

# **TYPICAL LOT DATA**

SCALE 1" = 20' LOT DATA

LOT WIDTHS 26'(TOWNHOME)/50'/60'(SINGLE FAMILY) MIN. FRONT YARD SETBACK 25' MIN. REAR YARD SETBACK 25' MIN. SIDE YARD SETBACK 5', 10' TOTAL

MIN. SINGLE FAMILY LOT SIZE 6,000 SF

	SHEET LIST TABLE
SHEET NUMBER	SHEET TITLE
1	TITLE SHEET
2	EXISTING CONDITIONS
3	EXISTING CONDITIONS
4	EXISTING CONDITIONS
5	EXISTING CONDITIONS
6	OVERALL PLAN
7	LAYOUT PLAN
8	UTILITY PLAN
9	UTILITY OFFSITE CONNECTION PLAN
10	PRE-DEVELOPED DRAINAGE PLAN
11	POST-DEVELOPED DRAINAGE PLAN

## SITE DATA TABLE

OVERALL ACREAGE	109.50 ACRES
LOT/UNIT COUNT	282
DENSITY	2.58 UNITS/ACRE
OPEN SPACE	20.47AC (18.70%)
PARKLAND DEDICATION AREA	25.81AC (23.57%)
OVERALL ROADWAY AREA	15.24 AC

## BENCHMARKS:

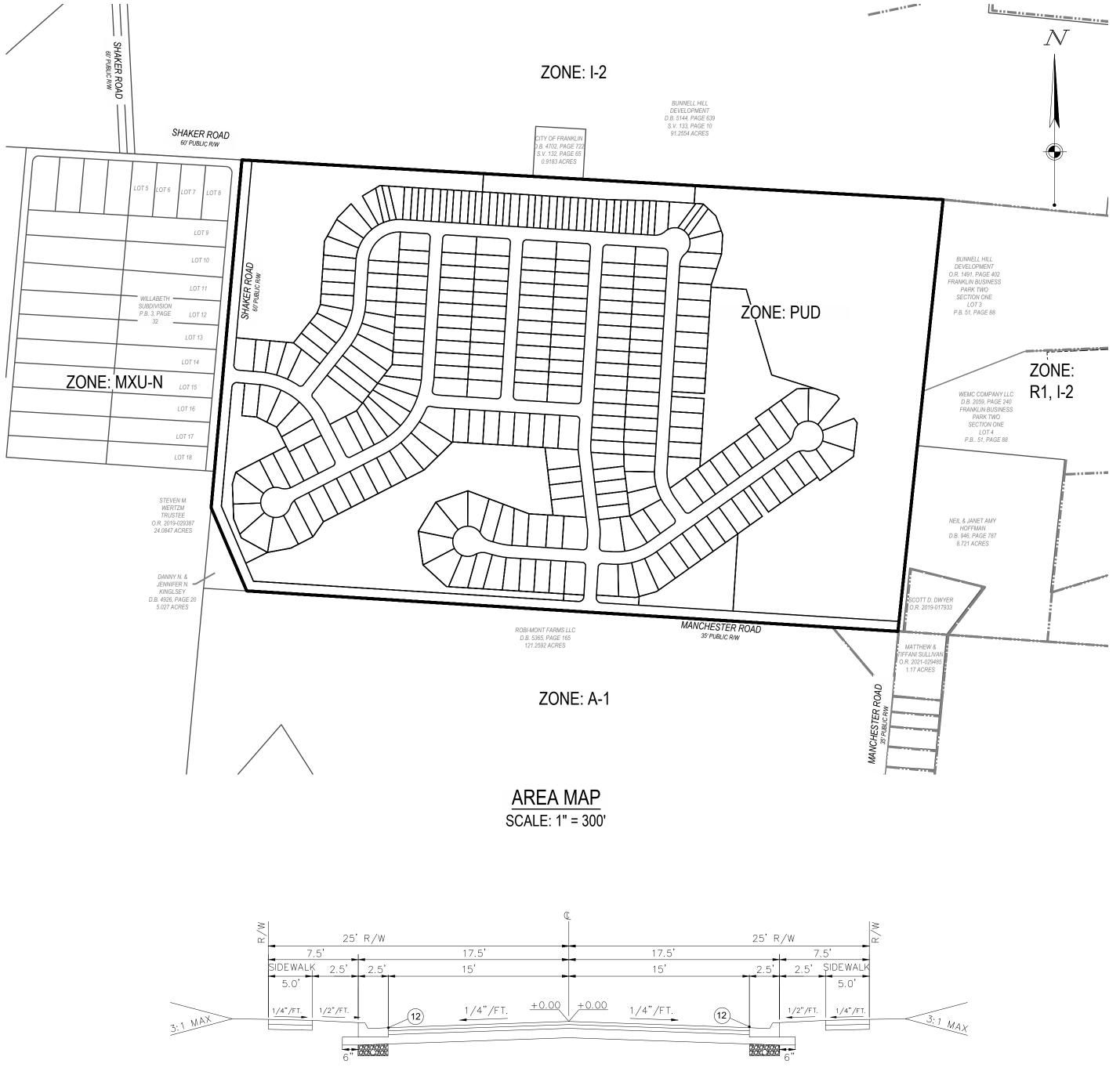
A- CHISELED X ON FIRE HYDRANT BOLT. HYDRANT LOCATED ON THE EAST EDGE OF PAVEMENT OF SHAKER ROAD NEAR THE NORTHWEST CORNER OF THE SITE. ELEV = 818.59

B- SPIKE IN A TELEPHONE POLE. POLE LOCATED ON THE WEST EDGE OF PAVEMENT OF SHAKER ROAD AT THE SOUTHWEST CORNER OF THE INTERSECTION OF MANCHESTER ROAD AND SHAKER ROAD.

ELEV=861.08 C- SPIKE IN A TELEPHONE POLE. POLE LOCATED ON THE SOUTH EDGE OF PAVEMENT OF

MANCHESTER ROAD. ELEV=889.37

D- CHISELD X ON FIRE HYDRANT BOLT. HYDRANT LOCATED ON THE WEST EDGE OF PAVEMENT AND GRAVEL SPLIT. BETWEEN HOUSES #4982 & #4990 ON ACCESS ROAD OFF MANCHESTER ROAD. ELEV=863.92

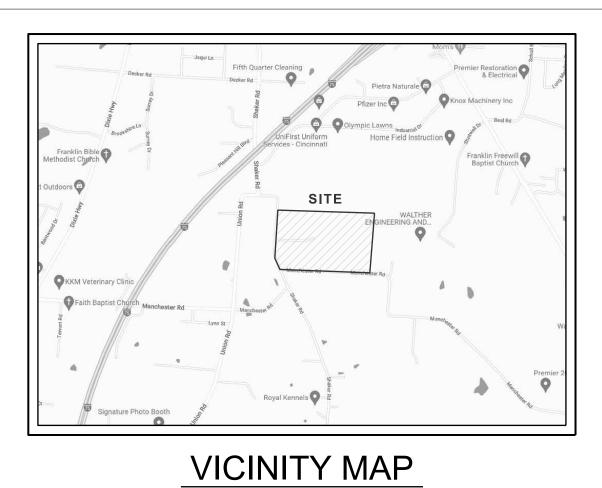




# PRELIMINARY PLAT SHAKER FARMS

MANCHESTER ROAD AND SHAKER ROAD FRANKLIN TOWNSHIP WARREN COUNTY, OHIO SECTION 35, TOWN 3, RANGE 4 MAY 1, 2025

> TYPICAL SECTION (50' ROW)



NTS

## NOTES:

- 1. ALL LOTS WILL CONTAIN SINGLE-FAMILY, DETACHED RESIDENCES AND ATTACHED TOWNHOMES.
- 2. THE SITE WAS PREVIOUSLY FARMLAND.
- 3. WATER SUPPLY TO BE BY CITY OF FRANKLIN.
- 4. WASTEWATER DISPOSAL TO BE BY THE CITY OF FRANKLIN.
- 5. STORMWATER SHALL COMPLY WITH THE CITY OF FRANKLIN STANDARDS AND OEPA.
- ALL STREETS ARE TO BE PUBLIC STREETS CONSTRUCTED TO THE CITY OF FRANKLIN STANDARDS.
- 7. STREET LIGHTING SHALL BE PROVIDED TO CITY OF FRANKLIN STANDARDS AND IN COORDINATION WITH ELECTRIC UTILITY.
- 8. THE OPEN SPACE AREAS SHALL BE MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
- 9. ZONING: PUD

# DEVELOPER

FORESTAR 9292 N. MERIDIAN STREET, SITE 211 INDIANAPOLIS, IN 46260 PH: (317) 754-6951

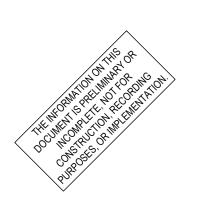
# OWNER(S)

MARY L. WERLINE, ETAL 5764 SHAKER RD. FRANKLIN OH 45005

# ENGINEER/SURVEYOR

CESO, INC. 3601 RIGBY ROAD, SUITE 300 MIAMISBURG, OH 45342 PH: (937) 435-8584 JUSTIN ELAM, P.E.





