the votes of the entire membership or who have a right to vote one-fourth of the votes of the Class A membership.

SECTION 3. 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 By-Laws 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 record of a Living Unit or Unit Cluster Parcel located in The Properties 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, shall be deemed to be a waiver by him of notice of such meeting.

SECTION 4. 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 a majority of the voting power of the Association present in person or by proxy shall constitute a quorum for such meeting, provided, however, 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 5. Majority Vote.

The vote of a majority at a meeting at which a quorum is present shall be binding upon all Members for all purposes except where in the Declaration, or these By-Laws or by law, a higher percentage vote is required.

SECTION 6. Order of Business.

The order of business of meetings of the Members 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 Trustees.
- (8) Unfinished and/or old business.
- (9) New Business.
- (10) Adjournment.

ARTICLE IX

PROXIES

SECTION 1. Authorized.

At all corporate meetings of Members of the Association, each Member may vote in person or by proxy.

SECTION 2. Requirements and Duration.

All proxies shall be in writing and filed with the Secretary prior to commencement of the meeting at which such proxy is to be voted. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon sale by the Member of his Living Unit or Unit Cluster Parcel.

SECTION 3. All Proxies Revocable.

All proxies shall be revocable at any time by actual notice to the Secretary of the Association by the Member 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.

ARTICLE X

DETERMINATION AND PAYMENT
OF ASSESSMENTS

SECTION 1. Obligation to Pay Assessments.

Section 4. Each Unit Cluster Parcel Owner (other than the Developer or its nominee), by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay the Association "Annual Assessments" and "Special Assessments", such assessments to be fixed, established and collected from time to time as hereinafter provided. Provided, however, that in no event shall the annual assessment exceed \$ 480.00 per Unit Cluster Parcel in any year until the later of one (1) year after the date when title to the first Unit Cluster Parcel in the Premises was conveyed to a bona fide Unit Cluster Parcel Owner or the date on which title to ninety percent (90%) of the Unit Cluster Parcel in the Premises has been conveyed to Unit Cluster Parcel Owners, and Developer shall pay any deficiency arising from such limitation upon the annual assessment. The Annual Assessments and Special Assessments, together with any interest thereon and costs of collection thereof as hereinafter provided, allocable to each Unit Cluster Parcel, shall be a charge on such Unit Cluster

Parcel and shall be a continuing lien upon the Unit Cluster Parcel against which each such assessment is made until paid in full, but such lien shall be inferior to any prior recorded, valid, first-lien mortgage and/or vendor's lien. Provided, however, that during such period of time the aforesaid guarantee is still in effect, the Developer shall have no obligation to pay any assessment upon any Unit Cluster Parcel still owned by Developer.

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 the Owner of each such Living Unit and Unit Cluster Parcel in writing as to the amount of such estimate, with reasonable itemization thereof. Said "estimated cash requirement" shall be assessed to said Owners according to the proportionate shares set forth in Section 1 of this Article X. On or before January 1st of the ensuing year, the Owner of each such Living Unit and Unit Cluster Parcel shall be obligated to pay to the Association or as it may direct, the assessments made pursuant to this paragraph. 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 estimates provided, and showing the net amount over or short of the actual expenditures plus reserves.

SECTION 3. Reserve for Contingencies and Replacements.

The Association shall build up and maintain a reasonable reserve for contingencies and replacements. Extraordinary expenditures not originally included in the annual estimate which may be necessary for the year, shall be charged first against such reserve. If the "estimated cash requirement" proves inadequate for any reason, including nonpayment of any Owner's assessment, the Association shall prepare an estimate of the additional cash requirements necessary, or necessary for the balance of the year, which additional amount of cash requirement shall be assessed to all of the Owners, and shall be considered as part of the annual assessment. 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 due and payable no later than thirty (30) days after the delivery or mailing of such notice of further assessments.

SECTION 4. Budget for First Year.

When the first Board of Trustees elected hereunder takes office, the Association shall determine the "estimated cash requirement", as hereinabove defined, for the period commencing thirty (30) days after the 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 X.

SECTION 5. Failure to Prepare Annual Budget.

The failure or delay of the Association to prepare or serve the annual or adjusted estimate on an 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 annual charge at the existing rate established for the previous year until 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 Trustees and payment of a reasonable fee, any 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 the proportion set forth in Section 1 of this Article X.

SECTION 8. Remedies for Failure to Pay Assessments.

If an Owner is in default in the payment of the aforesaid charges or assessments for thirty (30) days, the Board of Trustees may bring suit for and on behalf of themselves and as representatives of all of the 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 cost of said suit together with interest at the rate of interest

equal to the prime rate then being charged by the AmeriTrust Company (but in no event higher than the highest rate which may be legally charged) and reasonable attorney's 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 ownership of the Owner involved when payable and may be foreclosed by action brought in the name of the Board of Trustees as in the case of foreclosure of liens against real estate, as provided in the Declaration. Any mortgagee shall be entitled to written notice of such failure to pay such assessment.

ARTICLE XI

AMENDMENTS

SECTION 1. Procedure.

These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of each class of Members present in person or by proxy, provided that any matter stated herein to be or which is in fact governed by the Declaration of Covenants and Restrictions applicable to The Properties may not be amended except as provided in such Declaration.

SECTION 2. Conflicts.

In the case of any conflict between the Covenants and Restrictions applicable to The Properties and these By-Laws, the Covenants and Restrictions shall control.

SECTION 3. Rights Not Impaired.

No amendment shall be effective to impair or dilute any rights of Members that are governed by the recorded Declaration of Covenants and Restrictions applicable to The Properties (as, for example, membership and voting rights) which are part of the property interests created thereby.

