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COPY

DECLARATION OF CONDOMINIUM
AND
BY-LAWS OF CONDOMINIUM ASSOCIATION
FOR
West Harbor Lagoons
Boataminium Condominium

AUDITOR'S CERTIFICATION

A copy of the Declaration, Bylaws and Drawings have been filed with the Ottawa County Auditor.

Ottawa County Auditor

Jo Ellen Regal

by: *Mary Sauer*
3-29-10

This instrument prepared by:
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LEGAL DESCRIPTION OF DECLARED PARCEL
UNDIVIDED INTEREST
REFERENCE TO DRAWINGS

EXHIBIT A
EXHIBIT B
EXHIBIT C

DECLARATION

This is the Declaration of West Harbor Lagoons Boataminium Condominium made on or as of the day of March 16, 2010, pursuant to the provisions of Chapter 5311 of the Revised Code of Ohio.

RECITALS

A. West Harbor Lagoons Association, an Ohio non-profit corporation, hereinafter called "Declarant", is the owner in fee simple of all the real property hereinafter described and the improvements thereon and appurtenances thereto.

B. The Declarant desires to create on this property a site of individually owned units, and commonly owned areas and facilities, and to these ends to submit this property to condominium ownership under the provisions of the condominium act.

DEFINITIONS

The terms used in this document shall have these meanings, unless the context requires otherwise:

1. "Articles" and "Articles of Incorporation" mean the articles filed with the Secretary of State of Ohio, incorporating West Harbor Lagoons Boataminium Condominium Association as a corporation not-for-profit under the provisions of Chapter 1702 of the Revised Code of Ohio, as the same may be lawfully amended from time to time. (The State of Ohio's non-profit corporation statutory act).

2. "Association" and "West Harbor Lagoons Boataminium Condominium Association" mean the corporation not-for-profit created by the filing of the Articles and is also one and the same as the association created for the Condominium pursuant to the provisions of the Condominium Act.

3. "Board" and "Board of Directors" mean those persons who, as a group, serve as the Board of Directors of the Association and are also one and the same as the board of managers of the Condominium established for the Condominium pursuant to the provisions of the Condominium Act.

4. "By-Laws" mean the By-Laws of the Association, as the same may be lawfully amended from time to time, created under and pursuant to the provisions of the condominium law for the Condominium, and which also serve as the code of regulations of the Association under and pursuant to the provisions of Chapter 1702. A true copy of the By-Laws is attached hereto and made a part hereof.

5. "Common Elements" mean all of the Condominium Property, except that portion thereof described in this Declaration as constituting a Unit or Units, and is that portion of the Condominium Property constituting Common Elements and Facilities of the Condominium under the provisions of the Condominium Act.

6. "Condominium" and "West Harbor Lagoons Boataminium Condominium" mean the condominium regime for the Condominium Property created under and pursuant to the provisions of the Condominium Act.

7. "Condominium Act" means the statutory law of the State of Ohio regulating the creation and operation of condominiums and is presently Chapter 5311 of the Revised Code of Ohio.

8. "Condominium Instruments" means this Declaration, the By-Laws, the Drawings, the development disclosure statement provided to purchasers pursuant to §5311.26 of the Ohio Revised Code, any contracts pertaining to the management of the Condominium Property and, as provided by the Condominium Act, "any other documents, contracts, or instruments establishing ownership of or exerting control over the Condominium Property or Unit."

9. "Condominium Organizational Documents" means the Articles, the By-Laws, the Drawings, and this Declaration, as the same may lawfully be amended from time to time.

10. "Condominium Property" means the tract of land hereinafter described as being submitted to the Condominium act, all buildings, structures and improvements situated thereon, and all easements, rights and appurtenances belonging thereto.

11. "Declarant" means, West Harbor Lagoons Association, an Ohio non-profit corporation, and its successors or assigns, provided the rights specifically reserved to Declarant under the Condominium Organizational Documents shall accrue only to such successors and assigns as are designated in writing by Declarant as successors and assigns of such rights.

12. "Declaration" means this instrument by which the Condominium Property is submitted to the Condominium Act, as this instrument may be lawfully amended from time to time.

13. "Director" and "Directors" mean that person or those persons serving, at the time pertinent, as a Director or Directors of the Association.

14. "Drawings" means the drawings for the Condominium, as defined in the Condominium Act, filed simultaneously with the submission of this Declaration for recording, as the same may be lawfully amended from time to time.

15. "Eligible holder of a first mortgage lien" means the holder of a valid recorded first mortgage on a Unit, which holder has given written notice to the Association stating the holder's name, address and Unit or Units subject to its mortgage.

16. "Limited Common Elements" means those Common Elements serving exclusively one Unit or more than one but less than all Units, the enjoyment, benefit or use of which are reserved to the lawful occupants of that Unit or Units either in this Declaration, or by the Board, and is that portion of the Condominium Property constituting Limited Common Elements and Facilities of the Condominium under the provisions of the Condominium Act.

17. "Occupant" means a person lawfully residing in a manufactured home located upon a Limited Common Element, regardless of whether that person is a Unit Owner.

18. "Person" means a natural individual, corporation, partnership, trustee, or other legal entity capable of holding title to real property.

19. "Recreational Vehicle" means any vehicle, camper, trailer, or other such device designed to accommodate one or more persons for travel, cooking, overnight accommodations, or other such use.

20. "Water Slip Unit" in the case of a water slip means a part of the Condominium Property consisting of the land under a portion of the water in a water slip and under a portion of the piers or wharves that form the water slip, which portion of water or portion of water, piers, and wharves, is used for the mooring of watercraft, and designated as a Water Slip Unit herein and delineated on the drawings provided for by law.

21. "Unit Owner" and "Unit Owners" mean that person or those persons owning a fee-simple interest in a Water Slip Unit or Water Slip Units, each of whom is also a "Member" of the Association, as defined in Ohio's non-profit corporation statutory act.

THE PLAN

NOW, THEREFORE, Declarant hereby makes and establishes the following plan for condominium ownership of this property under and pursuant to the Condominium Act:

ARTICLE I

THE LAND

The legal description of the land constituting the Condominium Property, is described in Exhibit A attached hereto.

ARTICLE II

NAME

The name by which the Condominium shall be known is "West Harbor Lagoons Boataminium Condominium".

ARTICLE III

PURPOSES: RESTRICTIONS

Section 1. Purposes. This Declaration is being made to establish separate individual parcels from the Condominium Property, to which fee-simple interests may be conveyed, for use for mooring or docking a non-commercial pleasure boat; to establish a Unit Owners' Association to administer the Property for the Association to take title to Units that are not sold and to lease them according to Department of Health and Ohio law regarding manufactured home parks; to provide for the preservation of the values of Units and the Common Elements; to provide for and promote the benefit, enjoyment and well being of Unit Owners and occupants; to administer and enforce the covenants, easements, charges and restrictions hereinafter set forth; and to raise funds through assessments to accomplish these purposes. To establish Limited Common Elements for the Unit Owners to place a

Manufactured Home which must remain personal property with the Ottawa County Auditor. No other type of manufactured or stick built housing which does not have a certificate of title shall be permitted. Each owner shall be responsible for and be required to pay the Ottawa County Personal Property Tax. The Property must remain a registered Manufactured Home Park. No replacement manufactured home shall be allowed that does not have a title from a manufacturer's statement of origin.

Notwithstanding the Article III restriction below, any non-conforming use in existence at the time the Condominium was established may be continued. The Board shall have the right to decide if the non-conforming use becomes a nuisance at which time the Unit Owner must cease the offending activity. In addition, in the event the non-conforming use is not conducted for one year, the Unit Owner shall lose the right to that use.

Section 2. Restrictions. The Condominium Property shall be subject to the following restrictions:

(a) Unit Uses. Ownership of a Water Slip Unit includes the exclusive right to moor a watercraft in the portion of water above the Water Slip Unit. Except as otherwise specifically provided in this Declaration, no Unit shall be used for any purpose other than that of mooring of watercraft for recreational purposes only and purposes customarily incidental thereto. No commercial activity whatsoever shall be allowed including by way of illustration charter fishing. No person shall be permitted to place any permanent structure within a Unit which would impair such purpose. Notwithstanding the foregoing: (i) it shall be permissible for the Declarant to maintain, during the period of its sale of Units, one or more Units for promotional activities; (ii) one or more Units may be maintained for the use of the Association in fulfilling its responsibilities; and (iii) the Association shall have the right to rent unsold Units. No watercraft shall be used as a residence which is hereby defined, as no one shall be permitted to stay overnight on any watercraft.

(b) Common Elements Uses. The Common Elements (except the Limited Common Elements) shall be used in common by Unit Owners and occupants and their agents, servants, customers, invitees and licensees, in accordance with the purposes for which they are intended, and as may be required for the purposes of access, ingress to, egress from, use, occupancy and enjoyment of Units, provided, however, that unless expressly provided otherwise herein, no Common Elements shall be used for any purpose other than the health, safety,

welfare, convenience, comfort, recreation or enjoyment of Unit owners and occupants, subject to such rules and regulations as may from time to time be promulgated by the Board.

(c) Limited Common Elements Uses. Those portions of the Common Elements described herein and shown on the Drawings as Limited Common Elements shall be used and possessed exclusively by the Unit Owners and occupants of the Unit or Units served by the same, as specified in this Declaration, subject to the restrictions on use of Common Elements and Limited Common Elements set forth in this Declaration and such rules and regulations as may from time to time be promulgated by the Board. Except as otherwise specifically provided in these restrictions, no Limited Common Element shall be used for any purpose other than a site to place and connect a Manufactured Home to be used only for a single family residence and purposes customarily incidental thereto. Only two vehicles may be parked on the Limited Common Element. Notwithstanding the foregoing: (i) an occupant maintaining a personal or professional library, keeping personal business or professional records or accounts, or personal business or professional telephone calls or correspondence, in or from a Limited Common Element, is engaging in a use expressly declared customarily incidental to principal residential use and is not in violation of these restrictions; (ii) it shall be permissible for the Declarant to maintain during the period of its sale of Units, one or more Limited Common Elements as sales models and office; and (iii) it shall be permissible for the Declarant to rent Limited Common Elements.

(d) Visible Areas. Nothing shall be caused or permitted to be hung or displayed on the outside or inside of windows with the exception of approved window treatments, except on the Limited Common Element porches or patios, patio furniture, and the customary and usual equipment or furnishings shall be permitted or placed on the outside walls of a building or otherwise outside of a Unit, or any part thereof, and no sign, awning, canopy, shutter or television or citizen's band radio or other radio antenna or transmitter, or any other device or ornament, shall be affixed to or placed upon the exterior walls or roof or any part thereof, unless authorized by the Board, and subject to such rules and regulations as the Board may adopt from time to time, except as hereinbelow provided. A United States flag shall be permitted subject to such rules and regulations as the Board may adopt from time to time. A Unit

Owner shall be permitted to install the common small dish provided by the commercially available satellite television companies. The maintenance and repair shall be the responsibility of the Unit Owner. The location shall be subject to the association's approval.

(e) Nuisances. No noxious or offensive activity shall be carried on in any Unit, or upon the Common Elements, nor shall either be used in any way or for any purpose which may endanger the health of or unreasonably disturb any occupant.

(f) Vehicles. There shall be no parking of inoperable vehicles, trucks in excess of $\frac{3}{4}$ ton, boats, boat trailers, and recreational vehicles on the Common or Limited Common Elements, and the Board may enforce such regulations or restrictions by levying fines, having such vehicles towed away, or taking such other actions as it, in its sole discretion, deems appropriate. The Board shall also have the authority to determine that all forms and manner of transportation or the operation of the same is a nuisance and ban it from the Condominium.

(g) Signs. No sign of any kind shall be displayed to the public view on the Condominium Property except: (a) on the Common Elements, signs regarding and regulating the use of the Common Elements, provided they are approved by the Board; (b) on the interior side of the window of a Unit, one professionally prepared sign advertising the Unit for sale or rent; (c) on the Common Elements and model Units, signs advertising the sale of Units by the Declarant during the initial sale period; and (d) speed limit signs.

(h) Structural Integrity. Nothing shall be done in any Unit, or in, on or to the Common Elements, which may impair the structural integrity of any improvement.

(i) Building on Easements. Within the easements for the installation and maintenance of utilities, tie backs and/or deadmen securing the seawall and drainage facilities, no structure, planting or other material (except such as exist at the time of this Declaration) shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utility lines or which may change the direction of the flow of drainage channels in the easements or which may obstruct or retard the flow of water

through drainage channels in the easement areas. The utility facilities within the easement areas shall be subject to the right of the Association to maintain the same, and its right to delegate that right to a public authority or utility.

(j) Animals. Household domestic pets, not bred or maintained for commercial purposes, may be maintained in the manufactured home by owner, provided that: (i) no animals shall be permitted in any portion of the Common Elements except on a leash accompanied by a responsible person; no leashed animal shall be left unattended; (ii) the permitting of animals on the Common Elements shall be subject to such rules and regulations as the Board may from time to time promulgate, including, without limitation, the right to place limitations on the size, number and type of such pets, the right to prohibit such pets entirely, and the right to levy fines against persons who do not clean up after their pets; and (iii) the right of an occupant to maintain an animal in a manufactured home shall be subject to termination if the Board, in its full and complete discretion, determines that maintenance of the animal constitutes a nuisance or creates a detrimental effect on the Condominium or other Units or occupants.

(k) Conveyances. Each Unit shall be conveyed as a separately designated and legally described freehold estate subject to the terms, conditions and provisions hereof. The undivided interest of a Unit in the Common Elements shall be deemed conveyed or encumbered with the Unit even though that interest is not expressly mentioned or described in the deed, mortgage or other instrument of conveyance or encumbrance.

The right of a Unit Owner to sell, transfer or otherwise convey that owner's Unit is not subject to any right of first refusal or similar restriction, and any Unit Owner may transfer that owner's Unit free of any limitations. To enable the Association to maintain accurate records of the names and addresses of Unit Owners, each Unit Owner is required, at the following times, to provide the Association (by delivery to the office of the Association or to any member of the Board) written notice of the name, home address, home and business mailing addresses, and the home and business telephone numbers of the Unit Owner and all Occupants of the Unit and the name, business address and business telephone number of any person who manages the Owner's Unit as an agent of that Owner:

- (1) within thirty (30) days after the Unit Owner accepts delivery of a deed to a Unit;
- (2) within thirty (30) days after a change in any of the above-described information; and
- (3) at any time that the Board requests verification or updating of the above-described information.

Each Unit Owner shall provide to a purchaser of that owner's Unit a copy of the Condominium Organizational Documents and all effective rules and regulations in such Owner's possession. In the event that a Unit Owner fails to provide such information, the Association will charge the new Unit Owner an administrative fee to obtain the information.

(l) Discrimination. No action shall at any time be taken by the Association or its Board which in any manner would discriminate against any Unit Owner in favor of another.

(m) Architectural Control. Except for improvements constructed by the Declarant, or as specifically permitted herein, no building, fence, landscaping, wall, sign or other structure shall be commenced, erected or maintained upon the Unit or Limited Common Element, nor shall any exterior addition to or change or alteration therein be made, until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing by the Board or its designated representative, as to lawfulness and compliant with Ohio Department of Health laws and regulations and appropriateness, and as to harmony of external design, color and location in relation to surrounding structures and topography. In the event the Board, or its designated representative, fails to approve or disapprove such plans and specifications within sixty (60) days after they have been submitted to it, approval will not be required and these provisions will be deemed to have been fully complied with. The Board may condition such approval upon the requesting Unit Owner's agreement to maintain the same, and such agreement shall be binding upon the Unit Owner and the Unit Owner's successors in ownership of the Unit, notwithstanding any provision of the Condominium Organizational Documents to the contrary.