RMS 4 LL R К Ш 4 MANCHE

Date

Revisions / Submissions ID Description

R

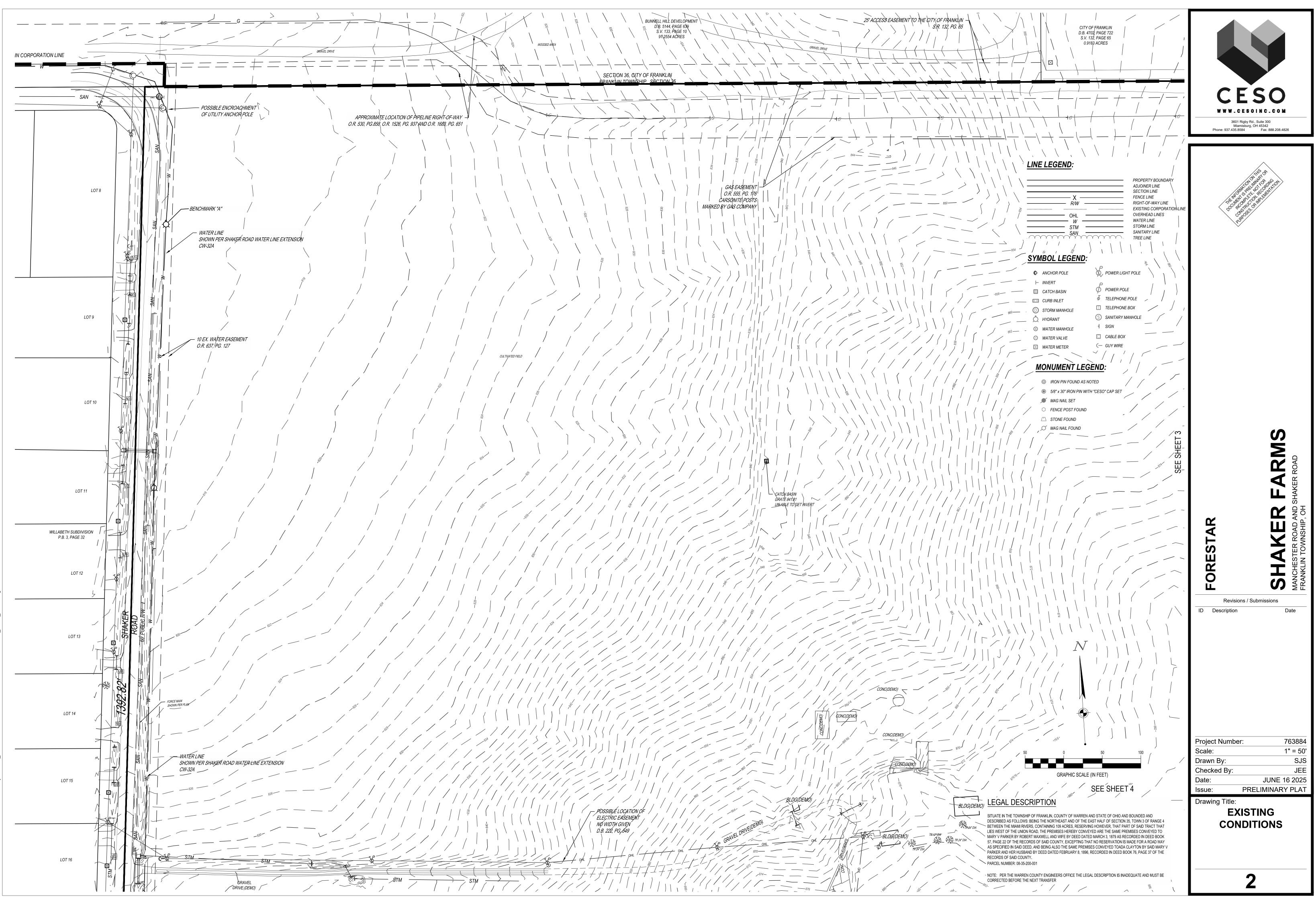
TA

ORES<sup>-</sup>

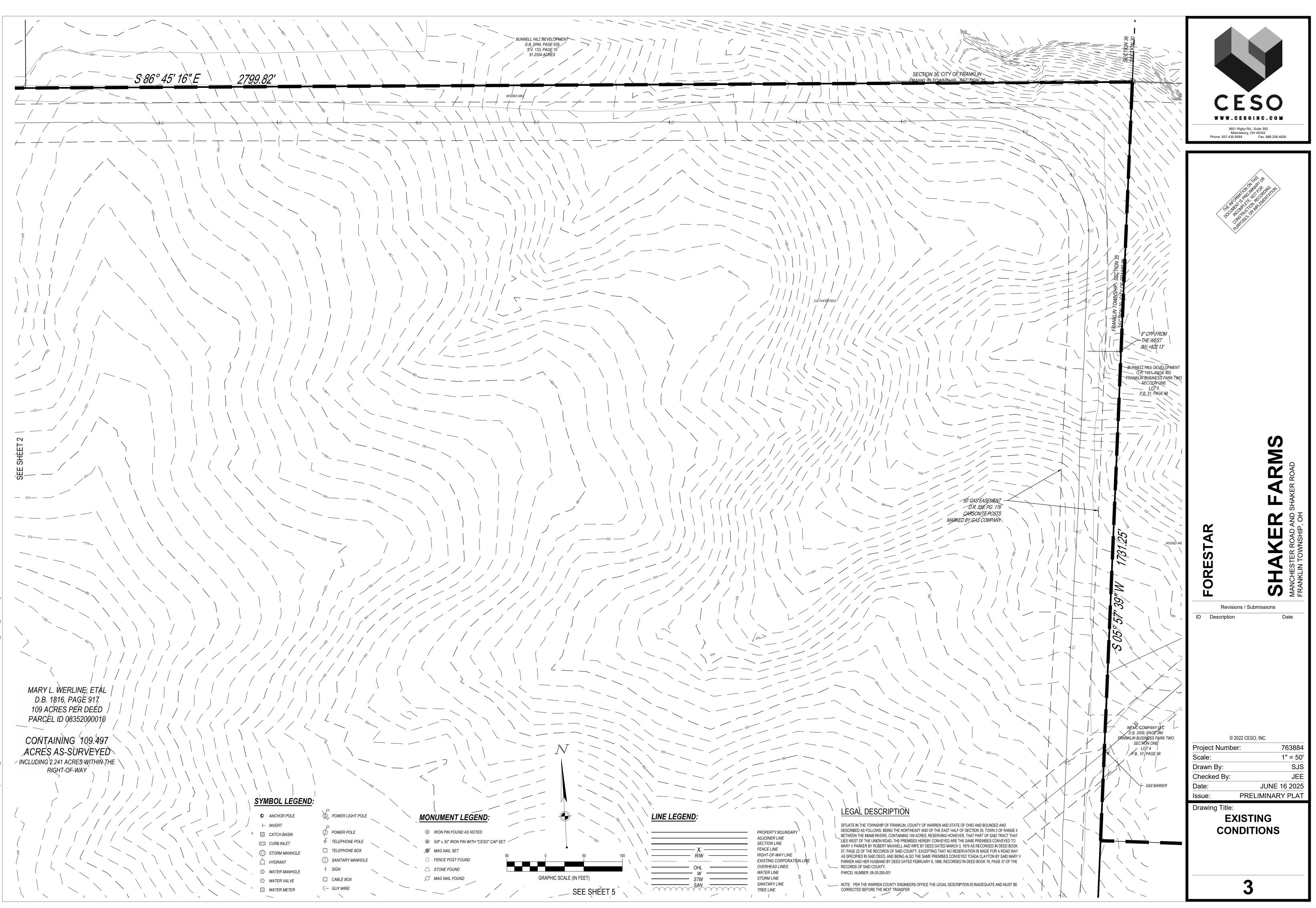
	© 2022 CESC	), INC.
Project Nun	nber:	763884
Scale:		1" = 300'
Drawn By:		SJS
Checked By	/:	JEE
Date:		JUNE 16 2025
Issue:	PREI	IMINARY PLAT
Drawing Tit	e:	
-	TITL SHEE	

