

be determined by a majority vote of those present, except as may be otherwise expressly provided in the Declaration or in these Bylaws.

Section 11. Powers and Duties. Except as otherwise provided by law, the Declaration, or these Bylaws, all power and authority of the Association shall be exercised by the Board. In carrying out the purposes of the Condominium Property and subject to the limitations prescribed by law, the Declaration, or these Bylaws, the Board, for and on behalf of the Association, shall: (A) Adopt and amend budgets for revenues, expenditures, and reserves. Notwithstanding anything in Section 5311.081(A) of the Act, there shall be no set amount or percentage for the reserves; but instead, the reserves shall in an amount determined by the Board to be adequate to repair and replace major capital items in the normal course of operations without the necessity of special assessments; and (B) Collect assessments for common expenses from Unit Owners. Additionally, the Board, has the full power and authority to:

(A) Maintain, repair, replace, and conduct surveillance on, the Condominium Property and the Common Elements and certain of the Limited Common Areas.

(B) Levy Assessments against the Unit Owners and the collection of same.

(C) Designate personnel for the maintenance and operation of the Condominium Property, the Common Elements and the Limited Common Areas.

(D) In carrying out the purposes of the Association and subject to the limitations prescribed by law, the Declaration or these Bylaws, the Board, for and on behalf of the Association, may:

(1) Purchase or otherwise acquire, lease as lessee, hold, use, lease as lessor, sell, exchange, transfer, and dispose of property of any description or any interest therein.

(2) Grant easements for access, utility and other purposes set forth in Article III of the Declaration for the benefit of the Condominium Development, Additional Property or any neighboring property.

(3) Make contracts.

(4) Effect insurance.

(5) Borrow money, and issue, sell, and pledge notes, bonds, and other evidence of indebtedness or the Association, provided, however, if such borrowing is in excess of Five Thousand Dollars (\$5,000.00), the prior approval of the members of the Association entitled to exercise a majority of the voting power of the Association shall be obtained at a special meeting duly held for such purpose.

(E) Employ a managing agent to perform such duties and services as the Board may authorize.

(F) Employ lawyers and accountants to perform such legal and accounting services as the Board may authorize.

(G) Adopt Rules and Regulations.

(H) To do all things permitted by section 5311.081(B) of the Act and exercise all power and authority within the purposes stated in these Bylaws or the Declaration or incidental thereto.

Section 12. Removal of Board Members. Except as otherwise provided herein and in the Act, the Board may remove any Board Member if by order of court such Board Member has been found to be of unsound mind, or if he is physically incapacitated, adjudicated a bankrupt, or fails to attend three consecutive meetings of the Board. At any regular or special meeting of members of the Association duly called at which a quorum shall be present, any one or more of the Board Members may be removed with or without cause by the vote of members entitled to exercise a majority of the voting power of the Association, and a successor or successors to such Board Member so removed may be elected at the same meeting for the unexpired term for such removed Board Member. Any Board Member whose removal has been proposed by the members of the Association shall be given an opportunity to be heard at such meeting.

Section 13. Vacancies. Except as otherwise provided and subject to the provisions of Act, vacancies in the Board may be filled by a majority vote of the remaining Board Members until an election to fill such vacancies is held. Members of the Association shall have the right to fill any vacancy in the Board (whether or not the same has been temporarily filled by the remaining Board Members) at any meeting of the members of the Association called for that purpose, and any Board Members elected at any such meeting of members of the Association shall serve until the next annual election of Board Members and until their respective successors are elected and qualified.

Section 14. Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association and shall be a common expense.

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

ARTICLE III OFFICERS

Section 1. Election and Designation of Officers. The Board of Directors shall elect a President, a Vice President, a Secretary and a Treasurer, each of whom shall be a member of the Association. The Board of Directors may also appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary, all of whom must also be members of the Association. The same person may hold more than one (1) office.

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

Section 3. President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Board of Directors. Subject to directions of the Board of Directors, the President shall have general executive supervision over the business and affairs of the Association. He may execute all authorized deeds, contracts and other obligations of the Association and shall have such other authority and shall perform such other duties as may be determined by the Board of Directors or otherwise provided for in the Declaration or in these Bylaws.

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

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

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

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

Section 8. Delegation of Authority and Duties. The Board of Directors is authorized to delegate the authority and duties of any officer to any other officer and generally to

control the action of the officers and to require the performance of duties in addition to those mentioned herein.

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

ARTICLE IV GENERAL POWERS OF THE ASSOCIATION

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

(A) Utility Service for Common Elements.

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

(B) Casualty Insurance.

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

(C) Liability Insurance. Directors' and Officers' Liability Insurance.

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

(D) Workmen's Compensation.

Workmen's compensation insurance to the extent necessary to comply with any applicable laws;

(E) Wages and Fees for Services.