(n) Arbitration. In the event of any dispute between Unit Owners as to the application of these restrictions or any rule or regulation to any particular circumstance, the party aggrieved shall submit a complaint in writing to the Board specifying the dispute. The Board shall set a time, date and place for a hearing thereon within sixty (60) days thereafter, and give written notice to each party thereof no less than five (5) days in advance. The Board shall thereupon hear such evidence on the dispute as the Board deems proper and render a written decision on the matter to each party within thirty (30) days thereafter. No action at law may be instituted by either party to such a dispute unless arbitration pursuant hereto has first been had.

(o) Sanitary Sewer. Roof drains, foundation drains and other clean water connections to the sanitary sewer system are prohibited.

(p) Basketball Restrictions. Permanent basketball hoops, backboards or poles shall not be allowed.

(q) Personal Property. Only patio furniture, lawn furniture, and grills shall be permitted on the Limited Common Elements. Sheds and dock boxes are all subject to approval of the Association and the Ohio Department of Health laws.

(r) Grilling and Bonfires. There shall be no charcoal grills on the decks or patios. Care must be taken to ensure that smoke or odors are not offensive to the neighbors. Gas grills shall be permitted provided all fire codes are observed. No bonfires shall be allowed on any Limited Common Element. They shall only be allowed in approved areas of the Common Elements and in approved fire pits and rings.

(s) Renting and Leasing. Unit Owners shall not rent or lease a Unit or the manufactured home except to an immediate family member.

(t) Licensed Manufactured Home Park. This is a licensed manufactured home park. Therefore the park is under the jurisdiction of various governmental agencies including but not limited to the Ottawa County Board of Health. Each owner of a Unit specifically agrees to comply with the rules and regulations of these governmental agencies. Each Unit Owner and the

Association shall also comply with any future regulations promulgated by the various governmental agencies.

(u) Water and Sewer. Sanitary sewer connections will be made in accordance with Health Department rules with plastic pipe and rubber ring seals. Sewer and water connections above ground are to be made and maintained at the expense of the Unit Owner, but will be inspected by the Association before being used. Water must be used conservatively and no person is permitted to allow water to run unnecessarily. Public water shall not be used to water lawns. Any unnecessary leakage will be cause for an assessment to that Unit Owner for repairs and water used. If owner improves his Limited Common Element such as driveways, blacktop, etc. and it is necessary to repair or replace the Association's utilities (i.e. water lines) it is the owner's responsibility to pay the additional cost of cutting through and repairing the owner's improvement. All water and sewer lines must have an electric heat cord on them to prevent freezing. Unit Owners will be responsible for connection of heat rod or if winterizing, disconnect water line from water riser, leave line disconnected entire period of absence and make sure to extract water from riser. Any damage to water riser from freezing will be Unit Owner's expense for repairs. Unit Owner to install and maintain its own water shut-off valve just above community water connection. It is highly recommended Unit Owner shut-off this valve when absent.

(v) No rubber goods, sanitary napkins, garbage, or cellophane are to be flushed down toilets. If violate rule shall be responsible for repair costs.

(w) Speed limit in the Condominium is 15 miles per hour or as posted. No motor bikes, motor scooters, etc. are allowed in the Condominium.

(x) Solicitors, vendors and peddlers are not permitted in the Condominium without permission of the Association.

(y) Manufactured Home tie-downs are immediately required and the size and location of storage buildings must be in accordance with the Ohio Department of Health Manufactured Home Park laws and regulations and the Architectural Control Committee.

(z) Unit Owner must contact Association before planting any shrubs or trees due to all utilities, including high voltage electrical lines and the seawall dead men or anchors being underground.

(aa) Patios and driveways must be kept free of gasoline and oil stains. When damage to asphalt or concrete caused by leaks of gasoline or oil, Unit Owner must remove these stains or charge to the Unit Owner for such removal will be made for work performed by Association Management. Absolutely no spray painting of objects on black top or concrete. Use of rock salt or any other products which will harm concrete is forbidden.

(bb) Ohio Department of Health laws Section 3701-27-26 states no parking of boats, boat trailers, recreational vehicles, travel trailers, etc. on Manufactured Home lot, driveway or street. All boats to be brought into West Harbor Lagoons by waterway **only**. No semi-tractor rigs in park.

(cc) All transportation lights shall be removed from the manufactured homes. Also all removable hitches must be removed and stored, all others shall be concealed from view in a presentable manner.

(dd) No permanent or temporary clothesline shall be constructed in Condominium.

(ee) All refuse must be placed in plastic bags, cartons flattened, boxes dismantled, and placed in designated area. The containers are for refuse only. No furniture, lawnmowers, etc. or building materials of any nature.

(ff) All fireworks are prohibited in the Condominium, except for the scheduled celebration of the Fourth of July designated by the Association.

(gg) Unit Owner must maintain the condition of his unit exterior with: **Home Siding, Trim, and Patio Rooms** – paint not faded or peeling • siding not severely dented. **Skirting** – all panels vertically in position of the complete perimeter of all structure • finish or paint not fade or peeling • vinyl not cracked or missing pieces • aluminum not dented severely. **Utility Building** – finish paint not rusting, faded or peeling • door, roof. and siding not severely dented.

Section 3. Restrictions for Use of Units and Channels.

(a) Compliance with Laws. All vessels and Unit Owners shall comply with all federal, state and local statutes, ordinances, rules and regulations pertaining to the ownership, operation and maintenance of vessels.

(b) Application of Rules and Regulations. When a vessel enters the Channels, it immediately comes under the jurisdiction of the Association. All Unit Owners shall comply with the Rules and Regulations. The Channels are defined to be the Common Element body of water located within the Condominium.

(c) Fueling. Fueling of vessels in the Channels or any part of the Channels other than as may be specifically provided by the Association, is prohibited.

(d) Speed Limits; Navigational Lights. Unit Owners and/or vessel operators and invitees shall adhere to all speed regulations when operating within Channels waters, entrance channels and adjacent waters. Vessels operating in the nighttime in the Channels shall be properly equipped with navigational lights and shall be operated in accordance with all applicable provisions of federal and state maritime operating procedures. NO VESSEL SHALL BE OPERATED IN THE CHANNELS SO AS TO CREATE A WAKE AND UNDER NO CIRCUMSTANCES SHALL A VESSEL BE OPERATED IN EXCESS OF THE ESTABLISHED SPEED LIMIT.

(e) Permitted Vessels. Only acceptable pleasure vessels, in good condition, and under their own power, shall be permitted in the Channels. Personal watercraft may also be docked in an Owner's Boat Slip Unit so long as they do not exceed the total length requirements.

(f) Mooring of Vessels. Unit Owners are solely responsible for the proper mooring of their vessels and are required to maintain mooring lines in good condition and of sufficient strength to secure their vessels at all times. In the event of adverse weather, Unit Owners shall take all necessary precautions for the safety of their vessels. No Unit Owner may moor a vessel or combination of vessels that are longer in length (which, for purposes of this section shall include the bowsprits, booms, pulpits, swim platforms and other projections or overhangs) than the length of the Unit.

(g) Hoists and Similar Devices. Any device that attaches to the boardwalk which lifts the vessel out of the water shall not be permitted.

(h) Maintenance of Vessels. Unit Owners shall maintain their vessels in seaworthy condition, with due regard to fire and safety hazards, and shall be responsible for pumping their vessels when needed. Vessels showing unusual leakage must be repaired or removed from the Channels. It is the responsibility of the owner of any vessel showing unusual leakage to report the hazard immediately to the Association. Should any vessel sink in the Channels, it shall be the responsibility of the owner thereof to remove the vessel within forty-eight (48) hours without cost or expense to the Association or damage to any Channels Property or Association property. In the event such sunken vessel is not removed as provided herein, the Unit Owner's vessel shall be removed by the Association at the Unit Owner's sole cost and expense.

(i) Risk of Loss. Each Unit Owner and/or operator of a vessel using the Channels or the waters thereof, entrance channels or waters adjacent to the Channels, assumes all risk of loss or damage to such vessel or property owned by him which may be sustained in the Channels, the entrance channels or adjacent waters. The Association shall have no liability or responsibility therefore.

(j) Liability for Damage to Channels Property. Owners shall be liable for damage to any part of the Channels as a result of the willful, careless or negligent acts of themselves, their family, their tenants, invitees, licensees or guests.

(k) Use of Channels Property.

(1) The slips, docks, piers and any portions of the Channels shall not be obstructed, carpeted, nor used for any purpose other than for access to utilities and ingress and egress to and from dockage areas; nor shall any carts, tables, maritime equipment or other objects be stored anywhere on the Channels, except in the vessels, if any, approved by the Association for installation by an Owner.

(2) Noise shall be kept at a minimum at all times. Unit Owners shall use the utmost discretion in operating main engines, radios, televisions and/or other equipment so as not to create a nuisance or disturbance in the Channels.

(3) No swimming, diving, or other water sport is permitted within the Channels except in the areas designated therefore.

(4) Laundry of any type or any item of personal or unsightly nature shall not be hung or spread to dry or air in public view from any vessel or slip.

(5) All halyards must be tied off at night or in the absence of the Unit Owner or vessel operator.

(6) No mooring area or vessel shall be used for commercial fishing, party boats, or charters within the Channels.

(7) Advertising or soliciting shall not be permitted on or from any vessel moored in the Channels.

(8) No notices of any kind shall be posted on Channels Property or any part of the Channels except on area designated by the Association. Such notices must be submitted to the Association office for approval prior to posting.

(9) The boardwalk adjacent to the seawall and the seawall shall be a common element and nothing shall be placed, stored or affixed thereto except approved hose reels and pumps.

(l) Refuse Removal. Refuse, trash and/or garbage shall not be thrown overboard. Garbage shall be deposited in containers supplied for that purpose. No person shall discharge sewage, waste water, fuel, oil, spirits, flammable liquids or oily bilge water into the waters, entrance channels or adjacent waters of the Channels. Charcoal or open flame fires will not be permitted on vessels at any time. No flammable, combustible or exposed fluids, chemicals or substances (other than fuel and oil in the vessel's engine system) shall be kept in any Boat Slip, vessel or other parts of the Restricted Premise.

(m) Lighting. The use of spotlights, floodlights and/or other lighting in such a manner as to adversely affect the safety and/or comfort of others is prohibited.

(n) Repair of Vessels. Major repairs and/or refitting of vessels at dockside is prohibited. The extent of repairs or maintenance permitted to be performed in the Channels shall be at the sole discretion of the Association. Any repair person must first register with the Association and provide proof of adequate insurance, worker's compensation and such other requirements as the Association may deem necessary prior to commencing any repairs.

(o) Emergency Contacts. Unit Owners are requested to record with the Association current name(s), address(es) and telephone number(s) of person(s) to contact in case of emergency.

(p) Pets. Pets shall only be permitted as otherwise defined in this Declaration.

(q) Insurance. All Unit Owners shall supply adequate and satisfactory proof of insurance to the Association. The Association shall not be in any way responsible for loss, theft or damage of or to any vessel or vehicles on the Channels Property.

(r) Remedies for Breach. Violations of any of the Rules and Regulations or any misconduct or immoral or offensive behavior by a Unit Owner or such Unit Owner's invitees, licensees, lessees or agents, which might injure a person, cause damage to property, or be considered in bad taste by the Association shall be cause for immediate removal of the vessel and persons in question from the Restricted Premise, upon order of the Association, and shall be deemed sufficient reason for the Association to take further action.

(s) Guests of Unit Owners. All Unit Owners may have guests. Unit Owners having guests will be held responsible for the conduct of their guests while in the Channels and for all indebtedness or liability incurred such guests.

(t) Children. Unit Owners are directly responsible for their children and their guests' children and their conduct in the Condominium. Children are not permitted to play tag, run or romp on the docks at any time. Children shall be the direct responsibility of their parents or legal guardians, including full supervision of them while within the Condominium and including full compliance by them with these Rules and Regulations and all other rules and regulations of the Association. Applicable rules, regulations and recommendations promulgated by government agencies applicable to children (including, without limitation, those requiring the use of personal floatation devices) shall be complied with at all times.

(u) Association Employees.

(1) Except for services specifically provided by the Association to Unit Owners, employees of the Association, if any, are not to perform or to be requested to perform personal services for Unit Owners; the Association shall be solely responsible for directing and supervising employees of the Association. In the event that any Association employee does perform such services for a Unit Owner (regardless of when they are performed): (1) such employee shall be considered as

acting as agent of the Unit Owner. (2) such performance shall be deemed outside the scope of the employee's employment by the Association, and (3) the Association shall not be responsible in any manner for such employee's actions, including, but not limited to, such employee's tortuous acts, injuries and remunerations.

(2) No reprimand shall be given Association employees by any Unit Owner of the Association. All complaints and suggestions shall be made in writing, dated and signed by the Unit Owner, and addressed to the Board of the Association.

(v) Advertising and Sales. Until such time as Declarant has sold and conveyed all of its Units in West Harbor Lagoons Boataminium Condominium, and notwithstanding any provision hereof to the contrary, Declarant shall be permitted use of the Channels for promotional purposes.

(w) Risers. All risers shall be of 4x4 wood construction. Each Unit Owner shall be responsible for the maintenance and replacement of broken risers. Only commercial products designed as fenders or bumpers shall be allowed. No carpet, tires or the like shall be permitted.

(x) No Overnight Use. No vessel shall be occupied overnight.

(y) Rental. As stated in Article III, Section 2(s), no renting is allowed except to immediate family members.

(z) No Wake and Clear Zone. No vessel shall cause a wake in the Channels.

ARTICLE IV

BUILDING DESCRIPTION

Section 1. Residential Building. The Condominium consists of Water Slip Units which are defined in Article V, Section 2(a). Appurtenant to each Unit is a Limited Common Element where a manufactured home may be located.

ARTICLE VUNITS

Section 1. Unit Designations. Each of the one hundred twenty-one (121) units is designated on the Drawings by a number.

The unit designations for the one hundred twenty-one (121) units for its proper identification are attached as Exhibit B.

Section 2. Composition of Units.

(a) “Water Slip” Units. Each Water Slip Unit consists of the land under a portion of the water in a water slip or the land under a portion of the water in a water slip, and under a portion of the piers or wharves that form the water slip, which portion of water or portion of water, piers, and wharves is used for the mooring of watercraft and is designated as a Unit herein and delineated on the drawings. No part of the piers, wharves, the land under the piers or wharves or other Common Elements is included within the Water Slip Unit.

(b) Unit Sizes; Location and Components. The designations, locations and dimensions and the immediate common area to which it has access or each Unit is shown on the drawings as Exhibit C.

(c) Depth of Water. The Declarant does not guarantee and shall not be responsible to maintain the depth of water.

(d) Restriction on Transfer. The Limited Common Element is an appurtenance to the Boat Slip Unit and may not be separated therefrom sold or otherwise encumbered.

(e) Unit Sizes; Locations and Components. The location and size of each Unit is shown on the Drawings.

Section 3. Relocation of Boundaries of Units and Limited Common Elements(a) Right to Relocate Boundaries of Units and Limited Common Elements.

Notwithstanding any provision in this Declaration to the contrary, to the extent not prohibited by Ohio Law, the boundaries between adjoining Units and appurtenant Limited Common Elements may be relocated and the undivided interests in the Common Elements appurtenant to those Units may be reallocated by an amendment to the Declaration pursuant to the following procedures:

(1) The Owners of the adjoining Units shall submit to the Board a written application for the relocation and reallocation.

The application shall be accompanied by the written consents of the holders of all liens on those Units, except liens for real estate taxes and assessments not due and payable.

(2) In the application, the Owners of the adjoining Units may request a specific reallocation of their undivided interests in the Common Elements allocated to the adjoining Units.