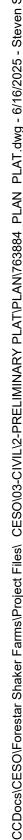
JUSTIN ELAM, P.E. OHIO LICENSE NO. E-76298

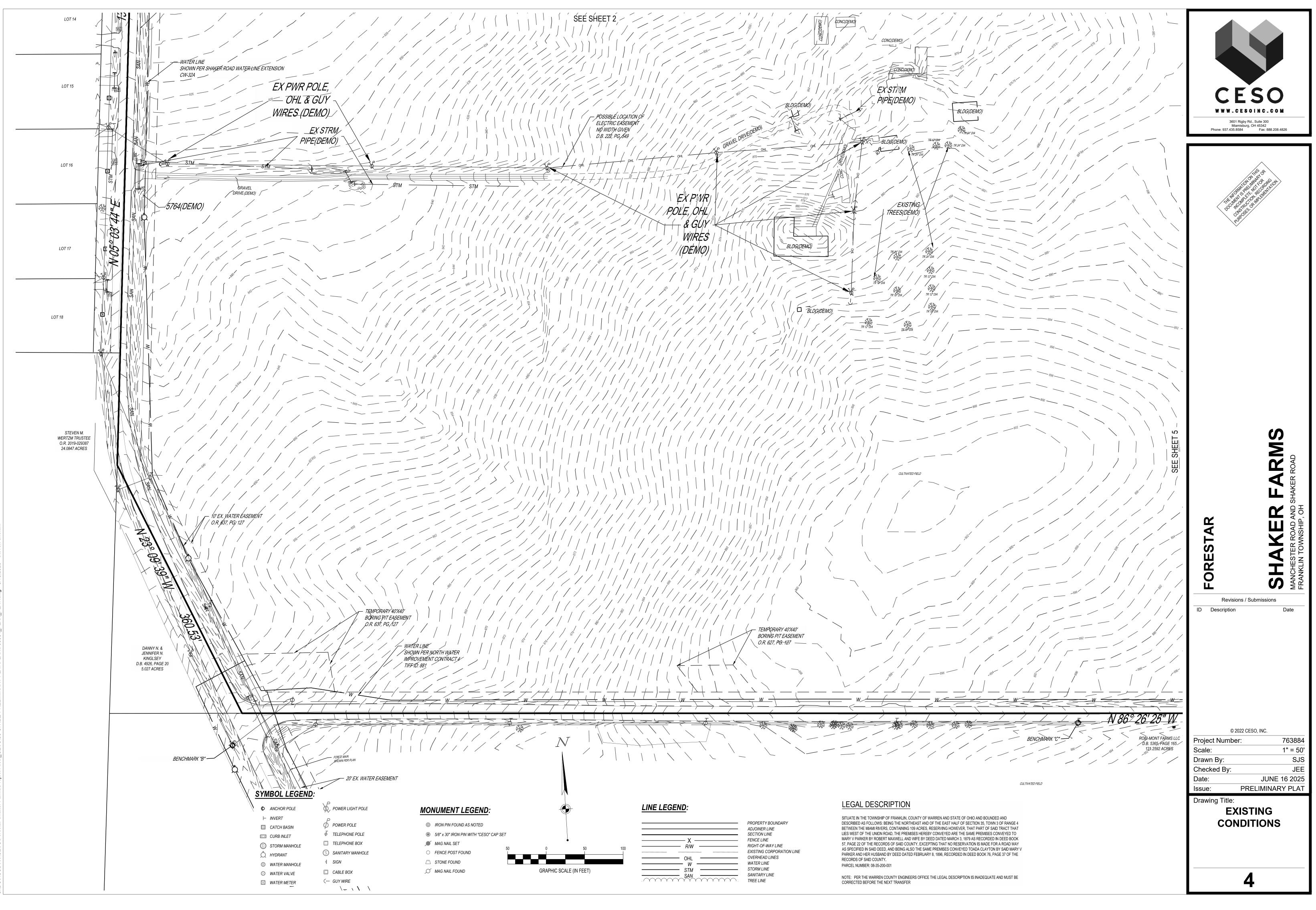
DATE



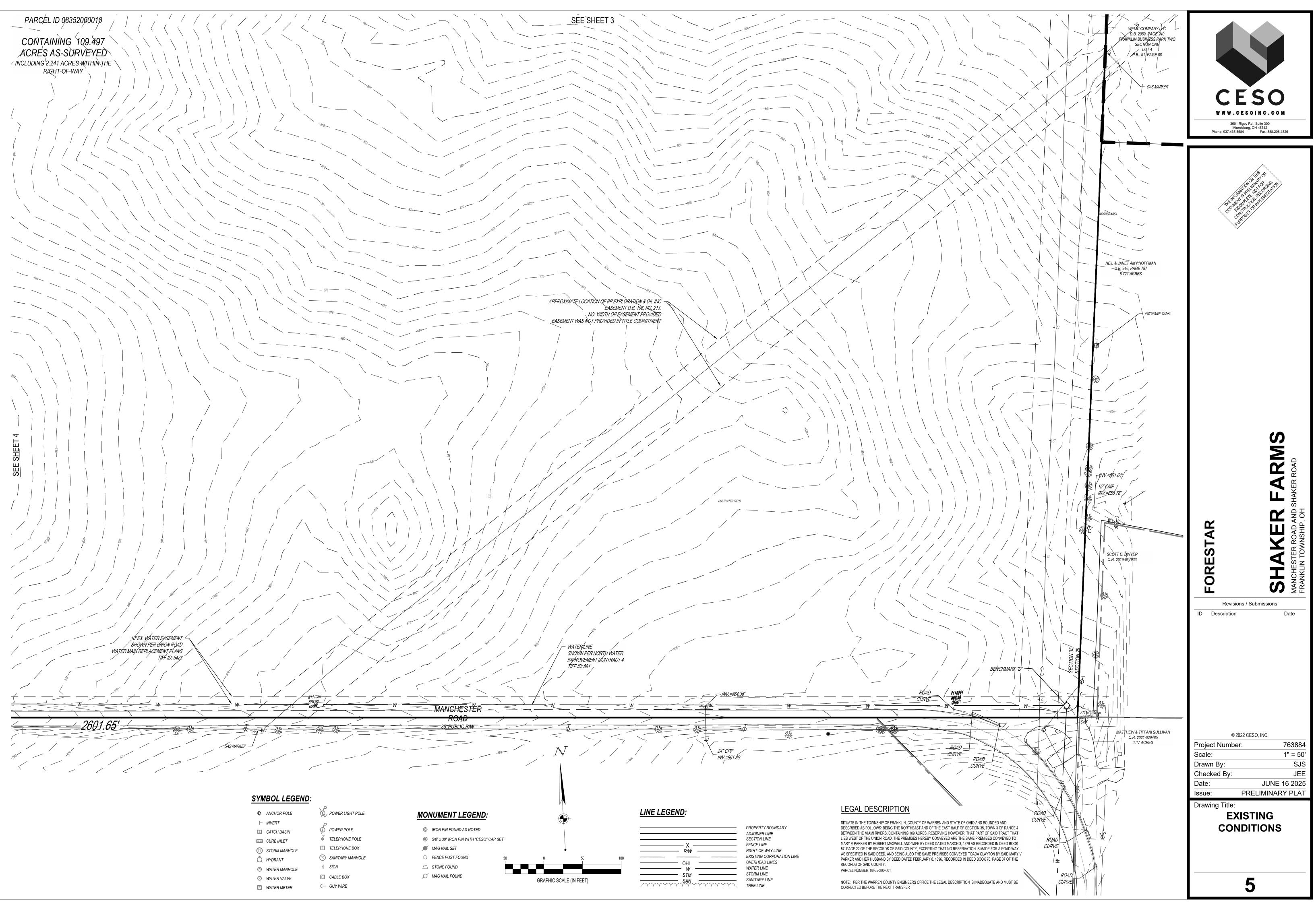
ACCDocs/CESO/Forestar Shaker Farms/Project Files\\_CESO\03-CIVIL\2-PRELIMINARY PLAT\PLAN\763884\_PLAN\_PLAT.dwg - 6/16/2025 - Steven Shelt