ARTICLE XII

GENERAL PROVISIONS

SECTION 1. Copies of Notice to Mortgage Lenders.

Upon written request to the Board of Trustees of any duly recorded mortgage or trust deed against any Living Unit or

Unit Cluster Parcel, the Board of Trustees shall give such mortgage holder a copy of any and all notices permitted or required by the Declaration or these By-Laws to be given to the Owner or Owners whose Living Unit or Unit Cluster Parcel ownership is subject to such mortgage or trust deed.

SECTION 2. Service of Notice on Devises 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 3. Disposition of Assets Upon Dissolution.

Upon dissolution of the Association, the assets, both real and personal of the corporation, shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the corporation. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the corporation. No such disposition of Association properties shall be effective to divest or diminish any right or title of any Member vested in him under the recorded Covenants and Restrictions applicable to The Properties unless made in accordance with the provisions of the Declaration of such Covenants and Restrictions.

SECTION 4. Non-Waiver of Covenants.

No covenants, restrictions, conditions, or provisions or provisions contained in the Declaration of Covenants and Restrictions applicable to The Properties or these By-Laws 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 By-Laws shall be deemed to be binding on all Owners, their successors, heirs and assigns.

SECTION 6. Severability,

The invalidity of any covenant, restriction, condition, limitation or any other provision of these By-Laws, or of any part of the same, shall not impair or affect in any manner the validity, enforceability or effect of the rest of these By-Laws.

IN WITNESS WHEREOF, KINGSWOOD GROUP, INC., a corporation organized and existing under the laws of the State of Ohio, has, by its authorized officers, executed these By-Laws this 15th day of May, 1986.

SIGNED IN THE PRESENCE OF:

Norma J. Kappel

Susan K. Frantz

KINGSWOOD GROUP, INC.
By *Richard A. Puzzitiello*
Richard A. Puzzitiello,
President

By *Edward A. Schumann*
Edward A. Schumann,
Secretary

STATE OF OHIO)
) SS
COUNTY OF CUYAHOGA)

The undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Richard A. Puzzitiello, President and Edward A. Schumann, Secretary of Kingswood Group, Inc., personally known to me to be the same persons whose names are subscribed to the foregoing instrument in such capacities, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as the free and voluntary act of said corporation for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 15th day of May, 1986.

Catherine J. Skugaus
Notary Public - State of Ohio
My Commission Expires
May 1, 1991

THE HENRY G. REITZ ENGINEERING CO.

Civil Engineers and Surveyors

4214 ROCKY RIVER DRIVE

CLEVELAND, OHIO 44135

John G. Saylor, *President*

Donald E. Wolke, *Vice-Pres.*

Paul T. Saylor, Jr. *Sec'y-Treas.*

May 29th., 1986

Description of High Point Subdivision No. 8 Phase III

Situated in the City of Strongsville, County of Cuyahoga and State of Ohio, and known as being part of Original Strongsville Township Lot No. 41, and bounded and described as follows:

Beginning on the Southerly line of the High Point Subdivision No. 2, as shown by the recorded plat in Volume 220 of Maps, Page 6 of Cuyahoga County Records, at the Northwesterly corner of the Deerfield Woods Subdivision No. 1, as shown by the recorded plat in Volume 224 of Maps, Page 117 of Cuyahoga County Records;

Thence S. $0^{\circ} 45' 34''$ E., along the Westerly line of the Deerfield Woods Subdivision No. 1, a distance of 395.00 feet to a point of curvature;

Thence Southwesterly, along the Northwesterly curved line of the Deerfield Woods Subdivision No. 1, a distance of 86.15 feet on the arc of a circle deflecting to the right, whose radius is 121.10 feet and whose chord bears S. $19^{\circ} 37' 13''$ W., a distance of 84.34 feet to the most Northerly corner of the Deerfield Woods Subdivision No. 2, as shown by the recorded plat in Volume 224 of Maps, Page 132 of Cuyahoga County Records;

Thence S. $40^{\circ} 00' 00''$ W., along the Northwesterly line of the Deerfield Woods Subdivision No. 2, a distance of 190.02 feet;

Thence Northwesterly, a distance of 50.09 feet on the arc of a circle deflecting to the left, whose radius is 230.00 feet and whose chord bears N. $68^{\circ} 47' 40''$ W., a distance of 49.99 feet;

Thence N. $21^{\circ} 12' 20''$ E., a distance of 103.69 feet;

Thence N. $0^{\circ} 45' 34''$ W., a distance of 34.70 feet;

Thence S. $89^{\circ} 14' 26''$ W., a distance of 98.69 feet;

Thence N. $35^{\circ} 00' 00''$ W., a distance of 409.67 feet;

Thence S. $49^{\circ} 06' 00''$ W., a distance of 11.64 feet;

Thence Northwesterly, a distance of 98.45 feet on the arc of a circle deflecting to the left, whose radius is 346.05 feet and whose chord bears N. $49^{\circ} 03' 00''$ W., a distance of 98.12 feet;

Thence N. $32^{\circ} 48' 00''$ E., a distance of 86.39 feet to the Southerly line of the High Point Subdivision No. 2;

Thence N. $89^{\circ} 14' 26''$ E., along the Southerly line of the High Point Subdivision No. 2, a distance of 524.59 feet to the place of beginning, and containing 4.816 acres of land and being further known as all of the High Point Subdivision No. 8 Phase III, according to a survey by The Henry G. Reitz Engineering Company dated June, 1986, be the same more or less but subject to all legal highways.