(b) Board Approval of Relocation of Boundaries and Reallocation of Undivided Interests in Common Elements.

Unless the Board finds any requested reallocation of the undivided interests in the Common Elements to be unreasonable, within thirty days after the Board receives the application, the Association shall prepare, at the expense of the Owners of the adjoining Units, an amendment to the Declaration that is executed by the Owners of the affected Units and that includes all of the following:

(1) Identification of the affected Units;

(2) Words of conveyance between the Owners of the Units;

(3) A specification of the undivided interests in the Common Elements, the proportionate shares of common surplus and common expenses, and the voting powers of each Unit resulting from the relocation and reallocation, the total of which shall equal the interests, shares, and powers of the former adjoining Units.

(c) Recordation of Amendment. At the expense of the Owners of the affected Units, the Association shall record the amendment to the Declaration together with both of the following:

- (1) Any drawing, plat, or plans necessary to show the altered boundaries of the affected Units;
- (2) The dimensions and identifying number of each Unit that results from the relocation and reallocation.

Existing liens automatically shall attach to each Unit that results from the relocation and reallocation.

ARTICLE VI

COMMON AND LIMITED COMMON ELEMENTS

Section 1. Common Elements - Description. All of the Condominium Property, including all of the land and all improvements, thereon and appurtenances thereto, except those portions labeled or described herein or in the Drawing as a part of a Unit, are Common Elements.

Section 2. Limited Common Elements - Description. Those portions of the Common Elements that are labeled or designated "LCE" or "Limited Common Elements" on the Drawings, are Limited Common Elements. All such Limited Common Elements are reserved for the exclusive use of the owners and occupants of the Unit(s) designated to be served by the same.

Section 3. Undivided Interest. The undivided interest in the Common Elements of each Unit is shown on Exhibit B, and is based upon each Unit having an equal undivided interest in the Common Elements based upon a par value of one. The Common Elements shall be owned by the Unit Owners as tenants in common, and ownership thereof shall remain undivided. No Unit Owner may waive or release any rights in the Common Elements. Further, the undivided interest in the Common Elements of a Unit shall not be separated from the Unit to which it appertains. Any attempted conveyance, encumbrance, judicial sale or other transfer of a Unit Owner's fee interest in Common Elements will be void unless the Unit to which such interest is allocated is also transferred.

Section 4. Limited Common Elements – Reallocation. Notwithstanding any provision in this Declaration to the contrary, to the extent not prohibited by Ohio Law, rights to the use of Limited Common Elements may be reallocated between or among Units by an amendment to the Declaration pursuant to the following procedures:

(a) The Owners of the affected Units shall prepare and execute at their expense an amendment to the Declaration that identifies the affected Units and specifies the reallocated rights to the affected Limited Common Elements.

(b) The Owners of the affected Units shall submit to the Board of Directors of the Unit Owners Association the amendment, accompanied by the written consents of the Owners of all affected Units and the holders of all liens on those Units except liens for real estate taxes and assessments not due and payable.

Section 5. Construction of Improvements in Common and Limited Common Elements.

Notwithstanding any provision in this Declaration to the contrary, to the extent not prohibited by Ohio Law and subject to such rules as the Board may adopt, the Board may authorize the use of Limited Common Elements appurtenant to a particular Unit for the construction of open, unenclosed patios, hedges, decks, fences or similar improvements provided that:

(a) All requirements of subsections (d) and (o) of Article III, Section 2, above, are complied with;

(b) All such improvements are insured and maintained by the owner of the Unit to which such Limited Common Elements are appurtenant; and

(c) Such obligations to insure and maintain are memorialized in an agreement prepared at the direction of the Board (but at the expense of the requesting Unit Owner) and recorded in the chain of title to the Unit so that all successors in title shall have notice that the insurance and maintenance of such improvements are not the responsibility of the Association.

ARTICLE VIIUNIT OWNERS' ASSOCIATION

Section 1. Establishment of Association. The Association has been formed to be and to serve as the Unit Owner's Association of the Condominium. The Declarant is presently the sole member of the Association.

Section 2. Membership. Membership in the Unit Owners' Association shall be limited to the Unit Owners, and every person or entity who is or becomes a record owner of a fee or undivided fee simple interest in a Unit is a Unit Owner and shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Unit, and transfer of a Unit shall automatically transfer membership to the transferee.

Section 3. Voting Rights. Each Unit Owner shall be entitled to one vote for each Unit owned in fee simple, and a proportionate part of a vote for ownership of an undivided fee-simple interest in a Unit, provided, that unless timely challenged by an owner of a fee simple interest in a Unit, any owner of a fee simple interest in that Unit may cast the entire vote with respect to that Unit.

Section 4. Board of Directors. The Board initially shall be those eleven persons named as the initial Directors pursuant to the provisions of the Articles, or such other person or persons as may from time to time be substituted by Declarant. No later than sixty (60) days after Units to which 25% of the undivided interests in the Common Elements appertain have been sold and conveyed by the Declarant, the Unit Owners shall meet, and from and after that date there shall be seven Directors. The Unit Owners other than the Declarant shall elect three of the Directors, one from each row (precinct) in the condominium, at such meeting and the Declarant shall designate the other four of the Directors, which seven Directors shall serve until the meeting described in the next paragraph. For purposes of computing the undivided interests referred to in this and the following paragraphs, those interests shall be computed by comparing the number of Units sold and conveyed to the maximum number of Units created, one hundred twenty-one (121).

Within sixty (60) days after the sale and conveyance, to purchasers in good faith and for value, of Units to which 75% of the undivided interests in the Common Elements appertain, but in no event later than the fifth anniversary of the establishment of the

Association, the Association shall meet and all Unit Owners, including the Declarant, shall elect seven Directors to replace all of those Directors earlier elected or designated by the Unit Owners or Declarant, respectively. One Director shall be from each row (precinct) in the condominium and four shall be at large. In the event that a Director from each row cannot be filled that seat or seats will be deemed to be at large until their reelection at which time the representative from each row will have priority. The Directors from each row shall initially be elected for a three year term with the initial at large Directors being elected two for one year and two for two years. The at large Directors thereafter shall be elected for three year terms. (The persons so elected shall take office at the end of the meeting during which they are elected and shall, as soon as reasonably possible, appoint officers.) At each annual meeting, successors to the Directors whose terms then expire shall be elected to serve three-year terms.

Notwithstanding the foregoing, Declarant shall have the right at any time to waive its right to select one or more Directors or to vote in an election of Directors.

Notwithstanding anything to the contrary, in addition to the seven Directors, the lessees of Units (non-owners) shall have the right to elect one person who shall be a home owner occupant to be a non-voting Advisory Director. Said non-voting Advisory Director shall not be a member of the Association for any other purpose including the obligation to pay assessments. Said non-owner Advisory Director shall serve for one-year terms. In the event that there are five or less non-owners in the Condominium, the position of Advisory Director shall be eliminated.

Section 5. Authority. The Board shall have all authority to manage, maintain, repair, replace, alter and improve the Common Elements and assess and collect funds for the payment thereof, and do all things, and exercise all rights provided by the Condominium Organizational Documents, or the Condominium Act, that are not specifically reserved to Unit Owners, including, without limitation:

- (a) Hire and fire managing agents, attorneys, accountants, and other independent contractors and employees that the board determines are necessary or desirable in the management of the Condominium Property and the Association;
- (b) Commence, defend, intervene in, settle, or compromise any civil, criminal, or administrative action or proceeding that is in the name of, or threatened against, the Association, the Board, or the Condominium Property,

or that involves two or more Unit Owners and relates to matters affecting the Condominium Property;

(c) Enter into contracts and incur liabilities relating to the operation of the Condominium Property;

(d) Regulate the use, maintenance, repair, replacement, modification, and appearance of the Condominium Property;

(e) Adopt rules that regulate the use or occupancy of Units, the maintenance, repair, replacement, modification, and appearance of Units, Common Elements, and Limited Common Elements when the actions regulated by those rules affect Common Elements or other Units;

(f) Cause additional improvements to be made as part of the Common Elements;

(g) Purchase, encumber, and convey Units, and, subject to the requirements of Section 3 of Article XVII of this Declaration, acquire an interest in other real property and encumber or convey that interest. All expenses incurred in connection with the acquisition, encumbrance, use, and operation of that interest are common expenses.

(h) Acquire, encumber, and convey or otherwise transfer personal property;

(i) Hold in the name of the unit owners association the real property and personal property acquired pursuant to subsections (g) and (h) of this section;

(j) Grant easements, leases, licenses, and concessions through or over the Common Elements;

(k) Impose and collect fees or other charges for the use, rental, or operation of the Common Elements or for services provided to Unit Owners;

(l) Impose interest and late charges for the late payment of assessments and impose returned check charges;

- (m) Promulgate and, pursuant to division (C) of this section 6 of Article VII, impose reasonable enforcement assessments for violations of the declaration, the bylaws, and the rules of the unit owners association, and reasonable charges for damage to the common elements or other property;
- (n) Adopt and amend rules that regulate the collection of delinquent assessments and the application of payments of delinquent assessments;
- (o) Impose reasonable charges for preparing, recording, or copying amendments to the declaration, resale certificates, or statements of unpaid assessments;
- (p) Enter a Unit and manufactured home for bona fide purposes when conditions exist that involve an imminent risk of damage or harm to Common Elements, another Unit, or to the health or safety of the occupants of that Unit or manufactured home or another Unit or manufactured home;
- (q) To borrow funds, as needed, including the loan(s) incurred to purchase the property and establish the Condominium and pledge such security and rights of the Association as may be necessary or desirable to obtain any such loan including, without limitation, the pledge or assignment of the Association's right to future income and the Association's right to levy assessments upon the members;
- (r) Suspend the voting privileges and use of recreational facilities of a Unit Owner or the Occupants of a Unit the Owners of which are delinquent in the payment of assessments for more than thirty days;
- (s) Purchase insurance and fidelity bonds required by this Declaration, the By-Laws, or by The Mortgage Corporation, Federal National Mortgage Association, Department of Housing and Urban Development, Veterans' Administration, or any similar holder, insurer or guarantor of first mortgage loans upon Units in the Condominium, or such other insurance and fidelity bonds as the directors consider appropriate or necessary;
- (t) Invest excess funds in investments that meet standards for fiduciary investments under Ohio law;

(u) Exercise powers that are:

- (1) Conferred by this Declaration or the By-laws, or the law of the State of Ohio;
- (2) Necessary to incorporate or reincorporate the Association as an Ohio not-for-profit corporation;
- (3) Permitted to be exercised in Ohio by a not-for-profit corporation;
- (4) Necessary and proper for the government and operation of the Association.

Section 6. Procedures for Enforcement of Violations.

(a) Notice. Prior to imposing charges for damages to the Common Elements or other property, or assessments for the enforcement of violations of the provisions of the Declaration, By-Laws or rules and regulations of the Association, the Board shall give the Owners of the Unit written notice containing:

- (1) A description of the property damaged or the violation;
- (2) The amount of the proposed charge or assessment;
- (3) A statement that the owner has a right to a hearing before the Board to contest the proposed charge or assessment;
- (4) A statement setting forth the procedures to request a hearing pursuant to subsection 6(b) of this Article; and
- (5) A reasonable date by which the Unit Owners must cure the violation to avoid the proposed charge or assessment.

(b) Hearing. A Unit Owner may request a hearing by delivering written notice of such request no later than the tenth day after receiving the notice provided in Subsection 6(a) of this Article. If the Unit Owners fail to make a

timely request for a hearing, the right to such hearing shall be considered waived, and the Board may immediately impose the charge for damages or enforcement assessment referenced in the notice provided in Subsection 6(a) of this Article, or may allow a reasonable time to cure the violation before imposing a charge or assessment. If a Unit Owner requests a hearing, the Board shall not levy the charge or assessment before holding a hearing, and will, at least seven days prior to the hearing, provide the Unit Owners with a written notice of the date, time and location of the hearing. Within 30 days following a hearing at which the Board imposes a charge or assessment, the Board shall deliver a written notice of the charge or assessment to the Unit Owners.

(c) Manner of Notice. Any notice required under this Section to be served:

(i) upon the Unit Owners shall be delivered personally to the Owners or Occupants at the Unit, or mailed (by certified mail, return receipt requested) to the Owners at the address of the Unit, provided that if the Owners have provided the Association with an alternate address, all such notices shall be mailed (by certified mail, return receipt requested) to the Owners at such alternative address.

(ii) upon the Association shall be delivered personally to any officer of the Association or to any on-site representative of any professional management company hired by the Association; or mailed (by certified mail, return receipt requested) to any officer of the Association or to the management company hired by the Association.

Section 7. Delegation of Authority; Professional Management. The Board may delegate all or any portion of its authority to discharge its responsibilities to a managing agent. This delegation of authority and responsibility to a managing agent may be evidenced by one or more management contracts which may provide for the payment of reasonable compensation to such managing agent as a common expense, provided, however, that any agreement for professional management: shall be terminable by the Association for cause on thirty (30) days written notice; shall be terminable by either party, without penalty, on ninety (90) days written notice; shall not exceed one year unless renewed by agreement of the parties for successive one-year periods; and shall be bona fide and commercially reasonable

at the time entered into under the circumstances then prevailing. Subject to the foregoing, nothing contained herein shall preclude Declarant, or any other entity designated by Declarant, from being employed as managing agent. The managing agent, or the Board, if there is no managing agent, shall have the authority to enter into contracts with Declarant, as defined by an institutional first mortgagee or agency or organization which purchases or insures first mortgages, for goods, services, or for any other thing, including, without limiting the generality of the foregoing, contracts for the providing of management, maintenance and repair services, provided the same are bona fide and commercially reasonable to the Unit Owners at the time entered into under the circumstances then prevailing and are terminable by the Association, without cause and without penalty, on ninety (90) days written notice.

The decision by the Board not to have professional management, or to terminate professional management and assume self management, shall not be made without the consent of eligible holders of first mortgages on Units to which at least fifty-one percent (51%) of votes of Units subject to such mortgages appertain and the prior written consent of Unit Owners entitled to exercise not less than 67% of the voting power of Unit Owners (including the consent of Owners other than the Declarant who hold a majority of the voting power of Units owned by Owners other than the Declarant). Eligible holders of first mortgages on at least 51% of units subject to such mortgages held by eligible holders, may require the Association to employ professional management. Eligible holders of first mortgages on at least 51% of units subject to such mortgages held by eligible holders, may require the Association to perform and supply an audit of the Association's financial records.

Section 8. Veterans Administration Limitations During Declarant Control Period.