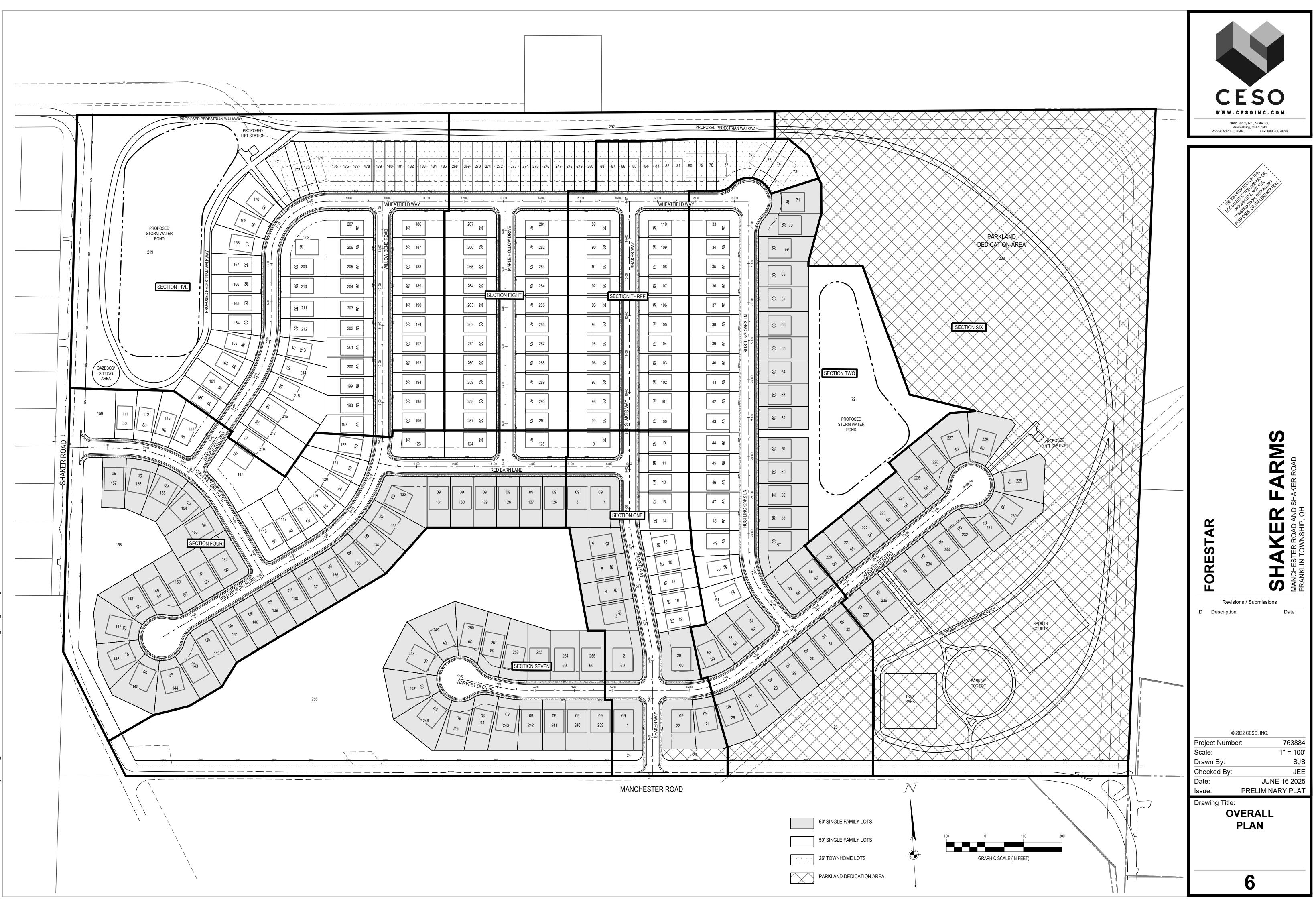


— X -	
OHL	
— W	
STM	
 SAN	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~