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

(F) Care of Common Elements.

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

(G) Additional Expenses.

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

(H) Discharge of Mechanic's Liens.

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

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

(J) Limitation on Capital Additions and Improvements.

The Association's powers hereinabove enumerated shall be limited in that the Association shall have no authority to acquire and pay for out of the maintenance fund any acquisitions, capital additions and improvements, or structural alterations to the Common Elements (other than for purposes of maintaining, replacing, restoring or repainting portions of the Common Elements, subject to all the provisions of the Declaration and these Bylaws) having a total cost in excess of Five Thousand Dollars (\$5,000.00), nor having an aggregate cost in any one (1) calendar year period in excess of Ten Thousand Dollars (\$10,000), without in each case the prior approval of the members of the Association entitled to exercise a majority of the voting power of the Association provided, however, so long as Declarant has the authority to elect or designate any Board Members, the Declarant's prior written consent to such expenditure shall be

required. The limitations of expenditures by the Association contained in this Section shall not apply to repair of the Condominium Property due to casualty loss, emergency repairs immediately necessary for the preservation and safety of the Condominium Property or for the safety of persons or to avoid suspension of any necessary services. The foregoing provisions of this Section 1(J) also shall not apply to the rehabilitation and renewal of obsolete property which shall be governed by the Declaration;

(K) Miscellaneous.

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

Section 2. Rules and Regulations. The Board of Directors, by vote of the members entitled to exercise a majority of the voting power of the Board, may adopt such reasonable rules and regulations and from time to time amend the same supplementing the rules and regulations set forth in the Declaration and these Bylaws as it may deem advisable for the maintenance, conservation and beautification of the Condominium Property, and for the health, comfort, safety and general welfare of the owners and occupants of the Condominium Property. Written notice of such rules and regulations shall be given to all owners and occupants and the Condominium Property shall at all times be maintained subject to such rules and regulations. In an action or proceeding brought by the Association against an Owner and/or Occupant of a Unit to enforce such rules or regulations, the Association shall be entitled to collect costs of suit and reasonable attorneys' fees from such Owner and/or Occupant. In the event such supplemental rules and regulations shall conflict with any provisions of the Declaration or of these Bylaws, the provisions of the Declaration and of these Bylaws shall govern.

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

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

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

Section 6. Applicable Laws. The Association shall be subject to and governed by the provisions of any statute adopted at any time and applicable to property submitted to the Condominium form of ownership (including without limitation, Chapter 5311, Ohio Revised

Code); provided, however, that all inconsistencies between or among the permissive provisions of any statute and any provision of the Declaration and these Bylaws, shall be resolved in favor of the Declaration and these Bylaws, and any inconsistencies between any statute applicable to associations formed to administer property submitted to the Condominium form of ownership, and the Articles or Bylaws of the Association shall be resolved in favor of the statute. In the event of any conflict or inconsistency between the provisions of the Declaration and the Articles or Bylaws of the Association, the terms and provisions of the Declaration shall prevail, and the owners and all persons claiming under them covenant to vote in favor of such amendments in the Articles or Bylaws as will remove such conflict or inconsistencies.

ARTICLE V

DETERMINATION AND PAYMENT OF ASSESSMENTS

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

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

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

Section 2. Preparation of Estimated Budget. Each year on or before December 1st, the Association shall estimate the total amount necessary to pay the cost of wages, materials, insurance, services and supplies which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Association to be necessary for a reserve for contingencies and replacements, and shall on or before December 15th notify each owner in writing as to the amount of such estimate, with reasonable itemization thereof. The "estimated cash requirement" shall be assessed to the owners according to each owner's percentage of ownership in the Common Elements as set forth in the Declaration. On or before January 1st of the ensuing year, and the 1st of each and every month of said year, each Owner shall be obligated to pay to the Association or as it may direct one-twelfth (1/12) of the assessment made pursuant to this Section. On or before the date of the annual meeting of each calendar year, the Association shall supply to all owners an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid together with a tabulation of the amounts collected pursuant to the estimate provided, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each owner's percentage of ownership in the Common Elements to the next monthly installments due from owners under the current year's estimate, until exhausted, and any net shortage shall be added according to each owner's percentage of ownership in the Common Elements to the installments due in the succeeding six months after rendering of the accounting.

Section 3. Reserve for Contingencies and Replacements. The Association shall be obligated to build up and maintain a reasonable reserve ("Cash Reserve") to finance the cost of repair or replacement of the components of the Common Elements. Included in the reserve is the amount (or a portion thereof) payable by each Purchaser of a Unit at the time such Purchaser acquires title to his Unit.