Prior to the time that the Declarant has turned over control of the Association to the members, if the Veterans Administration has guaranteed any loan secured by a Unit in the Condominium, all of the following actions must have the prior approval of the Veterans Administration:

- (a) Any Amendment of the Declaration which includes adding, deleting or modifying any provision regarding the following:
 - (1) Assessment basis or assessment liens;
 - (2) Any method of imposing or determining any charges to be levied against individual unit owners;

- (3) Reserves for maintenance, repair or replacement of Common Element improvements;
 - (4) Maintenance obligations;
 - (5) Allocation of rights to use Common Elements;
 - (6) Any scheme of regulation or enforcement of standards for maintenance, architectural design or exterior appearance of improvements on units;
 - (7) Reduction of insurance requirements;
 - (8) Restoration or repair of Common Element improvements;
 - (9) The addition, annexation or withdrawal of land to or from the project;
 - (10) Voting rights;
 - (11) Restrictions affecting leasing or sale of a unit;
 - (12) Any provision which is for the express benefit of mortgagees;
 - (13) The rights of any specific class of members;
 - (14) Termination of the Declaration;
 - (15) Dissolution of the Association except pursuant to a consolidation or merger; or
 - (16) Conveyance of all Common Elements.
- (b) Any of the following action taken by the Association:

- (1) Merging or consolidating the association (other than with another non-profit entity formed for purposes similar to the subject association);
- (2) Determining not to require professional management if that management has been required by the association documents, a majority of eligible mortgagees or a majority vote of the members;
- (3) Expanding the association to include land not previously described as additional land which increases the overall land area of the project or number of units by more than 10 percent;
- (4) Abandoning, partitioning, encumbering, mortgaging, conveying selling or otherwise transferring or relocating the boundaries of Common Elements (except for (i) granting easements which are not inconsistent with or which do not interfere with the intended Common Element use; (ii) dedicating Common Elements as required by a public authority; (iii) limited boundary-line adjustments made in accordance with the provisions of the declaration or (iv) transferring Common Elements pursuant to a merger or consolidation with a non-profit entity formed for purposes similar to the subject association);
- (5) Using insurance proceeds for purposes other than construction or repair of the insured improvements;
- (6) Making capital expenditures (other than for repair or replacement of existing improvements) during any period of 12 consecutive months costing more than 20 percent of the annual operating budget);
- (7) Terminating the Declaration;
- (8) Dissolving the Association except pursuant to a consolidation or merger; or

(9) Conveying all Common Elements.

ARTICLE VIII

AGENT FOR SERVICE

The name of the person to receive service of process for the Association, and that person's residence or place of business, which is Ottawa County, Ohio, where the Condominium is situated is: West Harbor Lagoons Association, c/o Ronald T. Lake, President, 1510 N. Buck Road #86, Marblehead, Ohio 43440.

In the event this individual for any reason ceases to be registered with the Secretary of State of Ohio as Statutory Agent for the Association, the person so registered shall be the person to receive service of process for the Association.

ARTICLE IX

MAINTENANCE AND REPAIR

Section 1. Association Responsibility. To the extent that the Board, in the exercise of its duty to use ordinary care and prudence in the management of the property and financial affairs of the Condominium, allocates funds therefore, the Association shall maintain and repair the Common Elements, including and not limited to the breakwalls, the boardwalks adjacent to the channel, utility facilities serving more than one Unit, utility lines in the Common Elements, lawns, shrubs, trees, boardwalks, and all buildings which are a part of the Common Elements, and, provided, however, that the Association shall not be required to provide cleaning or housekeeping with respect to Limited Common Elements. The Declarant hereby assigns to the Association all warranties received by the Declarant with regard to common elements, that exceed the time periods for the Declarant's warranty under §5311.25(E)(1) and (2) of the Ohio Revised Code.

Section 2. Individual Responsibility. Each Unit Owner shall repair and maintain the Unit or Units, and all components thereof, owned by that Unit Owner including the risers, and provide cleaning, housekeeping and lawn mowing, shrub and tree maintenance with respect to the Limited Common Elements appurtenant to that Owner's Unit. The maintenance and repair of the manufactured home located upon the Limited Common

Element shall be the responsibility of the Unit Owner. Without limiting the generality of the foregoing, this repair and maintenance responsibility shall include repair and maintenance of all windows, screens and doors, including the frames, sashes and jambs, and the hardware therefor; and cleaning, housekeeping and lawn mowing, shrub and tree maintenance of the Limited Common Elements and any improvements therein. In the event a Unit Owner shall fail to make any such repair or perform such maintenance, or in the event the need for maintenance or repair of any part of the Common Elements or Limited Common Elements is caused by the negligent or intentional act of any Unit Owner or Occupant, or is as a result of the failure of any Unit Owner or his, her or its predecessors in title to timely pursue to conclusion a claim under any warranty, express, implied, or imposed by law, then in any such event, the Association may perform such repair or maintenance and, to the extent that the cost is not covered by insurance proceeds collected by the Association, the costs not recovered by the Association shall constitute a special individual Unit assessment, as hereinafter defined, on the Unit owned by such Unit Owner. The determination that such maintenance or repair is necessary, or has been so caused, shall be made by the Board.

ARTICLE X

UTILITY SERVICE

Each Unit Owner by acceptance of a deed to a Unit agrees to pay for utility services separately metered or sub-metered or separately charged by the utility company or the Association to that Unit. In the event any utility service is not separately metered the cost thereof shall be a common expense and paid by the Association.

ARTICLE XI

INSURANCE; LOSSES BONDS

Section 1. Fire and Extended Coverage Insurance. The Board shall have the authority to and shall obtain insurance for all buildings, structures, supplies, machinery, fixtures and equipment and common personal property and supplies now or at any time hereafter constituting a part of the Common Elements or common property of the Association, against loss or damage by fire, lightning, and such other perils as are ordinarily insured against by standard extended coverage endorsements, and all other perils which are customarily covered with respect to projects similar in construction, location and use, including all perils normally covered by the standard "all risk" endorsement, where such is available in the locale of the Condominium Property, in amounts at all times sufficient to

prevent the Unit Owners from becoming co-insurers under the terms of any applicable co-insurance clause or provision and not less than one hundred percent (100%) of the current replacement cost of such items (exclusive of land, foundations, footings, excavations, and other items normally excluded from coverage), as determined from time to time by the insurer, with guaranteed replacement cost endorsement or replacement cost endorsement, and if there is a co-insurance provision, with agreed amount endorsement, and with a deductible not greater than the lesser of \$10,000 or 1% of the face amount of the policy. This insurance:

(a) shall provide coverage for improvements, alterations, fixtures and equipment located within Units; even though these improvements may be parts of Units; and any other items of personal property for which coverage is required by The Mortgage Corporation, Federal National Mortgage Association, Department of Housing and Urban Development, Veterans' Administration, or any similar holder, insurer or guarantor of first mortgage loans upon Units in the Condominium;

(b) shall provide that no assessment may be made against a first mortgage lender, or its insurer or guarantor, or any designee of the foregoing, and that any assessment under such policy made against others may not become a lien on a unit and its appurtenant interests superior to a first mortgage. The carrier's charter, by-laws or policy may not make loss payments contingent upon action by the carrier's board of directors, policyholders or members, nor may the policy include any limiting clause (other than insurance conditions) which could prevent any unit owner or holder, insurer or guarantor of a first mortgage on a unit, from collecting insurance proceeds.

(c) shall be obtained from an insurance company authorized to write such insurance in the State of Ohio which has a current rating of Class A/VIII, or better, as determined by the then latest edition of *Best's Insurance Reports*, or its successor guide, or comparable rating by a nationally recognized rating agency, or such higher rating as may, from time to time, be required by The Mortgage Corporation, Federal National Mortgage Association, Department of Housing and Urban Development, Veterans' Administration, or any similar holder, insurer or guarantor of first mortgage loans upon Units in the Condominium; or, if the insurer does not satisfy these rating requirements, that insurer is reinsured by a company that has an A/VIII or comparable rating, or better rating;

(d) shall provide that its coverage is primary, and be written in the name of the Association for the use and benefit of the individual Unit Owners and their mortgage holders, or its authorized representative, including any insurance trustee with whom the Association has entered into an insurance trust agreement, or any successor to such trustee, for the use and benefit of the Individual Unit Owners and their mortgage holders, as their interests may appear. Each Unit Owner and each Unit Owner's mortgagee, if any, shall be the beneficiaries of the policy in proportion to the undivided interest in Common Elements appurtenant to each respective Unit.

(e) shall contain or have attached the insurance industry's standard mortgagee clause (without contribution) commonly accepted by institutional mortgage investors in the area in which the Condominium Property is located, naming the holder, insurer, guarantor or servicer of first mortgages on Units, which must provide that the insurance carrier shall notify the Association and all holders of first mortgages named at least ten (10) days in advance of the effective date of any reduction in, cancellation or lapse of, or substantial change in the policy, and which standard mortgagee clause must further be endorsed to provide that any loss shall be paid to the Association (or its insurance trustee), as a trustee for each Unit Owner and each such Unit Owner's mortgagee;

(f) shall contain a waiver of subrogation of rights by the carrier as to the Association, its officers and Directors, and all Unit Owners, and the rights of the various parties to collect pursuant to such insurance shall not be prejudiced by the acts or failure to act of any Unit Owner, Director or Officer of the Association, or any person under the control of the Association; and

(g) shall contain provisions recognizing any Insurance Trust Agreement and such other endorsements and meet such other requirements as are standard for similar projects in the area, including, without limitation and where available without excessive cost, inflation guard endorsement, building ordinance and law endorsement, and boiler (at not less than \$50,000 per accident per location, if applicable) and machinery endorsement where applicable, and such other endorsements as are, from time to time, required by The Mortgage Corporation, Federal National Mortgage Association, Department of Housing and Urban Development, Veterans' Administration, or any similar holder, insurer or guarantor of first mortgage loans upon Units in the Condominium;

The cost of this insurance shall be a common expense, payable by the Association. Certificates of insurance shall be issued to each Unit Owner and mortgagee upon request.

Section 2. Liability Insurance. The Association shall obtain and maintain a comprehensive commercial general liability insurance policy, written on a per-occurrence basis, covering all of the Common Elements and any other areas under the Association's supervision, insuring the Association, the Directors, and the Unit Owners and Occupants, with such limits as the Board may determine, but no less than the greater of (a) the amounts generally required by private institutional mortgage investors for projects similar in construction, location and use, and (b) one million dollars, (\$1,000,000), for bodily injury, including deaths of persons, and property damage, arising out of a single occurrence. This insurance shall have the insurance industry's standard mortgagee clause, shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of a Unit Owner because of negligent acts of the Association, the Board, or other Unit Owners and shall include such additional coverages commonly required by private mortgage investors for developments similar in construction, location and uses including, without limitation, contractual liability, coverage for legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the Common Elements and arising out of lawsuits related to employment contracts of the Association, and such additional coverages as are required by The Mortgage Corporation, Federal National Mortgage Association, Department of Housing and Urban Development, Veterans' Administration, or any similar holder, insurer or guarantor of first mortgage loans upon Units in the Condominium. Each such policy must provide that it may not be canceled or substantially modified by any party, without at least 10 days' prior written notice to the Association, any named mortgagee, and to each holder of a first mortgage lien upon any Unit.

Section 3. Fidelity Coverage. The Board shall, to the extent such coverage is available, obtain and maintain fidelity coverage for the Association and shall require professional management to carry such insurance, against dishonest or fraudulent acts on the part of the officers, directors, trustees and employees of the Association and all agents or volunteers responsible for handling funds belonging to or administered by the Association. The fidelity bond or insurance shall name the Association as the named obligee or insured and shall be written in an amount sufficient to provide protection, which is in no event less than the greater of: (i) the maximum funds (including reserves) that will be in the custody of the Association or its agent at any time; or (ii) the sum of three months worth of assessments

plus the Association's reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers. The bond or policy shall provide that it shall not be canceled or substantially modified (including cancellation for non-payment of premium) without at least 10 days' prior written notice to the Association, any insurance trustee, and any holder, insurer, guarantor or servicer on behalf of any holder of any mortgage on a Unit who requires such rights. Any managing agent that handles funds for the Association shall be required to obtain its own fidelity bond providing similar coverage.

Section 4. Other Association Insurance. In addition, the Board may purchase and maintain such other insurance as the Board may determine, or as may be required by law (including, without limitation, workers' compensation and similar insurance where applicable) or required by The Mortgage Corporation, Federal National Mortgage Association, the Department of Housing and Urban Development, the Veteran's Administration, or any similar holder, insurer or guarantor of first mortgage loans on Units in the Condominium. All insurance shall be obtained from generally acceptable insurance carriers.

Section 5. Insurance Representative; Power of Attorney. Notwithstanding any of the foregoing provisions of this Article, or any requirement relating to property or liability insurance herein, there may be named, under any policy obtained by the Association, as an insured on behalf of the Association, its authorized representative, including any trustee with whom the Association may enter into an insurance trust agreement, or any successor to such trustee, who shall have exclusive authority to negotiate losses under any such policy and to perform such other functions as are necessary to accomplish this purpose. Each Unit Owner, by acceptance of a deed to a Unit, irrevocably appoints the Association or such designated representative, or such successor, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association, or such designated representative, or such successor, shall receive, hold or otherwise properly dispose of any proceeds of insurance, in trust, for Unit Owners and their first mortgage holders, as their interests may appear. This power is for the benefit of each and every Unit Owner, and their respective first mortgage holders, and the Association, and the Condominium, runs with the land, and is coupled with an interest.

Section 6. Unit Owners' Insurance. Any Unit Owner or Occupant may carry such insurance in addition to that provided by the Association pursuant hereto as that Unit Owner

or Occupant may determine, subject to the provisions hereof, and provided that no Unit Owner or Occupant may at any time purchase individual policies of insurance against loss by fire or other casualty covered by the insurance carried pursuant hereto by the Association. In the event any Unit Owner or Occupant violates this provision, any diminution in insurance proceeds resulting from the existence of such other insurance shall be chargeable to the Unit Owner who acquired or whose Occupant acquired such other insurance, who shall be liable to the Association to the extent of any diminution and/or loss of proceeds. Without limiting the foregoing, a Unit Owner or Occupant may obtain insurance against liability for events occurring within a Unit, losses with respect to personal property and furnishings, and losses to improvements owned by the Unit Owner or Occupant, provided that if the Association obtains insurance for permanent improvements and built-in fixtures and equipment, then the insurance obtained by the Unit Owner with respect to improvements within the Unit shall be limited to the type and nature of coverage commonly referred to as "tenants' improvements and betterments". All such insurance separately carried shall contain a waiver of subrogation rights by the carrier as to the Association, its officers and Directors, and all other Unit Owners and Occupants. In addition, each Unit Owner shall have liability protection in the sum of \$300,000 with the Association as an additional insured.

Section 7. Sufficient Insurance. In the event the improvements forming a part of the Common Elements or any portion thereof shall suffer damage or destruction from any cause or peril insured against and the proceeds of any policy or policies insuring against such loss or damage and payable by reason thereof shall be sufficient to pay the cost of repair or restoration or reconstruction, then such repair, restoration or reconstruction shall be undertaken by the Association and the insurance proceeds shall be applied by the Board in payment therefor; provided, however, that in the event that within sixty (60) days after such damage or destruction the Unit Owners and eligible holders of first mortgages, if they are entitled to do so pursuant to the provisions of this Declaration, shall elect to terminate the Condominium, then such repair, restoration or reconstruction shall not be undertaken.

Section 8. Insufficient Insurance. In the event the improvements forming a part of the Common Elements or any portion thereof shall suffer damage or destruction from any cause or peril which is not insured against, or, if insured against, the insurance proceeds from which shall not be sufficient to pay the cost of repair, restoration or reconstruction, then, unless the Unit Owners and eligible holders of first mortgages if they are entitled to do so pursuant to the provisions of this Declaration shall elect within sixty (60) days after such damage or destruction not to make such repair, restoration or reconstruction, the Association shall make repairs, restoration or reconstruction of the Common Elements so damaged or destroyed at the expense (to the extent not covered by insurance) of all Unit Owners in

proportion to their respective undivided interests in the Common Elements. Should any Unit Owner refuse or fail after reasonable notice to pay that Unit Owner's share of such cost in excess of available insurance proceeds, the amount so advanced by the Association shall be assessed against the Unit of such Unit Owner and that assessment shall have the same force and effect, and, if not paid, may be enforced in the same manner as herein provided for the nonpayment of assessments.

Section 9. Compliance with Institutional Requirements. Notwithstanding any provision to the contrary contained herein, the Association shall maintain such insurance coverage as is required to be obtained by any national, institutional holder, purchaser, guarantor, insurer or servicer of a first mortgage secured by a Unit in the Condominium.