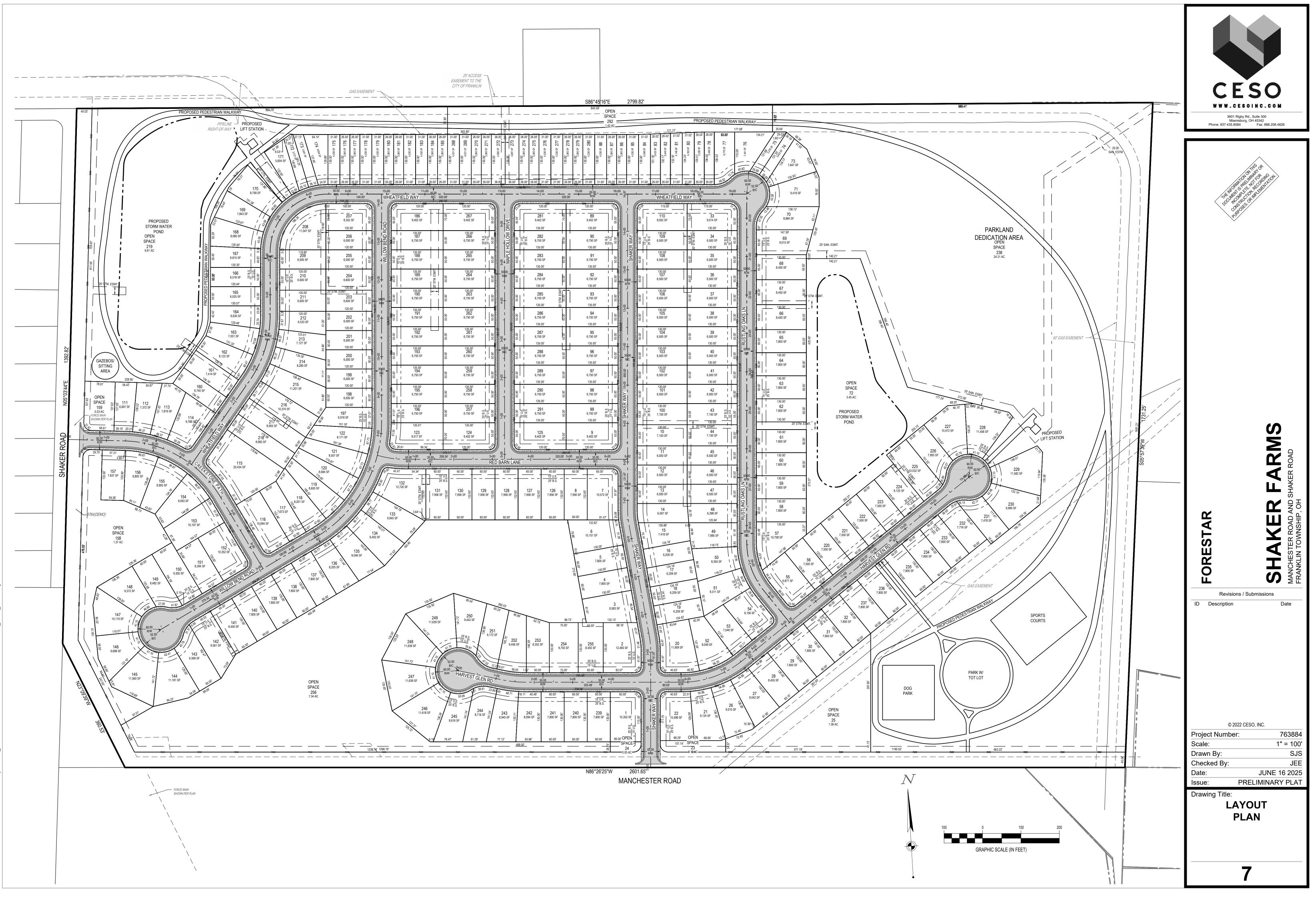


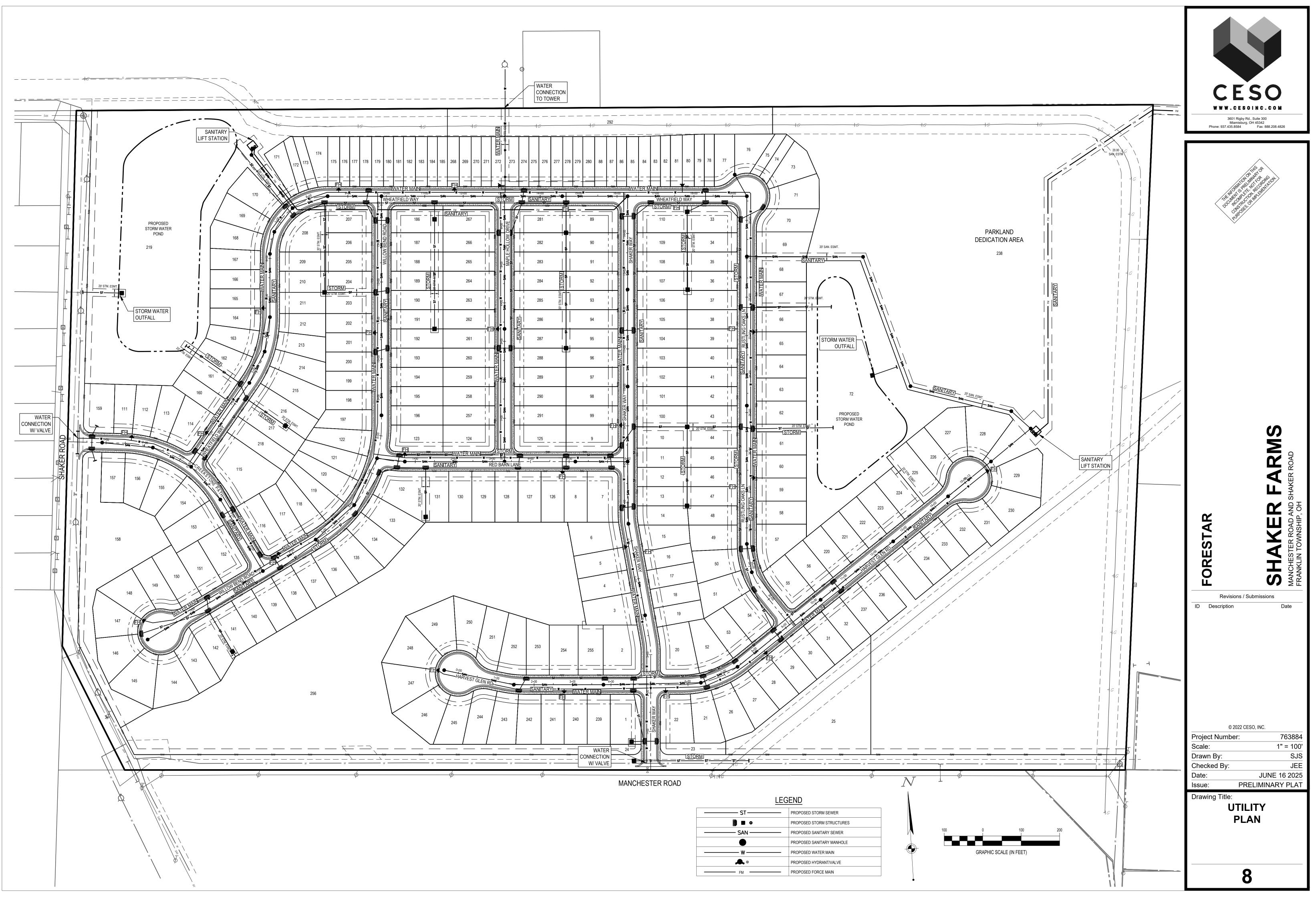
	×¢	POWER LIGHT POLE
	$\phi$	POWER POLE
	$\boldsymbol{\phi}$	TELEPHONE POLE
DLE		TELEPHONE BOX
	S	SANITARY MANHOLE
DLE	4	SIGN
	С	CABLE BOX
	-	

V	
- OHL	
— W - STM	
 SAN	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~

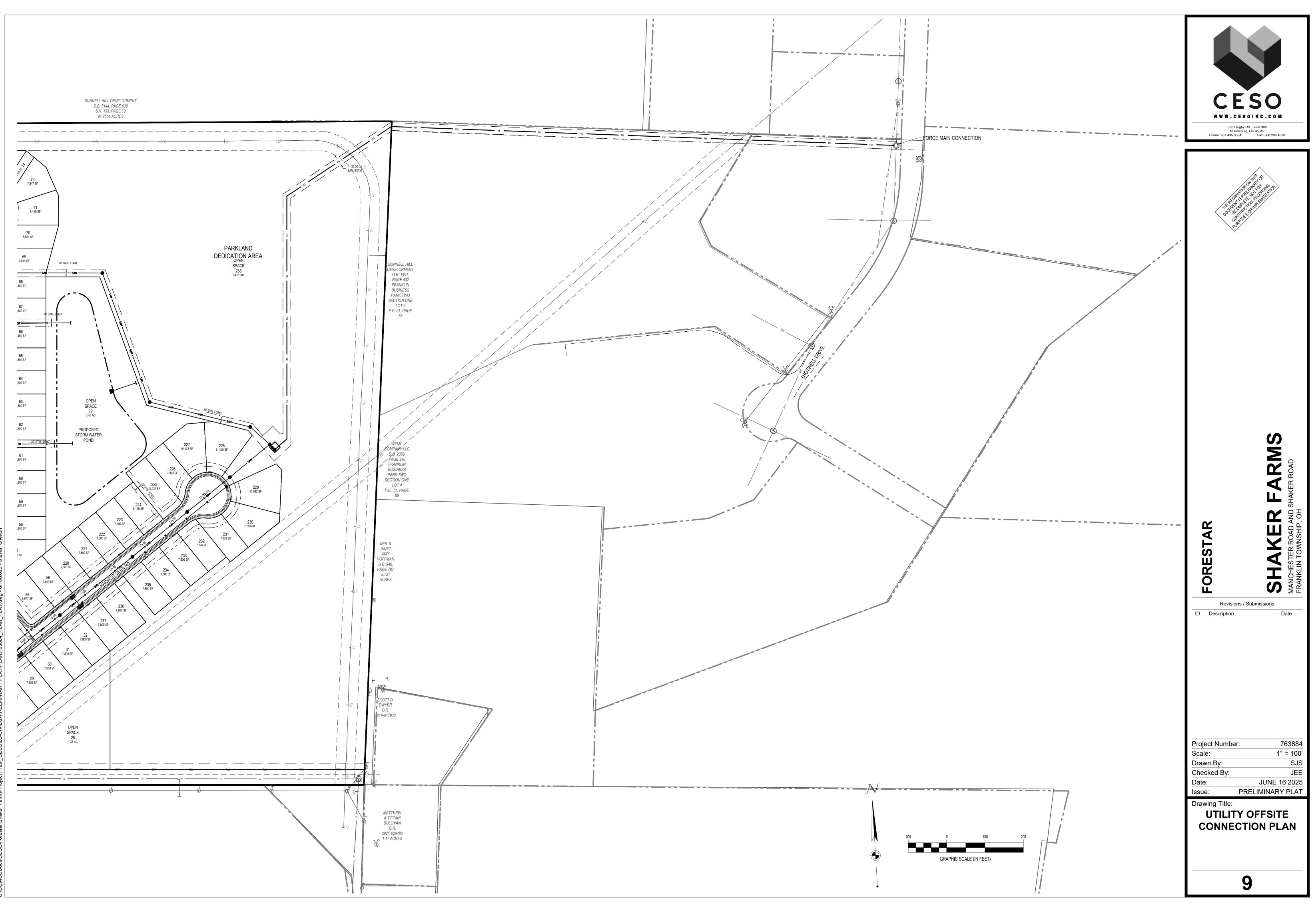


CCDocs/CESO/Forestar Shaker Farms/Project Files/\_CESO/03-CIVIL/2-PRELIMINARY PLAT/PLAN/763884\_PLAN\_PLAT.dwg - 6/16/2025 - Steven Shelton