Upon the sale of a Unit by any Unit Owner, such Unit Owner shall have no right to any portion of the Cash Reserve; nor shall any such Unit Owner have any claim against the Association with respect thereto. Extraordinary expenditures not originally included in the annual estimate which may be necessary for the year, shall be charged first against the Cash Reserve. If the Cash Reserve proves inadequate for any reason, including non-payment of any owner's assessment, the Association shall prepare an estimate of the additional cash requirements then necessary, or necessary for the balance of the year, which additional amount of cash requirements shall be assessed to the owners according to each owner's percentage of ownership in the Common Elements. The Association shall serve notice of such further assessment on all owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective with the monthly maintenance payment which is due not more than ten (10) days after the delivery or mailing of such notice of further assessments. All owners shall be obligated to pay the adjusted monthly amount.

Section 4. Budget for First Year. When the first Board of Directors elected hereunder takes office, the Association shall determine the amount of the Cash Reserve, for the period commencing thirty (30) days after said election and ending on December 31st of the

calendar year in which said election occurs. Assessments shall be levied against the owners during said period as provided in Section 2 of this Article V.

Section 5. Failure to Prepare Annual Budget. The failure or delay of the Association to prepare or serve the annual or adjusted estimate on the owner shall not constitute a waiver or release in any manner of such owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the owner shall continue to pay the monthly maintenance charge at the existing monthly rate established for the previous period.

Section 6. Books and Records of Association. The Association shall keep full and correct books of account in accordance with Section 5311.09 of the Act and the same shall be open, for inspection by any owner or any representative of an owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by the Owner. Upon ten (10) days' notice to the Board of Directors and upon payment of a reasonable fee, any Unit Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such owner.

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

Section 8. Annual Audit. The books of the Association shall be reviewed once a year by the Board of Directors, and such review shall be completed prior to each annual meeting. If requested by two or more members of the Board of Directors, such review shall be made by a Certified Public Accountant. In addition, and at any time, if requested by Unit Owners having more than fifty percent (50%) of the voting power of the Association, or upon the request of two or more members of the Board of Directors, the Board shall cause an additional review to be made.

Section 9. Remedies for Failure to Pay Assessments. If an owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the members of the Board of Directors may bring suit for and on behalf of themselves and as representatives of all owners, to enforce collection thereof or to foreclose the lien therefor as provided in the Declaration, and, there shall be added to the amount due the costs of said suit, together with legal interest and reasonable attorneys' fees to be fixed by the court. To the extent permitted by the Declaration, any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, costs and fees as above provided shall be and become a lien or charge against the Condominium Ownership Interest of the owner involved when payable and may be foreclosed by an action brought in the name of the Board of Directors as in the case of foreclosure of liens against real estate, as provided in the Declaration. As provided in the Declaration, the members of the Board of Directors and their successors in office, acting on behalf of the other Unit Owners, shall have the power to bid in the interest so

foreclosed at foreclosure sale, and to acquire, hold, mortgage and convey the same. Any first mortgagee shall be entitled to written notice of such failure to pay such assessment. The Board of Directors shall have the power to suspend the voting rights and the right to use any recreational facilities if a Unit Owner during any period in which such Unit Owner shall be in default in the payment of any assessment levied by the Association. In addition, each Unit Owner shall be personally liable for all assessments levied by the Association against his Unit during the period he has an ownership interest therein, and any Common Assessment not paid within ten (10) days after the same shall become due and payable, shall bear interest at the maximum rate allowed by law until such time as the Common Assessment has been paid in full and the Association shall be entitled to levy against the delinquent Unit Owner a service charge of five percent (5%) of the amount of the delinquent payment in order to defray the cost of collection. The Board shall comply with Section 5311.081(c) when imposing all charges and assessments.

Section 10. Method of Distributing Common Profits. Unless retained by the Board as reserves, the Common Profits of a Condominium Property shall be distributed among the Unit Owners according to the undivided interests in the common elements appurtenant to their respective Units.

ARTICLE VI INDEMNIFICATION

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

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

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

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

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

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

ARTICLE VII GENERAL PROVISIONS

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

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

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

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

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

Section 4. Non-Waiver of Covenants. No covenants, restrictions, conditions, obligations or provisions contained in the Declaration or these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

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

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

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

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

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

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

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

Exhibit D
Percentage Interest in Common Elements

<u>Unit #</u>	<u>Unit Type</u>	<u>Par Value</u>	<u>Percentage Interest</u>
			8.333%
82	Chateau	1.0	8.334%
80	Villa	1.0	8.334%
81	Villa	1.0	8.333%
79	Chateau	1.0	8.334%
57	Abbey	1.0	8.333%
58	Canterbury	1.0	8.333%
59	Canterbury	1.0	8.333%
60	Canterbury	1.0	8.334%
83	Abbey	1.0	8.333%
84	Canterbury	1.0	8.333%
85	Canterbury	1.0	8.333%
86	Canterbury	1.0	
			100%
Total			