ARTICLE XII

RESTORATION OF DAMAGE OR DESTRUCTION

Section 1. Obligation to Restore. In the event of damage to or destruction of all or any part of a building, structures or fixtures constituting a part of the Condominium Property, or the taking all or any part of a building, structures or fixtures constituting a part of the Condominium Property in any condemnation or eminent domain proceeding, the Association shall promptly restore or replace the same, unless an election is made in accordance with the requirements of this Article, not to do so.

Section 2. Election not to Restore. The Association may, with the consent (obtained within sixty (60) days after such damage, destruction or taking) of Unit Owners entitled to exercise not less than eighty percent (80%) of the voting power of Unit Owners, including the consent of Owners other than the Declarant who hold a majority of the voting power of Units owned by Owners other than the Declarant (for the purposes of the foregoing, such consent with respect to a Unit owned by the Declarant shall not be valid unless prior written consent is obtained from the mortgagee of such Unit) and the consent of eligible holders of first mortgages on Units to which at least seventy-five percent (75%) of the votes of Units subject to mortgages held by Eligible holders of mortgages appertain, determine not to repair or restore such damage, destruction or taking. In the event of such election not to repair or restore such damage, destruction or taking, the Condominium Property shall either be sold as upon partition (and the Condominium regime terminated and dissolved) pursuant to subsection (a) of this section, or the Association shall distribute the proceeds among the Owners (and their mortgagees and other lien holders) pursuant to subsection (b) of this

section, in proportion to the damage done to their interests by the failure of such damage, destruction or taking to be repaired or restored.

(a) Dissolution of Condominium and Partition Sale. Upon an election not to repair or restore all damage, destruction or taking pursuant to Section 2 of this Article, Owners of Units exercising a majority of the voting power of the Unit Owners may bring an action in partition for the sale of the entire Condominium Property, in which event the net proceeds of such sale, along with the net proceeds of insurance and any other indemnity arising because of the damage or destruction, shall be distributed among all Unit Owners in proportion to the undivided interests in the common elements appurtenant to their respective Units. No Owner shall be entitled to receive any portion of those proceeds until all liens and encumbrances on the Owner's Unit (except taxes and assessments of political subdivisions not then due and payable) are paid, released or discharged.

(b) No Partition Sale/Dissolution. Upon an election not to repair or restore all damage, destruction or taking pursuant to Section 2 of this Article, if the Unit Owners do not elect to bring an action in partition pursuant to Section 2(a) of this Article, the net proceeds of insurance or awards paid by reason of such damage or destruction or such taking shall [after payment to damaged Unit Owners in accordance with the balance of this subsection (b)] be added to the Association's reserves, to be used by the Association for future capital improvements, repair or replacements.

In the event that part of the buildings, structures and fixtures not restored or replaced are part of one or more Units, then there shall be allocated and disbursed from the insurance and condemnation proceeds and awards, to each Unit Owner whose Unit cannot be so restored or replaced, and his, her or its respective first mortgagee, as their interests may appear, either:

(a) such amount as would be required for the Unit Owner to restore or repair such damage or taking, if the repair or restoration would return the Unit to tenantable condition equal to the size and condition thereof existing immediately prior to such damage, destruction or taking. No Owner shall be entitled to receive any portion of those proceeds until all liens and encumbrances on the Owner's Unit (except taxes and assessments of political subdivisions not then due and payable) are paid, released or discharged; or

(b) if such restoration is not possible, an amount equal to the fair market value of the Unit immediately prior to such damage, destruction or taking. In the later event, upon such distribution, such Unit or Units, and the owners thereof, shall be immediately and automatically divested of any interest in the unrestored Unit including, without limiting the generality of the foregoing, divestment of an undivided interest, vote, membership in the Association, and liability for common expenses. All such rights and interests shall be reallocated among all other Units and Unit Owners in the same relative proportions as those rights and interests were prior to such taking. To illustrate, upon a Unit being divested from the Condominium, (x) the voting right of that Unit will be allocated among all other Units in proportion to their respective voting powers in the Association, and (y) the undivided interest of that Unit will be reallocated among all other Units in the proportions of their relative undivided interests prior to such taking. No Owner shall be entitled to receive any portion of those proceeds until all liens and encumbrances on the Owner's Unit (except taxes and assessments of political subdivisions not then due and payable) are paid, released or discharged.

ARTICLE XIII

CONDEMNATION

Section 1. Standing. Except as hereinafter provided, the Association, or its designated representative, or authorized successor, as trustee, shall represent the Unit Owners in any condemnation or eminent domain proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of all or any part of the Condominium Property, and shall have the sole and exclusive right to settle the loss with the condemning authority and to receive the award or proceeds of settlement, in trust, for the use and benefit of the Unit Owners and their mortgagees as their interests may appear. Notwithstanding the foregoing, in the event that a Unit Owner may lawfully separately pursue and realize upon a claim for incidental and consequential losses or damage to that Unit Owner resulting from a taking under the power of eminent domain, such as for relocation and moving expenses, loss of favorable mortgage terms, and other such individual incidental or consequential loss, that Unit Owner may, at his, her or its election, separately pursue such claim, provided, that the pursuing of the same, or the realization of an award thereof, neither jeopardizes, in any way, an action by the Association to recoup the losses

incurred by it, any other Unit Owner, or the direct loss with respect to the Unit itself, or with regard to the usability thereof, nor diminishes any award for any such loss.

Section 2. Use of Proceeds. The award or proceeds of settlement in any such proceedings, after reduction by the costs, if any, incurred in obtaining the same, shall be applied first to the cost of restoring or replacing all damaged improvements on the remaining Condominium Property in accordance with the Drawings, or in accordance with any new plans and specifications therefor approved by Unit Owners exercising no less than seventy-five percent (75%) of the voting power of Unit Owners, and the holders of eligible first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to mortgages held by eligible holders of first mortgages appertain. If the award or proceeds are insufficient for such purpose, the excess cost shall be paid by the Association and, to the extent funds of the Association are insufficient therefor, in the judgment of the Board, such excess cost shall be a common expense and assessed among the Units in the same manner as special assessments for capital improvements are assessed. Except as hereinafter provided, the balance of any such award or proceeds of settlement, if there is an excess, shall be allocated and distributed to the Unit Owners, and their first mortgagees, as their interests may appear, in proportion to the relative undivided interests of the Units in the Common Elements. Notwithstanding the foregoing, in the event that as a result of any such taking, and consequent restoration or replacement, any Unit could not reasonably be restored to a condition comparable to that which existed prior to the taking, or could not be replaced, prior to the allocation and disbursement of any sum to any other Unit Owner or his, her or its mortgagee, there shall be allocated and disbursed from such award or proceeds, to each Unit Owner whose Unit cannot be so restored or replaced, and his, her or its respective first mortgagee, as their interests may appear, such amount as is equal to the then fair market value of the Unit that cannot be so restored or replaced. Thereupon, such Unit or Units, and the owners thereof, shall be immediately and automatically divested of any interest in the Condominium, the Condominium Property, and the Association, including, without limiting the generality of the foregoing, divestment of an undivided interest, vote, membership in the Association, and liability for common expenses. All such rights and interests shall be reallocated among all other Units and Unit Owners in the same relative proportions as those rights and interests were prior to such taking. To illustrate, upon a Unit being divested from the Condominium, (a) the voting right of that Unit will be equally allocated among all other Units, since each Unit prior thereto had an equal vote, and (b) the undivided interest of that Unit will be reallocated among all other Units in the proportions of their relative undivided interests prior to such taking.

Section 3. Power of Attorney. Each Unit Owner, by acceptance of a deed to a Unit, appoints the Association, or its designated representative, or authorized successor, as his, her or its attorney-in-fact to represent that Unit Owner, settle losses, receive and utilize the award or proceeds of settlement, and do all things necessary or desirable for such attorney-in-fact to exercise the rights and fulfill the responsibilities of the Association set forth in this Article with respect to condemnation or eminent domain proceedings. This power is for the benefit of each and every Unit Owner, each holder of a first mortgage on a Unit, the Association, and the real estate to which it is applicable, runs with the land, is coupled with an interest, and is irrevocable.

ARTICLE XIV

GRANTS AND RESERVATIONS OF RIGHTS AND EASEMENTS

Section 1. Easements of Enjoyment: Limitations. Every Unit Owner shall have a right and easement of enjoyment in, over and upon the Common Elements and a right and easement for access to and from his, her or its Unit, and a right and easement for utilities serving that Unit, which rights and easements shall be appurtenant to and shall pass with the title to a Unit, subject to the right of the Board to make reasonable rules and regulations concerning the use and management of the Common Elements, provided that no such rule or regulation shall limit or prohibit the right to utility services or the right of ingress and egress to a Unit, or any part thereof, or to that Unit's Limited Common Elements. Any Unit Owner may delegate that Unit Owner's right of enjoyment to the Common Elements and to ingress to and egress to the members of that Unit Owner's family and to Occupants.

Section 2. Right of Entry for Repair, Maintenance and Restoration. The Association shall have a right of necessary entry and access to, over, upon and through all of the Condominium Property, including each Unit and Limited Common Element, to enable the Association to perform its obligations, rights and duties pursuant hereto with regard to maintenance, repair, restoration and/or servicing of any items, things or areas of or in the Condominium Property. In the event of an emergency, the Association's right of entry to a Unit and its appurtenant Limited Common Elements may be exercised without notice; otherwise, the Association shall give the Unit Owners-or Occupants of a Unit no less than 24-hours advance notice prior to entering a Unit or its appurtenant Limited Common Elements.

Section 3. Easements for Encroachments. Each Unit, Limited Common Element and the Common Elements shall be subject to easements for encroachments by any other

Unit, Limited Common Element or the Common Elements created or arising by reason of the placement of sheds, air conditioners, expandable sections, overhangs, patio, deck, TV tower, etc. ("Encroachments"); or by reason of deviations in construction, reconstruction, or repair; or by reason of shifting, settlement, or movement of the structures; or the placement thereof at the date this Condominium was formed; or by reason of errors in the Drawings. Valid easements for these Encroachments and for the maintenance of same, so long as the encroaching structures remain, shall and do exist. When a manufactured home is replaced, it and all of the Encroachments shall then be located within the Unit's Limited Common Element. When a shed or any other structure that encroaches on an adjacent limited common element is replaced, it shall be relocated within the Unit Owner's Limited Common Element subject to approval of the Architectural Control Committee and the Ohio Department of Health. In addition, adjoining Unit Owners shall have the limited right to reasonable access over the adjacent Limited Common Element for purposes of placing a ladder, etc. to maintain the manufactured home and Encroachments.

Section 4. Easement for Support. Every portion of a building or utility line or any improvement on any portion of the Condominium Property contributing to the support of another building, utility line or improvement on another portion of the Condominium Property shall be burdened with an easement of support for the benefit of all other such buildings, utility lines, improvements and other portions of the Condominium Property.

Section 5. Easements for Utilities and Operation of the Condominium Property. There is hereby created upon, over and under all of the Condominium Property easements to the Association for ingress and egress to, and the installation, replacing, repairing and maintaining of all utilities, including, but not limited to water, sewer, gas, telephone, communication lines, electricity, security systems, master television antennas and cable television. By this easement it shall be expressly permissible for the Association to grant to the providing company and/or contractors permission to construct and maintain the necessary poles and equipment, wires, circuits, conduits and other appurtenances and improvements on, above, across and under the Condominium Property, so long as such poles, equipment, wires, circuits, conduits, appurtenances and improvements do not unreasonably interfere with the use and enjoyment of the Condominium Property. Should any utility or other company furnishing a service request a specific easement by separate recordable document, the Board shall have the right to grant such easement without conflicting with the terms hereof. Additionally, to the extent that such grant does not unreasonably interfere with the use and enjoyment of the Condominium Property, the Association shall have the authority, on behalf of the Association and the Unit Owners, to grant permits, licenses and easements on, above,

across and under the Condominium Property for utilities, roads and other purposes necessary, in the sole opinion of the Board, for the proper operation of the Condominium.

Section 6. Easement for Services. A non-exclusive easement is hereby granted to all police, firemen, ambulance operators, mailmen, deliverymen, garbage and trash removal personnel, and all similar persons, and to the local governmental authorities and the Association, but not to the public in general, to enter upon the Common Elements in the performance of their duties.

Section 7. Easements Reserved to Declarant. Non-exclusive easements are hereby reserved to the Declarant, its successors and assigns, over and upon the Common Elements (a) for a one-year period of time from the date of the filing of this Declaration, for access for and for the purpose of completing improvements for which provision is made in this Declaration, provided that such right of access shall be to the extent, but only to the extent, that access thereto is not otherwise reasonably available, (b) for the periods provided for warranties hereunder, for purposes of making repairs required pursuant to those warranties or pursuant to contracts of sale made with Unit purchasers, and (c) until the Declarant has sold all Units, to maintain one or more Units for sales and management offices and for storage and maintenance, and model Units, parking areas for sales and rental purposes, and advertising signs. Such easements described in this paragraph are subject to the Declarant's obligation to restore any areas or improvements damaged by the Declarant's use of such easements.

Section 8. Power of Attorney. Each Unit Owner, by acceptance of a deed to a Unit, hereby irrevocably appoints the President of the Association, his, her or its attorney-in-fact, to execute, deliver, acknowledge and record, for and in the name of such Unit Owner, such deeds of easement and other instruments as may be necessary or desirable, in the sole discretion of the Board, to further establish or effectuate the foregoing easements. This power is for the benefit of each and every Unit Owner, the Association, and the real estate to which it is applicable, runs with the land, is coupled with an interest, and is irrevocable.

Section 9. General. The easements and grants provided herein shall in no way affect any other recorded grant or easement.

ARTICLE XVASSESSMENTS AND ASSESSMENT LIENS

Section 1. Types of Assessments. The Declarant for each Unit within the Condominium hereby covenants, and each Unit Owner by acceptance of a deed to a Unit (whether or not it shall be so expressed in such deed), is deemed to covenant and agree to pay to the Association: (1) annual operating assessments. (2) special assessments for capital improvements, and (3) special individual Unit assessments, all of such assessments to be established and collected as hereinafter provided.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of Unit Owners and occupants and the best interests of the Condominium Property and including the payment of the loan(s) required to purchase the land for the Condominium.

Section 3. Elements-Appportionment: Due Dates.(a) Annual Operating Assessments.

(1) At the time of the filing of this Declaration, and prior to the beginning of each fiscal year of the Association thereafter, the Board shall estimate, and prorate among the Units on the basis of the percentage interest of each Unit in the Common Elements, common expenses of the Association consisting of the following:

- a. the estimated next fiscal year's cost of the maintenance, repair, and other services to be provided by the Association;
- b. the estimated next fiscal year's costs for insurance and bond premiums to be provided and paid for by the Association;
- c. the estimated next fiscal year's costs for utility services not separately metered;
- d. the estimated amount required to be collected to maintain a working capital reserve fund in an amount not less than two

months' estimated common expenses for each unit, to assure availability of funds for normal operations of the Association.

(The initial contribution to such working capital fund shall be collected no later than at the closing of each unit, and such initial amounts paid into this fund shall not be considered as advance payments of regular assessments. Such initial contribution shall be completed at the time that the election of all Directors is turned over to the Association, and such funds shall be placed by the Directors in a segregated fund. Prior to such date, such funds may not be used to defray expenses, reserve contributions, construction costs, or to make up budget deficits.):

e. an amount deemed adequate by the Board to maintain a reserve for the cost of unexpected repairs and replacements and periodic maintenance, repair and replacement of improvements and for the repair and replacement of major capital items for which cash reserves over a period of time in excess of one year ought to be maintained, which amount shall not be less than ten percent of the budget for that year unless the reserve is waived annually by the Unit Owners exercising not less than a majority of the Unit Owner Association, and for the funding of insurance deductibles in the event of casualty loss;

f. the estimated next fiscal year's costs for the operation, management and administration of the Association, including, but not limited to, fees for property management, fees for legal and accounting services, costs of mailing, postage, supplies and materials for operating the Association, and the salaries, wages, payroll charges and other costs to perform these services, and any other costs constituting common expenses not otherwise herein specifically excluded; and

g. the Association's share of any expense of maintenance, repair and replacement of the private streets upon the non-exclusive easement which is used as access to the Condominium.

h. the Association's cost to pay the loans incurred in the purchase of the park.