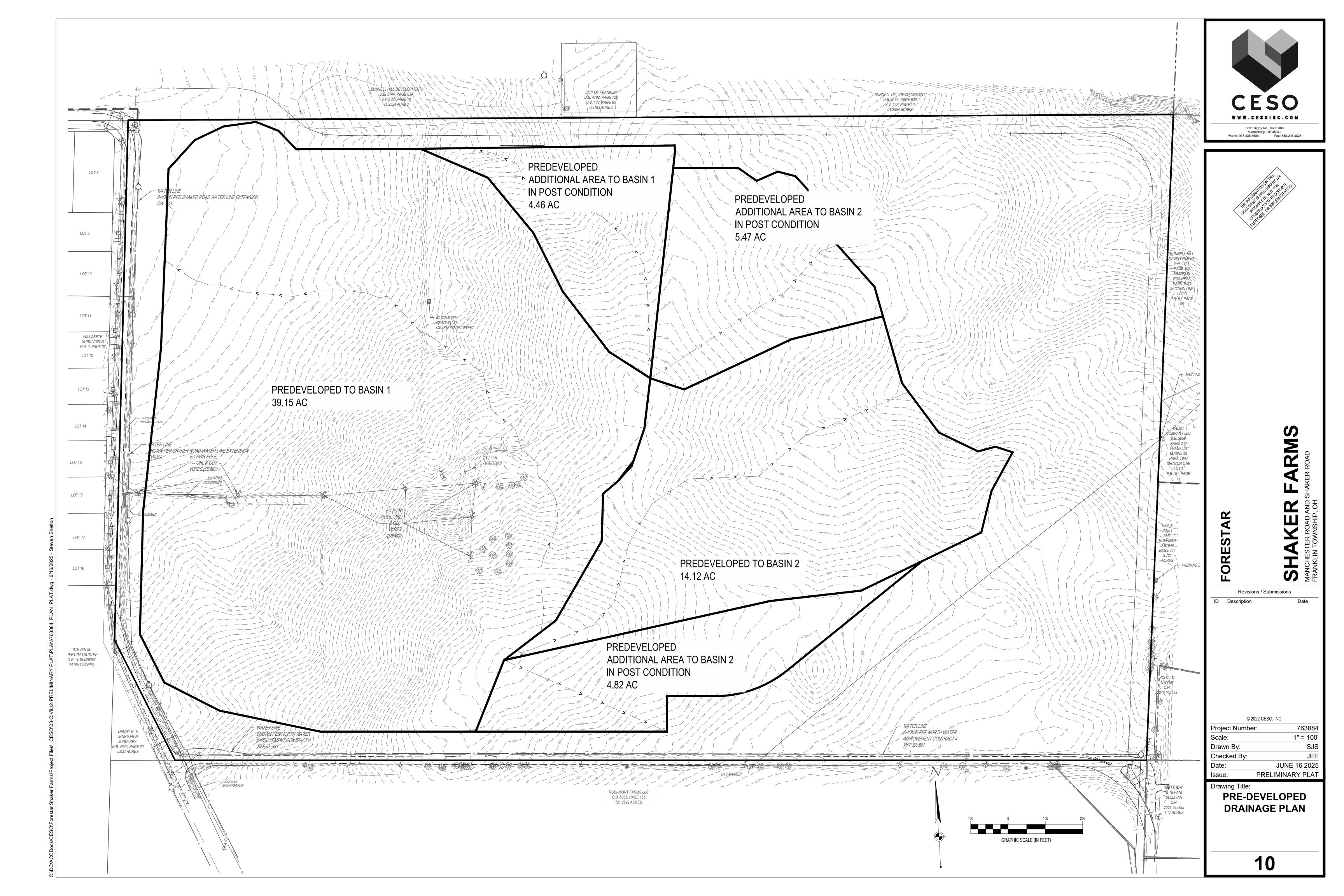


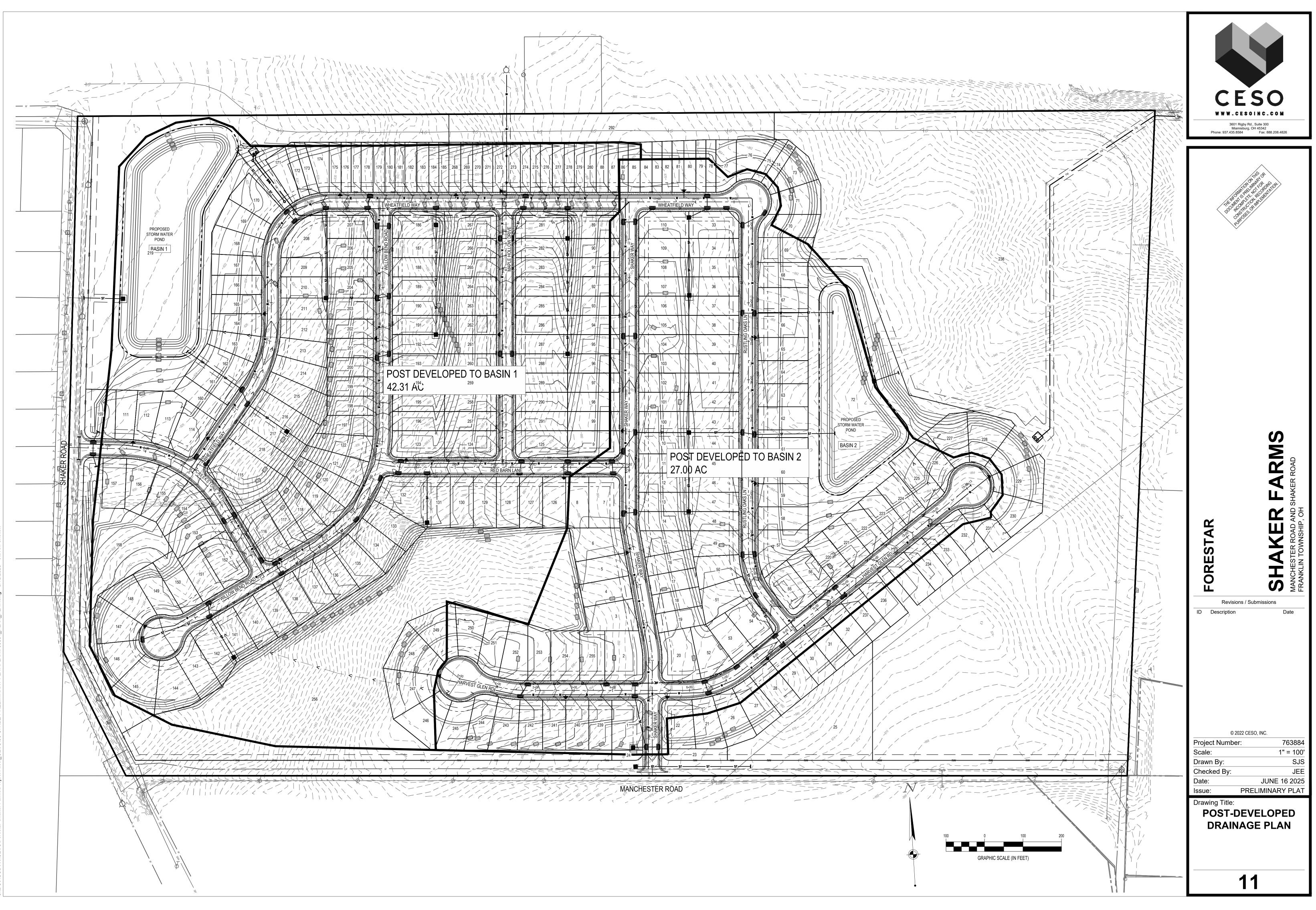


LEGEND		
ST	PROPOSED STORM SEWER	
	PROPOSED STORM STRUCTURES	
SAN	PROPOSED SANITARY SEWER	
	PROPOSED SANITARY MANHOLE	
w	PROPOSED WATER MAIN	
	PROPOSED HYDRANT/VALVE	
FM	PROPOSED FORCE MAIN	