(2) The Board shall thereupon allocate to each Unit that Unit's share of all of these items, prorated in accordance with each respective Unit's undivided interest in the Common Elements, and thereby establish the annual operating assessment for each separate Unit. For administrative convenience, any such assessment may be rounded to the nearest whole dollar.

(3) The annual operating assessment shall be payable, in equal quarterly installments, payable in advance, provided that nothing contained herein shall prohibit any Unit Owner from prepaying assessments in annual or semiannual, increments. The due dates of any such installments shall be established by the Board, and, unless otherwise provided, the Association shall collect on or before the first day of each quarter from those who own the Unit an equal quarterly prorata share of the annual operating assessments for that Unit.

(4) If the amounts so collected are, at any time, insufficient to meet all obligations for which those funds are to be used, the deficiency shall be assessed by the Board among the Units on the same basis as heretofore set forth.

(5) If assessments collected during any fiscal year are in excess of the funds necessary to meet the anticipated expenses for which the same have been collected, the excess shall be retained as reserves, and shall in no event be deemed profits nor available, except on dissolution of the Association, for distribution to Unit Owners.

(b) Special Assessments for Capital Improvements.

(1) In addition to the annual operating assessments, the Board may levy, in any fiscal year, special assessments to construct, reconstruct or replace capital Improvements on the Common Elements to the extent that reserves therefor are insufficient, provided that new capital improvements not replacing existing improvements (except new capital improvements

required by governmental regulation or to correct any deficiency or defect creating a safety or health hazard) shall not be constructed nor funds assessed therefor, if the cost thereof in any twelve consecutive month period would exceed an amount equal to seven and one-half percent of that fiscal year's budget. without the prior consent of Unit Owners exercising no less than seventy-five percent (75%) of the voting power of Unit Owners (including the consent of Owners other than the Declarant who hold a majority of the voting power of Units owned by Owners other than the Declarant) and the consent of eligible holders of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to mortgages held by eligible holders of mortgages appertain.

(2) Any such assessment shall be prorated among all Units in proportion to their respective undivided interests in the Common Elements, and shall become due and payable on such date or dates as the Board determines following written notice to the Unit Owners.

(c) Special Individual Unit Assessments. The Board may levy an assessment against an individual Unit, or Units, to reimburse the Association for those costs incurred in connection with that Unit or Units properly chargeable by the terms hereof to a particular Unit (such as, but not limited to, the cost of making repairs the responsibility of a Unit Owner, and a Unit Owner's enforcement and arbitration charge). Any such assessment shall become due and payable on such date as the Board determines, and gives written notice to the Unit Owners subject thereto. Additionally, during the first years of the Condominium's existence, and until such time as real estate taxes and assessments are split into separate tax bills for each Unit, the Association shall have the right to pay the real estate taxes and assessments attributable to the Condominium Property in the event the same have not been paid, when due, and assess each Unit Owner for his, her or its share of such real estate taxes and assessments as a special individual Unit assessment. The share of those taxes and assessments attributable to a Unit shall be computed by multiplying the total taxes and assessments for all of the Condominium Property by the undivided interest in Common Elements

attributable to that Unit. The calculation by the Association of the Unit's share of taxes and assessments shall be binding upon all Unit Owners.

Section 4. Effective Date of Assessments. Any assessment created pursuant hereto shall be effective, provided it is created as provided herein, if written notice of the amount thereof is sent by the Board to the Unit Owner at least ten (10) days prior to the due date thereof, or the due date of the first installment thereof, if to be paid in installments. Written notice mailed or delivered to a Unit Owner's Unit shall constitute notice to that Unit Owner, unless the Unit Owner has delivered written notice to the Board of a different address for such notices, in which event the mailing of the same to that last designated address shall constitute notice to that Unit Owner.

Section 5. Effect of Non-payment of Assessments; Remedies of the Association.

(a) Interest, fees and costs. If any assessment, or any installment or portion of any assessment is not paid within ten (10) days after the same has become due, the entire unpaid balance shall immediately, without notice or demand, become due and payable, and the Board, at its option, without notice or demand, may charge additional amounts for:

(i) reasonable, uniform administrative late fees as determined by the Board from time to time;

(ii) enforcement charges and collection costs (including, without limitation, attorneys and paralegal fees) the association incurs or estimates that it will incur in connection with the collection of the delinquency;

(iii) interest on the entire unpaid balance of assessments and costs incurred by the Association in connection with such collection, at the rate of 8% per annum or at such other rate as the Board may from time to time determine; and

(iv) any other charges authorized by the Declaration, By-Laws or the Rules and Regulations promulgated by the Board,

(collectively referred to herein as the "interest, fees and costs"), all to the extent not prohibited by Ohio law.

(b) Application of Payments. Payments made by a Unit Owner for assessments shall be applied:

first, for the payment of interest accrued on the delinquent installments or portions of unpaid assessments and on costs incurred by the Association in connection with such collection, at the rate of 8% per annum or at such other rate as the Board may from time to time have otherwise determined;

second, for the payment of administrative late fees charged with respect to the delinquency applicable to the Unit;

third, to reimburse the Association for enforcement charges and collection costs (including, without limitation, attorneys and paralegal fees) incurred by the association in connection with the delinquency;

fourth, to the payment of delinquent installments or portions of assessments which remain unpaid.

(c) Certificate of Lien. Annual operating and both types of special assessments, together with interest, fees and costs, shall be a charge and a continuing lien in favor of the Association upon the Unit against which each such assessment is made, from the effective date thereof. At any time after an installment or portion of an assessment levied pursuant hereto remains unpaid for ten (10) or more days after the same has become due and payable, a certificate of lien for all or any part of the unpaid balance of that assessment, with interest, fees and costs, may be filed with the recorder of county in which the Condominium Property is located, pursuant to authorization given by the Board. The certificate, and thereafter, renewal certificates as necessary to keep the lien in effect, shall contain a description of the Unit against which the lien exists, the name or names of the record owner or owners thereof, and the amount of the unpaid balance of the assessment with interest, fees and costs, and shall be signed by the president or other chief officer of the Association.

(d) Expiration of Lien. The lien provided for herein shall remain valid for a period of five (5) years from the date a certificate of lien or renewal certificate was duly filed therefor, unless sooner released or satisfied in the same manner provided by law in the State of Ohio for the release and satisfaction of mortgages on real property, or discharged by the final judgment or order of a court in an action brought to discharge the lien.

(e) Action to Discharge Lien. Any Unit Owner who believes that an assessment chargeable to his, her or its Unit (for which a certificate of lien has been filed by the Association) has been improperly charged against that Unit, may bring an action in the Court of Common Pleas of Ottawa County for the discharge of that lien. In any such action, if it is finally determined that all or a portion of the assessment has been improperly charged to that Unit, the court shall make such order as is just, which may provide for a discharge of record of all or a portion of that lien.

(f) Personal Obligation of Owners. Each such assessment together with interest, fees and costs, shall also be the joint and several personal obligation of the Unit Owners who owned the Unit at the time when the assessment fell due. The obligation for delinquent assessments, interest, fees and costs shall not be the personal obligation of that owner or owners' successors in title unless expressly assumed by the successors, provided, however, that the right of the Association to obtain a lien against that Unit, or to foreclose any lien thereon for these delinquent assessments, interest, fees and costs shall not be impaired or abridged by reason of the transfer, but shall continue unaffected thereby.

(g) Legal Actions. In addition to the lien permitted by this Section, the Association, as authorized by the Board, may bring an action at law against the owner or owners personally obligated to pay the same, an action to foreclose a lien, or any other action permitted by law. In any foreclosure action, the owner or owners affected shall be required to pay a reasonable rental for that Unit during the pendency of such action, and the Association shall be entitled to the appointment of a receiver to collect rental. Rental collected by a receiver during the pendency of a foreclosure action shall be applied first to the payment of the portion of the common expenses chargeable to the Unit during the pendency of the foreclosure action. The Association shall be entitled to become a purchaser at any foreclosure sale.

(h) No Waiver. No owner may waive or otherwise escape liability for the assessments provided for in this Declaration by non-use of the Common Elements, or any part thereof, or by abandonment of his, her or its Unit.

Section 6. Subordination of the Lien to First Mortgages. The lien for delinquent assessments provided for herein shall be: (a) prior to any lien or encumbrance subsequently arising or created, except liens for real estate taxes and assessments of political subdivisions and liens of first mortgages that have been filed for record; (b) subject and subordinate to the title of any holder of a first mortgage lien who takes title to the Unit pursuant to deed in lieu of foreclosure or other remedies in lieu of the foreclosure of its mortgage; and (c) subject and subordinate to the title of any purchaser at a foreclosure sale in which the Association has been joined and properly served as a party, provided that in each such event, the party taking title shall be foreclosure of the mortgage, or deed or assignment in lieu of foreclosure, and any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid installments of assessments or charges against the mortgaged Unit which became due and payable prior to foreclosure sale.

Section 7. Certificate Regarding Assessments. The Board shall, upon demand, for a reasonable charge, furnish a certificate signed by the president, treasurer, secretary or other designated representative of the Association, setting forth whether the assessments on a specified Unit have been paid. This certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Declarant's Obligations. Declarant will not retain any ownership rights in the Condominium. All land is declared into the Condominium and the ownership of the unsold Units will be in the West Harbor Lagoons Boataminium Condominium Association.

ARTICLE XVI

REMEDIES FOR BREACH OF COVENANTS, RESTRICTIONS AND REGULATIONS

Section 1. Abatement and Enjoyment. If any Unit Owner (either by his own conduct or by the conduct of any other Occupant of his Unit) shall violate any restriction or condition or Rule adopted by the Board, or the breach of any covenant or provision contained in this Declaration or the By-Laws, the Association shall have the right, in addition to the rights hereinafter set forth in this Article XVI and those provided by law:

(a) To the extent permitted by law, enter upon the portion of the Condominium Development which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions of this Declaration or of the By-Laws or the Rules, and the Declarant, or its successors or assigns, or the Board, or its agents, shall not thereby be deemed guilty in any manner of trespass; or

(b) To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach. The Association shall be entitled to be reimbursed for legal fees incurred in connection with any such action.

Section 2. Involuntary Sale. If any Unit Owner (either by his own conduct or by the conduct of any other Occupant of his Unit) shall violate any of the covenants or restrictions or provisions of this Declaration or the Rules adopted by the Board, and such violation shall continue for thirty (30) days after notice in writing from the Board, or shall occur repeatedly during any thirty (30) day period after written notice or request to cure such violation from the Board, then the Board shall have the right, upon the giving of at least ten (10) days' prior written notice, to terminate the rights of such Unit Owner to continue as an owner and continue to occupy, use or control his Unit and thereupon an action in equity may be filed by the members of the Board against the Unit Owner for a decree of mandatory injunction against the Unit Owner or Occupant or, in the alternative, a decree declaring the termination of the right of such Unit Owner to occupy, use or control the Unit owned by him, and ordering that all the right, title and interest of the Unit Owner in the Condominium Property shall be sold at a judicial sale upon such notice and terms as the court shall establish, except that the court shall enjoin and restrain such Unit Owner from re-acquiring his interest at such judicial sale. The proceeds of any such judicial sale shall be paid to discharge court costs, mortgages and any other liens and encumbrances of record, in the order of their priority, and all such items shall be taxed against such Unit Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments owing to the Association or any liens required to be discharged shall be paid to the Unit Owner. Upon the confirmation of such sale, the Purchaser thereat shall thereupon be entitled to a deed to the Unit ownership and to immediate possession of the Unit sold and may apply to the court for a writ for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the Purchaser shall take the interest in the Condominium Property sold subject to this Declaration.

ARTICLE XVIINOTICES TO MORTGAGEES

Any holder, insurer, guarantor or servicer of a first mortgage, upon written request to the Association (which request states the name and address of such holder, insurer, guarantor or servicer and the Unit designation or address), shall have the right to inspect Association documents and records on the same terms as the members and shall be entitled to timely written notice, (delivered by certified or registered mail, return receipt requested), by the Association of:

1. any proposed amendment or change for which a required percentage of Eligible Holders of First Mortgage Liens must consent pursuant to the provisions of Article XVI of this Declaration;
2. any proposed termination of the Condominium as a condominium regime (which notice must be given at least 30 days before any action is taken);
3. any condemnation, eminent domain proceeding, or casualty loss which may affect a material portion of the Condominium Property (including, without limitation, any such event resulting in losses greater than ten percent (10%) of the annual budget) or any Unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;
4. any decision by the Association not to restore or repair any portion of the Condominium Property (after damage or destruction or partial condemnation), or not to restore or repair such property in a manner specified by the Condominium Organizational Documents;
5. any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
6. any decision by the Association to renew or rehabilitate the Condominium Property;
7. any decision by the Association to construct significant new capital improvements not replacing existing improvements;

8. times and places of Unit Owners' meetings;
9. any default under the Condominium Organizational Documents which gives rise to a cause of action against a Unit Owner whose Unit is subject to the mortgage of such holder, insurer, guarantor or insurer where the default has not been cured in sixty (60) days;
10. any decision by the Association to establish self-management when professional management had been required previously by an Eligible holder of a first mortgage lien;
11. any proposed action which requires the consent of a specified percentage of Eligible holders of first mortgage liens; and
12. prior to the time that the Declarant has turned over control of the Association to the members, any of the actions listed in subsections A and B of Article VII, Section 7 of this Declaration.

ARTICLE XVIII

AMENDMENTS AND ACTIONS REQUIRING OWNER AND LENDER APPROVAL

Section 1. Amendments requiring 100% of Owners and 75% of Lenders. Except as otherwise provided herein, the following amendments of any Condominium Organizational Documents shall require: (a) the written consent of all Unit Owners; and (b) the consent of eligible holders of first mortgages on Units to which at least seventy-five percent (75%) of the votes of Units subject to mortgages held by eligible holders of first mortgages appertain.

- (1) the boundaries of any Unit or the convertibility of units into Common Elements or *visa versa*;
- (2) the construction of an addition to or an expansion of a unit into limited common elements or common elements;
- (3) the undivided interest in the Common Elements appertaining to a Unit or the liability for common expenses appertaining thereto or the right to use Common Elements and limited Common Elements;

(4) the number of votes in the Association appertaining to any Unit: or

(5) the fundamental purposes to which any Unit or the Common Elements are restricted.

Section 2. Action requiring 80% of Owners and 75% of Lenders. Except as otherwise provided herein, the prior written consent of Unit Owners exercising not less than eighty percent (80%) of the voting power of Unit Owners, including the consent of Owners other than the Declarant who hold a majority of the voting power of Units owned by Owners other than the Declarant, (for the purposes of the foregoing, such consent with respect to a Unit owned by the Declarant shall not be valid unless prior written consent is obtained from the mortgagee of such Unit). and the consent of eligible holders of first mortgages on Units to which at least seventy-five (75%) of the votes of Units subject to mortgages held by eligible holders of first mortgage liens appertain shall be required to terminate the Condominium;

Section 3. Action requiring 75% of Owners. Except as otherwise provided herein, the approval of Unit Owners exercising not less than seventy-five percent (75%) of the voting power of Unit Owners, as well as the authorization of the Board, shall be required for the Association to purchase or sell real property that does not constitute a "Unit" in the Condominium. In the event that such transaction takes place prior to the date that the unit owners, other than the Declarant, assume control of the Association, such transaction shall require the approval of the Declarant, the authorization of the Board, and the approval of the Unit Owners other than the Declarant who exercise not less than seventy-five percent (75%) of the voting power of the Association. Expenses incurred in connection with the purchase or sale of real property shall constitute a "common expense."

Section 4. Amendments requiring 75% of Owners and 51% of Lenders. Except as otherwise provided herein, the following amendments of any Condominium Organizational Documents shall require: (a) the consent of Unit Owners exercising not less than seventy-five percent (75%) of the voting power of Unit Owners (including the consent of Owners other than the Declarant who hold a majority of the voting power of Units owned by Owners other than the Declarant). and (b) the consent of eligible holders of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to mortgages held by eligible holders of first mortgages appertain:

(1) a change to any of the provisions governing voting rights;

- (2) a change to any of the provisions governing the increasing of assessments that raise the previously assessed amount by more than 25%;
- (3) a change to any of the provisions governing assessment basis, assessment liens, or the priority of assessment liens;
- (4) a change to any of the provisions governing reserves for maintenance, repair or replacement of Common Elements improvements;
- (5) a change to any of the provisions governing maintenance obligations or the responsibility for maintenance and repairs;
- (6) a change to any of the provisions governing: (a) the method of expansion or contraction of the project, or (b) the method of addition, annexation or withdrawal of land to or from the project;
- (7) a change to any of the provisions governing hazard, fidelity or other insurance requirements;
- (8) a change to any of the provisions governing restrictions affecting the leasing of a unit;
- (9) a change to any of the provisions governing restrictions affecting the sale of a unit;
- (10) a change to any of the provisions governing the method of determining whether professional management shall be established or discontinued;
- (11) a change to any of the provisions governing restoration or repair of improvements in the Condominium;
- (12) a change to any of the provisions which provision is for the express benefit of mortgagees;
- (13) a change to any of the provisions which affect the scheme of regulation or enforcement of standards for maintenance, architectural design or exterior appearance of improvements on units;

(14) a change to any of the provisions governing the rights of any specific class of members;

(15) a change to any of the provisions governing dissolution of the Association except pursuant to a consolidation or merger;

(16) a change to any of the provisions governing the conveyance of any or all of the Common Elements;

(17) any other amendment to any of the Condominium Organizational Documents.

Section 5. Action requiring 67% of Owners and 51% of Lenders. Except as otherwise provided herein, the following action shall require: (a) the consent of Unit Owners exercising not less than sixty-seven percent (67%) of the voting power of Unit Owners (including the consent of Owners other than the Declarant who hold a majority of the voting power of Units owned by Owners other than the Declarant), and (b) the consent of eligible holders of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to mortgages held by eligible holders of first mortgages appertain:

(1) an increase in assessments that raise the previously assessed amount by more than 25%;

(2) a reduction in the reserves for maintenance, repair or replacement of Common Element improvements;

(3) the imposition of any new restrictions affecting the leasing of a unit;

(4) the imposition of any new restrictions affecting the sale of a unit;

(5) the decision by the Association not to restore or repair any portion of the Condominium Property (after damage or destruction or partial condemnation), or not to restore or repair such property in a manner specified by the Condominium Organizational Documents;

(6) a substantial relaxation in the regulation or enforcement of standards for maintenance, architectural design or exterior appearance of improvements on units;

(7) a decision by the Association to establish self management if professional management has been required previously by the Condominium Organizational Documents or by an eligible mortgage lender, or by a majority vote of the members.

Section 6. Amendments not requiring consent of Owners or Lenders.

Notwithstanding any provision in this Declaration to the contrary, the following amendments to the Declaration or By-Laws shall not require the consent of the Owners, lenders, mortgage insurer or mortgage guarantor:

(1) Amendments by Declarant to Address Compliance and Other Issues. The Declarant reserves the right and power, and each Unit Owner by acceptance of a deed to a Unit is deemed, to and does give and grant to Declarant a power of attorney, which right and power is coupled with an interest and runs with the title to a Unit and is irrevocable (except by Declarant), for a period of three (3) years from the date of the filing of the Declaration, to amend the Condominium organizational documents: (i) to the extent necessary to conform to the requirements then governing the purchase or insurance of mortgages by The Mortgage Corporation, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Government National Mortgage Association, Mortgage Guaranty Insurance Corporation, the Department of Housing and Urban Development, the Veterans Administration, or any other such agency or organization, provided that the appropriate percentage (as described elsewhere herein) of eligible holders of first mortgage liens is obtained; or (ii) to correct typographical errors or obvious factual errors the correction of which would not impair the interest of any Unit Owner or mortgagee; provided that if there is a Unit Owner other than the Declarant, the Declaration shall not be amended to increase the scope or the period of control of the Declarant; and further provided that if the project has been approved by the Department of Veterans Affairs, such amendment (except those aiding the expanding of the condominium in accordance with the provisions of Article XVIII, below) must be approved by the Secretary of the Department of Veterans Affairs.

(2) Amendments by Board Pursuant to Statutory Authority. The Board may amend the Declaration in any manner necessary for any of the following:

- (a) To meet the requirements of institutional mortgagees, guarantors and insurers of first mortgage loans, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration, and similar institutions;
- (b) To meet the requirements of insurance underwriters;
- (c) To bring the Declaration into compliance with Chapter 5311 of the Ohio Revised Code;
- (d) To correct clerical or typographical errors or obvious factual errors in the Declaration or an exhibit to the Declaration; or
- (e) To designate a successor to the person named to receive service of process for the Association.

Section 7. Approval by Veterans Administration During Developer Control. If the condominium has been approved by the Department of Veterans Affairs, and while the Declarant is in control of the Association, any amendment must be approved by the Secretary of the Department of Veterans affairs.

Section 8. Approval by Eligible Holders. An Eligible Holder of a First Mortgage Lien on a Unit who receives a written request to approve additions or amendments or actions who does not deliver or post to the requesting party a negative response within thirty (30) days after it receives such written notice, (provided that notice was delivered by certified or registered mail, return receipt requested), shall be deemed to have approved such request.

Section 9. Method to Amend. An amendment to this Declaration (or the Drawings or the By-Laws), adopted with the consents hereinbefore provided, shall be executed with the same formalities as this Declaration by two officers of the Association and shall contain their certification that the amendment was duly adopted in accordance with the foregoing provisions. Any amendment adopted by the Declarant or a duly empowered successor Declarant pursuant to authority granted it pursuant to the Declaration shall be duly executed

by it with the same formalities as to execution as this Declaration and shall contain the certification of such signor or signors that such amendment is made pursuant to authority vested in the Declarant or any duly empowered successor Declarant by the Declaration. Any amendment duly adopted and executed in accordance with the foregoing provisions shall be effective upon the filing of the same with the Auditor and Recorder of the county in which the Condominium Property is located.

ARTICLE XIX

EXPANSIONS

This condominium is not expandable. The maximum number of units shall be one hundred twenty-one (121).

ARTICLE XX

GENERAL PROVISIONS

Section 1. Condominium Instruments. The Condominium act requires certain provisions and information to be provided in the "Condominium Instruments". Provisions regarding deposits, warranties and other items are set forth in individual Unit sales contracts and attachments thereto, in the cases of sales by Declarant, and those items are incorporated herein by reference.

Section 2. Covenants Running With the Land. The covenants, conditions, restrictions, easements, reservations, liens and charges created hereunder or hereby shall run with and bind the land, and each part thereof, and shall be binding upon and inure to the benefit of all parties having any right, title or interest in or to all or any part of the Condominium Property, and the Association, and their respective heirs, executors, administrators, successors and assigns.

Section 3. Enforcement. In addition to any other remedies provided in this Declaration, Declarant, (only with respect to those rights directly benefiting the Declarant), the Association, and each Unit Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, easements, reservations, liens and charges set forth herein or in the By-Laws or now or hereafter imposed by or through the Association's rules and regulations. Failure by Declarant, the Association or by any Unit Owner to proceed with such enforcement shall in no event be deemed a waiver of the right to

enforce at a later date the original violation or subsequent violation. nor shall the doctrine of laches nor any statute of limitations bar the enforcement of any such restriction, condition, covenant, reservation, easement, lien or charge. Further, the Association and each Unit Owner shall have the rights of action against each other for failure to comply with the provisions of the Condominium Organizational Documents, rules and regulations, and applicable law, and with respect to decisions made pursuant to authority granted thereunder, and the Association shall have the right to assess reasonable charges against a Unit Owner who fails to comply with the same, including the right to assess charges for the costs of enforcement and arbitration. Notwithstanding the foregoing, in the event of any dispute between the Association and any Unit Owner or occupant, other than with regard to assessments, that cannot be settled by an agreement between them, the matter shall first be submitted to arbitration in accordance with and pursuant to the arbitration law of Ohio then in effect (presently Chapter 2711 of the Revised Code of Ohio), by a single independent arbitrator selected by the Board.

Section 4. Severability. Invalidation of any one or more of these covenants, conditions, restrictions or easements by judgment or court order shall in no way affect any other provisions, which provisions shall remain in full force and effect. In the event any language of this Declaration conflicts with mandatory provisions of the Condominium act, the latter's requirements shall prevail and the conflicting language shall be deemed to be invalid and void, provided that such invalidity shall in no way affect any other provisions of this Declaration, which provisions shall remain in full force and effect.

Section 5. Real Estate Taxes. Each unit will have its own tax bill. In addition to the value of the Unit as established by the individual unit purchase agreements many of the units contains improvements that the Ottawa County Auditor will consider for real estate tax purposes. The Ottawa County Auditor is hereby directed to include improvements to the limited common elements it considers taxable to be included within the individual tax bills to the unit owners.

Section 6. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations, partnerships, men or women, as though in such case shall in all cases be assumed fully expressed.

Section 7. Captions. The captions of the various provisions of this Declaration are not part of the context hereof, but are merely labels to assist the various provisions hereof.

EXECUTED this 16th day of MARCH, 2010.

WEST HARBOR LAGOONS ASSOCIATION
an Ohio non-profit corporation

Ronald T. Lake


Ronald T. Lake, President

STATE OF OHIO.
COUNTY OF OTTAWA, SS:

Before me, a Notary Public in and for said County, personally appeared the above named West Harbor Lagoons Association, an Ohio non-profit corporation, by Ronald T. Lake, President, who acknowledged that he did sign the foregoing instrument, and that the same is his free act and deed and the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Port Clinton, Ohio, this 16th day of MARCH, 2010.

John A. Kocher



JOHN A. KOCHER
ATTORNEY AT LAW
NOTARY PUBLIC
STATE OF OHIO
My Comm. Has No
Expiration Date
Section 147.03 R. C.
Ottawa County

This instrument prepared by:
John A. Kocher, Attorney at Law
Kocher & Gillum
Port Clinton, Ohio 43452

EXHIBIT A



**KUSMER &
ASSOCIATES, INC.**

Architects

Engineers

Surveyors

**LEGAL DESCRIPTION FOR A 22.4011 ACRE PARCEL
FOR WEST HARBOR LAGOONS
PARCEL ONE (1)**

Being a parcel of land situated in part of Lot Sixteen (16) of the Firelands Survey, Section Three (3), Danbury Township, Ottawa County, Ohio described as follows:

- 1.) Commencing at a found 1/2" iron rod in concrete marking the southeast corner of Lot Sixteen (16);
- 2.) thence N 01° 12' 59" W three thousand eighteen and twenty-two hundredths (3018.22) feet along the east line of Lot Sixteen (16) and also along the centerline of State Route 269 (Buck Road) (R/W Varies) to a found iron pipe;
- 3.) thence S 89° 44' 48" W one thousand two hundred forty-seven (1247.00) feet along the south right-of-way of Maritime Shoreway (50' R/W) to a set PK nail marking the POINT OF BEGINNING,
- 4.) thence S 01° 55' 40" E four hundred fifty-eight (458.00) feet to a set iron rod;
- 5.) thence N 89° 53' 00" W twenty-six (26.00) feet to a set iron rod;
- 6.) thence S 00° 07' 00" W fifty-two and sixty-five hundredths (52.65) feet to a point;
- 7.) thence N 89° 53' 00" W one thousand nine hundred one and twenty-four hundredths (1901.24) feet along the north line of a parcel of land now or formerly owned by Lumac Development Co. (Vol. 261, Pg. 552) to a point;
- 8.) thence N 02° 36' 00" W two hundred eighty-four and fifty-three hundredths (284.53) feet along the west line of Lot Sixteen (16) to a point;

EXHIBIT A

- 9.) thence N 10° 36' 13" W two hundred seventeen and twenty-four hundredths (217.24) feet along the west line of Lot Sixteen (16) to a point;
- 10.) thence N 89° 44' 48" E one thousand nine hundred sixty-four and eighty-four hundredths (1964.84) feet along the south line of Lot One (1) of Cedar Cove Acres Subdivision (Plat Vol. 22, Pg. 13) and the south right-of-way of Maritime Shoreway (50' R/W) to the POINT OF BEGINNING, passing at nineteen and four hundredths (19.04) feet a found 1/2" iron rod on line and also passing at three hundred seventy and eighteen hundredths (370.18) feet a found 1/2" iron pipe on line.

Containing in all 22.4011 acres of land, more or less, subject to all highways and easements of record.

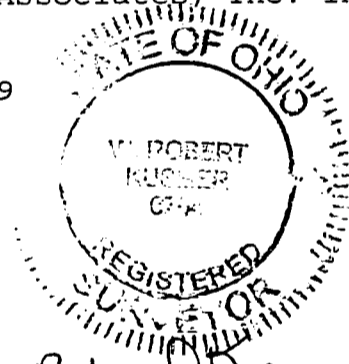
All set and found iron rods and pipes are 5/8", unless otherwise noted.

All records and deeds are from Ottawa County references.

The bearings are assumed and for angular measurements only.

This legal description is based upon a survey performed for West Harbor Lagoons by Kusmer & Associates, Inc. in November, 2009.

November 30, 2009
Job No. 09100-S
WRK/blk



File: 09100b.leg

David A. Burkholder
 Regional App. 2010 12-21-09 MW
 Ottawa County Engineer

W Robert Kusmer
 11/30/2009

APPROVED
 OTTAWA REGIONAL PLANNING COMMISSION
 NO PLAT REQUIRED *✓*

EXHIBIT B

UNDIVIDED INTEREST

The Condominium Unit, Par Value and the percentage of undivided fractional interest in the Condominium Units being declared into the Condominium are as follows:

<u>Unit</u>	<u>Par Value</u>	<u>% Interest in Common Area</u>
1	1	0.82644
2	1	0.82644
3	1	0.82644
4	1	0.82644
5	1	0.82644
6	1	0.82644
7	1	0.82644
8	1	0.82644
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31	1	0.82644
32	1	0.82644

EXHIBIT B

UNDIVIDED INTEREST - CONTINUED

33	1	0.82644
34	1	0.82644
35	1	0.82644
36	1	0.82644
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70	1	0.82644

EXHIBIT B

UNDIVIDED INTEREST - CONTINUED

71	1	0.82644
72	1	0.82644
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74	1	0.82644
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107	1	0.82644
108	1	0.82644

EXHIBIT B

UNDIVIDED INTEREST – CONTINUED

109	1	0.82644
110	1	0.82644
111	1	0.82644
112	1	0.82644
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119	1	0.82644
120	1	0.82644
121	1	0.82644

EXHIBIT C**DECLARATION OF CONDOMINIUM OWNERSHIP
WEST HARBOR LAGOONS BOATAMINIUM CONDOMINIUM****REFERENCE TO DRAWINGS**

The particulars of the land, buildings and other improvements, including, but not limited to, the layout, location, designation, dimensions of each Unit, the layout, locations and dimensions of the Common Areas and Facilities and the location and dimensions of all appurtenant easements or encroachments are shown graphically on the set of Drawings incorporated in the Declaration of Condominium Ownership of West Harbor Lagoons Boataminium Condominium, by reference to Exhibit "C" hereto prepared and bearing the certified statements of Albert Zamora, Professional Engineer PE #53397 and W. Robert Kusmer, Registered Surveyor P.S. #6754 as required by the Condominium Act of the State of Ohio. Such set of drawings are filed in the Plat Map Records of the Office of the Recorder of Ottawa County, Ohio, in Book 58, Pages 20 through 20.

BY-LAWS (Code of Regulations) of
WEST HARBOR LAGOONS
BOATAMINIUM CONDOMINIUM ASSOCIATION

ARTICLE I
NAME AND LOCATION

The name of the Association is West Harbor Lagoons Boataminium Condominium Association ("the Association") which corporation, not-for-profit, is created pursuant to the provisions of Chapter 1702 of the Revised Code of Ohio, and which Association is also created pursuant to the provisions of Chapter 5311 of the Revised Code of Ohio as the unit owners' association for West Harbor Lagoons Boataminium Condominium. The principal office of the Association shall be as set forth in its Articles of Incorporation ("the Articles") and the place of meetings of Unit owners (members) and of the Directors of the Association shall be at such place in Ottawa County, Ohio as the Board of Directors ("the Board") may from time to time designate.

ARTICLE II
DEFINITIONS

All of the terms used herein shall have the same meanings as set forth in the Declaration of West Harbor Lagoons Boataminium Condominium, ("the Declaration"), recorded simultaneously herewith with the Recorder of Ottawa County, Ohio.

ARTICLE III
UNIT OWNERS (MEMBERS)

Section 1. Composition. Each Unit Owner, as defined in the Declaration, is a member of the Association.

Section 2. Annual Meetings. Regular annual meetings of the Unit Owners shall be held in September or October of each year hereafter, on a date and at an hour established, from time to time, by the Board.

Section 3. Special Meetings. Special meetings of the Unit Owners may be called at any time by the president or by the Board, upon written request of the Declarant, or upon written request of Unit Owners other than the Declarant entitled to exercise one-fourth (1/4) or more of the voting power of Unit Owners other than the Declarant, and when required by the Condominium act.

Section 4. Notice of Meetings. Written notice of each meeting of Unit Owners shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least seven (7) days before such meeting, to each Unit Owner entitled to vote thereat, addressed to the Unit Owner's address last appearing on the books of the Association, or supplied by such Unit Owner to the Association for the purpose of notice, or by delivering a copy of that notice at such address at least seven (7) days before the meeting. The notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 5. Quorum. The presence at any duly called and noticed meeting, in person or by proxy, of owners entitled to cast at least twenty percent (20%) of the voting power of the members shall constitute a quorum for such meeting. Unit owners entitled to exercise a majority of the voting power of Unit owners represented at a meeting may, at any time, adjourn such meeting. If any meeting is so 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 6. Proxies. At any meeting of Unit Owners a Unit Owner may vote in person or by proxy. All proxies shall be in writing and filed with the secretary prior to the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by a Unit Owner of his, her or its Unit.

Section 7. Voting Power. Except as otherwise provided in the Condominium Organizational Documents, or by law, a majority of the voting power of Unit Owners voting on any matter that may be determined by the Unit Owners at a duly called and noticed meeting shall be sufficient to determine that matter. The rules of Roberts Rules of Order shall apply to the conduct of all meetings of Unit Owners except as otherwise specifically provided in the Condominium Organizational Documents or by law.

Section 8. Action In Writing Without Meeting. Any action that could be taken by Unit Owners at a meeting may be taken without a meeting with the affirmative vote or approval, in a writing or writings, of Unit Owners having not less than a majority

of the voting power of Unit Owners, or such greater proportion of the voting power as may be required by the Condominium Organizational Documents, or by law.

ARTICLE IV BOARD OF DIRECTORS

Section 1. Initial Directors. The initial Directors shall be those eleven persons named as the initial Directors in the Articles, or such other person or persons as may from time to time be substituted by the Declarant. In addition, the lessees of Units (non-owners) shall have the right to elect one person to be a non-voting Director as more fully set forth in the Declaration.

Section 2. Successor Directors. The number, times of election, and terms of office of those who will serve as Directors of the Association to succeed the initial Directors, shall be as provided in the Declaration and these By-Laws. Directors shall be elected from among the Unit Owners or the spouses of Unit Owners. If a Unit Owner is not an individual, that Unit Owner may nominate for the Board of Directors any principal, member of a limited liability company, partner, director, officer, or employee of that Unit Owner.

Section 3. Removal. Excepting only Directors named in the Articles or selected by Declarant, any Director may be removed from the Board with or without cause, by the vote of Unit Owners holding at least 67% of the voting power of the Unit Owners. In the event of the death, resignation or removal of a Director other than one named in the Articles or a substitute selected by the Declarant, that Director's successor shall be selected by the remaining members of the Board and shall serve until the next annual meeting of Unit Owners, when a Director shall be elected to complete the term of such deceased, resigned or removed Director. Declarant shall have the sole right to remove, with or without cause, any Director designated in the Articles, or a substitute selected by the Declarant, and select the successor of any Director so selected who dies, resigns, is removed or leaves office for any reason before the election of Directors by all of the Unit Owners as provided in the Declaration.

Section 4. Nomination. Nominations for the election of Directors to be elected by the Unit Owners shall be made by a nominating committee. Nominations may also be made from the floor at the meetings. The nominating committee shall consist of a chairman, who shall be a member of the Board, and two or more Unit Owners appointed by the Board. The nominating committee shall make as many nominations for election to

the Board as it shall, in its discretion, determine, but no less than the number of vacancies that are to be filled.

Section 5. Election. Election to the Board by the Unit Owners shall be by secret written ballot. At such elections, the Unit Owners or their proxies may cast, in respect to each vacancy, such voting power as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected, and likewise, those receiving the largest number of votes shall be elected to the longest terms. Cumulative voting is not permitted.

Section 6. Compensation. Unless otherwise determined by the Unit Owners at a meeting duly called and noticed for such purpose, no Director shall receive compensation for any service rendered to the Association as a Director. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of duties.

Section 7. Regular Meetings. Regular meetings of the Board shall be held no less than quarterly, without notice, on such date and at such place and hour as may be fixed from time to time by resolution of the Board.

Section 8. Special Meetings. Special meetings of the Board shall be held when called by the president of the Board, or by any two Directors, after not less than three days notice to each Director.

Section 9. Quorum. The presence at any duly called and noticed meeting, in person or by proxy, of Directors entitled to cast a majority of the voting power of Directors shall constitute a quorum for such meeting.

Section 10. Voting Power. Except as otherwise provided in the Condominium Organizational Documents, or by law, vote of a majority of the Directors voting on any matter that may be determined by the Board at a duly called and noticed meeting at which a quorum is present shall be sufficient to determine that matter.

Section 11. Conduct of Meetings. Unless otherwise determined by the Board, meetings of the Board shall be open to all Unit Owners. The Board shall have the prerogative to close their meetings to all non-board members whenever the same is necessary or convenient to the efficient administration of the Board's affairs. A meeting of the Board may be held by any method of communication, including electronic or telephonic communication provided that each member of the Board can hear (in the case

of telephonic) or view (in the case of other electronic methods), participate and respond to every other member of the Board.

Section 12. Action In Writing Without Meeting. Any action that could be taken by the Board at a meeting may be taken without a meeting with the affirmative vote or approval, in a writing or writings, of all of the Directors.

Section 13. Powers. The Board shall exercise all powers and authority, under law, and under the provisions of the Condominium Organizational Documents, that are not specifically and exclusively reserved to the Unit Owners by law or by other provisions thereof, and without limiting the generality of the foregoing, the Board shall have the right, power and authority to:

- (a) take all actions deemed necessary or desirable to comply with all requirements of law, and the Condominium Organizational Documents;
- (b) obtain insurance coverage no less than that required pursuant to the Declaration;
- (c) enforce the covenants, conditions and restrictions set forth in the Declaration;
- (d) enforce all requirements of the Board of Health and State of Ohio regarding operating a licensed manufactured home park;
- (e) to take title to unsold Units and to lease the same subject to the Board of Health requirements and the State of Ohio regarding manufactured home parks;
- (f) repair, maintain and improve the Common Elements;
- (g) establish, enforce, levy and collect assessments as provided in the Declaration;
- (h) adopt and publish rules and regulations:

- (i) governing the use of the Common Elements and the personal conduct of Unit Owners, Occupants and their guests thereon;
 - (ii) detailing the procedures for discharging the Association's responsibilities with regard to the administration of the Condominium Property;
 - (iii) governing any aspect of the Condominium Property that is not required by statute to be governed by the Declaration or By-Laws; and
 - (iv) establishing penalties for the infraction thereof;
- (i) suspend the voting rights 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 (such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for each infraction of published rules and regulations or of any provisions of the Condominium Organizational Documents);
 - (j) declare the office of a member of the Board to be vacant in the event such Director shall be absent from three consecutive regular meetings of the Board;
 - (k) authorize the officers to enter into one or more agreements necessary or desirable to fulfill the purposes and objectives of the Association and to facilitate the efficient operation of the property; (it shall be the primary purpose of such management agreements to provide for administration, management, repair and maintenance as provided in the Declaration, and the receipt and disbursement of funds as may be authorized by the Board. The terms of any management agreements shall be as determined by the Board to be in the best interest of the Association, subject, in all respects, to the provisions of the Condominium Organizational Documents);
 - (l) cause funds of the Association to be invested in such reasonable investments as the Board may from time to time determine;

- (m) borrow funds, as needed, and pledge such security and rights of the Association as might be necessary or desirable to obtain any such loan including, without limitation, the pledge of the Association's right to levy assessments upon the members; and
- (n) do all things and take all actions permitted to be taken by the Association by law, or the Condominium Organizational Documents not specifically reserved thereby to others.

Section 14. Duties. It shall be the duty of the Board to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Unit Owners at each annual meeting of Unit Owners, or at any special meeting when such statement is requested in writing by Unit Owners representing one-half (1/2) or more of the voting power of Unit Owners;
- (b) supervise all officers, agents and employees of the Association and see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
 - (i) fix the amount of assessments against each Unit;
 - (ii) give written notice of each assessment to every Unit Owner subject thereto within the time limits set forth therein; and
 - (iii) foreclose the lien against any property for which assessments are not paid within a reasonable time after they are authorized by the Declaration to do so, or bring an action at law against the Unit Owner(s) personally obligated to pay the same, or both;
- (d) issue, or to cause an appropriate representative to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid;
- (e) procure and maintain insurance and bonds as provided in the Declaration, and as the Board deems advisable;

- (f) cause the property subject to the Association's jurisdiction to be maintained within the scope of authority provided in the Declaration;
- (g) cause the restrictions created by the Declaration to be enforced; and
- (h) take all other actions required to comply with all requirements of law and the Condominium Organizational Documents.

ARTICLE V OFFICERS

Section 1. Enumeration of Offices. The officers of this Association shall be a president, a vice president, a secretary, a treasurer and such other officers as the Board may from time to time determine. No officer need be a member of the Association nor need any officer be a Director. The same person may hold more than one office.

Section 2. Selection and Term. Except as otherwise specifically provided in the Declaration or by law, the officers of the Association shall be selected by the Board, from time to time, to serve until the Board selects their successors.

Section 3. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 4. Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Duties. The duties of the officers shall be as the Board may from time to time determine. Unless the Board otherwise determines, the duties of the officers shall be as follows:

- (a) President. The president shall preside at all meetings of the Board, shall have the authority to see that orders and resolutions of the Board are

carried out, and shall sign all legal instruments on behalf of the Association.

- (b) Vice President. The vice president shall perform all of the duties of the president in case of the president's absence or disability.
- (c) Secretary. The secretary shall record the votes and keep the minutes and proceedings of meetings of the Board and of the Unit Owners, serve notice of meetings of the Board and of the Unit Owners, keep appropriate current records showing the names of Unit Owners of the Association together with their addresses, and shall act in the place and stead of the president in the event of the president's absence or refusal to act.
- (d) Treasurer. The treasurer shall assume responsibility for the receipt and deposit in such bank accounts and investment of funds in such vehicles, as the Board directs, the disbursement of such funds as directed by the Board, the keeping of proper books of account, the preparation of an annual budget and a statement of income and expenditures to be presented to the Unit Owners at annual meetings, and the delivery or mailing of a copy of each to each of the Unit Owners.

ARTICLE VI COMMITTEES

The Board shall appoint a nominating committee and may appoint such other committees as it deems appropriate in carrying out its purposes.

ARTICLE VII BOOKS AND RECORDS

The Association shall maintain correct and complete books, records and financial statements of the Association, including, without limitation, its governing documents (current copies of the Declaration, By-Laws and Articles); current rules and regulations; names and addresses of the Unit Owners and their respective undivided interests in the Common Elements; actions (board resolutions, minutes of all meetings of members and the Board, etc.); documents relating to its financial condition (all receipts and expenditures, budget, financial statements showing the allocation, distribution and collection of the common profits, losses and expenses among and from the Unit Owners, etc.) and annual audited financial statements when such are prepared.

Any Unit Owner, duly authorized agent of any Unit Owner, duly authorized prospective purchaser, lender or the holder, insurer or guarantor of a first mortgage on a Unit, may examine and copy any of the foregoing books, records and financial statements pursuant to reasonable standards established in the Declaration, these By-Laws, or by rules and regulations promulgated by the Board, which may include, without limitation, standards governing the type of documents that are subject to examination and copying, the times and locations at which those documents may be examined or copied, and the specification of a reasonable fee for copying the documents. Notwithstanding the foregoing, the Association shall not be required to permit the examination and copying of any of the following:

- (1) information that pertains to Condominium Property related personnel matters;
- (2) communications with legal counsel or attorney work product pertaining to pending litigation or other Condominium Property related matters;
- (3) information that pertains to contracts or transactions currently under negotiation, or information that is contained in a contract or other agreement containing confidentiality requirements and that is subject to those requirements;
- (4) information that relates to the enforcement of the Declaration, By-Laws, or rules and regulations of the Association against Unit Owners; or
- (5) Information the disclosure of which is prohibited by state or federal law.

ARTICLE VIII AUDITS

The Board shall cause the preparation and furnishing of an audited financial statement for the immediately preceding fiscal year, within a reasonable time following request (provided that no such statement need be furnished earlier than ninety days following the end of such fiscal year), in the following circumstances:

1. to each requesting Unit Owner, at the expense of the Association, upon the affirmative vote of Unit Owners exercising a majority of the voting power of Unit Owners; and
2. upon the request of a holder, insurer, or guarantor of any first mortgage on a Unit.

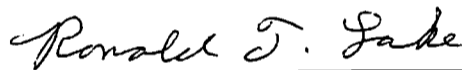
**ARTICLE IX
FISCAL YEAR**

Unless otherwise changed by the Board, the fiscal year of the Association shall begin on the first day of October and end on the 30th day of September of every year, except that the first fiscal year shall begin on the date of incorporation of this Association.

**ARTICLE X
AMENDMENTS**

Any modification or amendment of these By-Laws shall be made only by means of an amendment to the Declaration, in the manner and subject to the approvals, terms and conditions set forth therein, and shall be effective from the time a certificate setting forth such modification or amendment is delivered for recording to the Recorder of the county in which the Condominium is located.

WEST HARBOR LAGOONS ASSOCIATION,
an Ohio non-profit corporation



Ronald T. Lake, President