ACCDocs/CESO/Forestar Shaker Farms/Project Files\ CESO\03-CIVIL\2-PRELIMINARY PLAT\PLAN\763884 PLAT.dwg - 6/16/2025 - Steven Sheltor





\ACCDocs\CESO\Forestar Shaker Farms\Project Files\\_CESO\03-CIVIL\2-PRELIMINARY PLAT\PLAN\763884\_PLAN\_PLAT.dwg - 6/16/2025 - Steven Sheltor

THIS INSTRUMENT TO BE RETURNED TO: Christopher Hunt Forestar (USA) Real Estate Group LLC 9292 N. Meridian St. Ste 211 Indianapolis, IN 46260

ABOVE SPACE FOR RECORDER'S USE ONLY

## DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

#### FOR

### SHAKER FARMS HOMEOWNERS ASSOCIATION

### A Subdivision located in Franklin, Warren County, Ohio

## **TABLE OF CONTENTS**

ARTICLE I NAME	
ARTICLE II DEFINITI	ONS
Section 2.1	"Applicable Law"
Section 2.2	"Articles"
Section 2.2 Section 2.3	"Architectural Control Committee" or "ACC"
Section 2.4	"Association"
Section 2.5	"Board of Directors"
Section 2.6	"Builder"
Section 2.7	"Bylaws"
Section 2.8	"Common Area"
Section 2.9	"Common Expenses"
Section 2.10	"Declarant"
Section 2.11	"Development Period"
Section 2.12	"Dwelling Unit"
Section 2.12 Section 2.13	"Lake Area(s)"
Section 2.14	"Lot" or "Lots"
Section 2.15	"Owner"
Section 2.16	"Park"
Section 2.17	"Plat"
Section 2.18	"Provider"
Section 2.19	"Provider Services"
Section 2.20	"Turnover Date"
Section 2.20 Section 2.21	"Sign"
	TY RIGHTS, EASEMENTS AND ENCROACHMENTS
Section 3.1	Owners' Easements of Enjoyment of Common Area
Section 3.2	Delegation of Use
Section 3.3	Certain Obligation and Access Rights to the Common Area
Section 3.4	General Drainage, Utility, Sewer and Other Development
	Easements 6
Section 3.5	Easement for Emergency Purposes
Section 3.6	Fee Title to Lot
Section 3.7	Designated Drainage, Utility, and Sewer Easements
Section 3.8	Designated Easements for Landscaping, Mounding, Screening
	and Signage10
Section 3.9	Street Dedication
Section 3.10	Easement Work 10
Section 3.11	No Access 10
Section 3.12	Reservation of Right to Grant Easement 10
	TION MEMOEDSHIP VOTING DIGHTS DOADD OF

Section 4.1	Membership	10
Section 4.2	Classes of Membership and Voting Rights	11
Section 4.3	Board of Directors	
Section 4.4	Professional Management	11
Section 4.5	Suspension of Voting Rights	12
Section 4.6	Budget	12
Section 4.7	Proxy Votes	12
Section 4.8	Non-Liability of Directors, Officers, and Committee Members	12
Section 4.9	Indemnification	12
Section 4.10	Insurance	12
ARTICLE V COVENA	NT FOR MAINTENANCE ASSESSMENTS	13
Section 5.1	Creation of the Lien and Personal Obligation of Assessments	13
Section 5.2	Purposes of Regular Yearly Assessments	
Section 5.3	Amount of Regular Yearly Assessments.	14
Section 5.4	Special Assessments for Capital Improvements and Operating Deficits	15
Section 5.5	Meetings – Notice and Quorum	
Section 5.6	Uniform Rate of Assessment	
Section 5.7	Date of Commencement of Yearly Assessments: Due Dates	
Section 5.8	Effect of Nonpayment of Assessments: Remedies of the	
	Association	16
Section 5.9	Subordination of the Lien to Mortgages: Sale or Transfer	
Section 5.10	Declarant/Builder Loan	
	STRICTIONS	
Section 6.1 Section 6.2	Lot Use and Conveyance	
Section 6.2 Section 6.3	Leasing	
	Animals	
Section 6.4 Section 6.5	Outside Storage Front and Side Yard Setback Lines	
Section 6.6	Side and Rear Setbacks	-
Section 6.7		
Section 6.8	Parking; Motor Vehicle Repairs Nuisances	
Section 6.9	Permitted Uses	
Section 6.10	Drains and Vents	
Section 6.11	Residential Use	
Section 6.12	Size	
Section 6.12	Unsightly Growth	
Section 6.14	Site Visibility	
Section 6.15	Semi-Tractor Trucks, Trailers, Etc.	
Section 6.16	Sign Limitations	
Section 6.17	Lakes, Lake Area(s)	
Section 6.18	Rules and Regulations	
Section 6.19	Swimming Pools and Playground Equipment	
Section 6.20	Trampolines and Basketball Goals	
Section 6.21	Mailboxes	

Section 6.22	Notice of Zoning Commitments	
Section 6.23	Occupations	
Section 6.24	Fences	
Section 6.25	Animal Kennels	
Section 6.26	Driveways	
Section 6.27	Garages	
Section 6.28	Flagpoles and Flags	
Section 6.29	Solar Panels	
Section 6.30	Development and Sale Period	
ARTICLE VII MAINT	ENANCE, REPAIRS AND REPLACEMENTS	
Section 7.1	By Owners	
Section 7.2	Association's Maintenance Right	
Section 7.3	Common Properties and Lawns by the Association	
ARTICLE VIII ARCH	TECTURAL CONTROL COMMITTEE	
Section 8.1	Construction of Improvements	
Section 8.2	Architectural Control Committee.	
ARTICLE IX INSURA		
Section 9.1	Owner's Insurance	
Section 9.2	Liability Insurance	
Section 9.3	Fidelity Bonds	
Section 9.4	Miscellaneous Insurance Provisions	
Section 9.5	Casualty and Restoration	
Section 9.6	Insufficiency of Insurance Proceeds	
Section 9.7	Surplus of Insurance Proceeds	
	AGES	
Section 10.1	Mortgagee Rights	
Section 10.2	Notice to Mortgagees	
Section 10.3	Condemnation and Insurance Awards	
Section 10.4	Right of First Refusal	
Section 10.5	Unpaid Dues or Charges	35
	OPMENT RIGHTS	
Section 11.1	Development by Declarant	
Section 11.2	Special Declarant Rights	
Section 11.3	Conveyance of Common Area to the Association	
Section 11.4	Addition of Land	
Section 11.5	Withdrawal of Land	
Section 11.6	Assignment of Declarant's Rights	
	ANCE RESOLUTION PROCEDURE	
Section 12.1	Claims	
ARTICLE XIII GENER	RAL PROVISIONS	

Right of Enforcement	. 38
Severability and Waiver	. 38
Assignment	
Amendment	. 38
HUD Amendment Approval	40
Assignment	40
Condemnation, Destruction or Liquidation	40
Borrowing Money	40
Pronouns.	41
Safety and Security	41
	Severability and Waiver Assignment Amendment HUD Amendment Approval Assignment Condemnation, Destruction or Liquidation Borrowing Money Pronouns.

#### DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF SHAKER FARMS

THIS Declaration of Covenants, Conditions and Restrictions of Shaker Farms Homeowners Association, Inc. ("Declaration") is made on this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by FORESTAR (USA) REAL ESTATE GROUP INC., a Delaware corporation ("Declarant").

#### WITNESSETH:

WHEREAS, Declarant is the owner of certain real estate, located in Franklin, Warren County, Ohio, which is more particularly described in Exhibit "A" (hereafter "Real Estate") attached hereto and by this reference, made a part hereof, upon which Declarant intends to develop a residential subdivision.

WHEREAS, Declarant desires to subdivide and develop the Real Estate, as hereinafter provided.

WHEREAS, the term "Property" shall hereafter mean and refer to the Real Estate.

NOW, THEREFORE, the Declarant hereby declares that all of the Lots (as defined in Article II below) in the Property, as they are held and shall be held, conveyed, hypothecated, or encumbered, leased, rented, used, occupied, and improved, are subject to the following restrictions, all of which are declared to be in furtherance of a plan of the improvement and sale of the Property and each Lot situated therein, and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property as a whole and each of the Lots situated therein. The restrictions shall run with the Property and shall be binding upon the Declarant, its successors and assigns, and upon the parties having or acquiring any interest in the Property or any part or parts thereof subject to these restrictions. The restrictions shall inure to the benefit of the Declarant and its respective successors entitled to the Property or any part or parts thereof.

The Owner of any Lots subject to these restrictions, by (i) acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Declarant or a subsequent Owner of such Lot or (ii) the active occupancy of any Lot, shall accept such deed, execute such contract and/or actively occupy such Lot subject to each restriction and agreement herein contained. By acceptance of such deed, execution of such contract, and/or actively occupying such Lot, each Owner acknowledges the rights and powers of Declarant and of the Association with respect to these restrictions and also for itself, its heirs, personal representatives, successors, and assigns covenants and agrees to keep, observe and comply with the terms and conditions hereof.

As of the date of execution hereof, the Property consists solely of the Real Estate. However, notwithstanding anything herein to the contrary, the Declarant shall have the right, and hereby reserves to itself, the right, at any time, and from time to time, at any time prior to the expiration of the Development Period, to add to the Property and subject to this Declaration additional contiguous real property ("Additional Real Estate"). Any portion of the Additional Real

Estate shall be added to the Property, and therefore and thereby becomes a part of the Property and subject in all respects to this Declaration and all rights, obligations, and privileges herein, when Declarant places of record in Warren County, Ohio a supplemental declaration ("Supplemental Declaration") so declaring the same to be part of the Property, which Supplemental Declaration may be made as part of a subdivision plat for any portion of the Additional Real Estate, or by an amendment or supplement to this Declaration. Such Supplemental Declaration may contain modifications hereto and additional terms, conditions, restrictions, maintenance obligations, and assessments as may be necessary to reflect the different character, if any, of the Additional Real Estate. Upon recording of any such instrument on or before the expiration of the Development Period, the real estate described therein shall, for all purposes, thereafter be deemed a part of the Property and the Owners of any Lots within such real estate shall be deemed for all purposes, to have and be subject to all of the rights, duties, privileges, and obligations of Owners of Lots within the Property. No single exercise of Declarant's right and option to add and expand the Property as to any part or parts of the Additional Real Estate, shall preclude Declarant from thereafter from time to time further expanding and adding to the Property to include other portions of the Additional Real Estate, and such right and option of expansion may be exercised by Declarant from time to time as to all or any portions of the Additional Real Estate so long as such expansion is accomplished on or before the expiration of the Development Period. Such expansion of the Property is entirely at the sole discretion of the Declarant and nothing contained in this Declaration or otherwise shall require Declarant to expand the Property beyond the Real Estate, or to any portions of the Additional Real Estate, which Declarant may voluntarily and in its sole discretion from time to time subject to this Declaration.

Declarant intends to develop the Property to create a residential subdivision containing two (2) housing types, traditional single-family homes, and attached townhomes, on varying lot sizes. This Declaration affects all of the Lots (as herein after defined) platted at the Property, and all Lots and Owners thereof shall be required to conform to the provisions hereof, including but not limited to the Use Restrictions and all provisions regarding the Association.

#### ARTICLE I Name

The subdivision of the Property created by this Declaration shall be known and designated as **Shaker Farms Homeowner's Association, Inc.** (hereinafter "Subdivision").

#### ARTICLE II Definitions

The following terms, when used throughout this Declaration, shall have the following meanings and definitions:

<u>Section 2.1</u> "Applicable Law" means the statutes and public laws and ordinances in effect at the time a provision of the Declaration is applied, including, without limitation, the Ohio code and pertaining to the subject matter of the applicable provision. Statutes and ordinances specifically referenced in the Declaration are "Applicable Law" on the date of the Declaration and are not intended to apply to Property if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more other statutes or ordinances.

<u>Section 2.2</u> "Articles" means the Articles of Incorporation of the Association (as hereinafter defined) filed, or to be filed, with the Office of the Secretary of State of Ohio, as the same are or hereafter may be amended from time to time.

<u>Section 2.3</u> "Architectural Control Committee" or "ACC" means the committee created pursuant to this Declaration to review and approve or deny plans for the construction, placement, modification, alteration or remodeling of any Improvements on a Lot. As provided in Article 8 below, the Declarant acts as the ACC and the ACC is not a committee of the Association until the Declarant has assigned its right to appoint and remove all ACC members to the Association in a recorded written instrument. The ACC may sometimes be referred to as the "Design Review Board".

<u>Section 2.4</u> "Association" means the SHAKER FARMS HOMEOWNERS ASSOCIATION, INC., a non-profit corporation, its successors and assigns.

Section 2.5 "Board of Directors" means the Board of Directors of the Association.

<u>Section 2.6</u> "Builder" means a person or entity engaged in and responsible for the original construction of a residence on a Lot (as hereinafter defined).

Section 2.7 "Bylaws" means the Bylaws of the Association.

<u>Section 2.8</u> "Common Area" means: (1) those portions of the Property, including the Property, including improvements thereto and personal property owned, to-be-owned, leased or tobe-leased by the Association from time to time for the common use, benefit and enjoyment of the Owners (as hereinafter defined), (2) Lake Area as defined below, and (3) items (if any) deemed Common Area for maintenance purposes only. Unless expressly stated to the contrary, the term Common Area as used herein (whether or not so expressed) shall include all portions of the Property designated on the Plat (as hereafter defined) as a "Block", "Common Area, "C.A", or such other areas within the Property that are not otherwise identified on the Plat (as hereafter defined) as a lot or street. The Common Area to be conveyed to the Association at the time of conveyance of the first Lot (as hereinafter defined) to an Owner (as hereinafter defined) is described in the Plat (as hereinafter defined).

<u>Section 2.9</u> "Common Expenses" shall mean and refer to expenses of administration of the Association, and expenses for the upkeep, maintenance, repair and replacement of all Common Area, and all sums lawfully assessed against the Owners (as hereinafter defined) by the Association, and all sums, costs and expenses declared by this Declaration to be Common Expenses.

<u>Section 2.10</u> "Declarant" means FORESTAR (USA) REAL ESTATE GROUP INC., a Delaware corporation, and its successors and assigns provided that any assignment(s) of the rights of FORESTAR (USA) REAL ESTATE GROUP INC., a Delaware corporation, as Declarant must be expressly set forth in writing and recorded.

<u>Section 2.11</u> "Development Period" means the period of time beginning on the date when this Declaration has been recorded, and ending twenty (20) years thereafter, unless earlier terminated by a recorded written instrument executed by the Declarant. Declarant may terminate the Development Period by an instrument executed by Declarant and recorded. The Development Period is the period in which Declarant reserves the right to facilitate the development, construction, and marketing of the Property and/or any Lots, and the right to direct the size, shape and composition of the Property. The Development Period is for a term of years and does not require that Declarant own any portion of the Property.

Section 2.12 "Dwelling Unit" means any single-family residence situated upon a Lot (as hereafter defined).

<u>Section 2.13</u> "Lake Area(s)" means any Common Area on which a lake now exists or is later constructed by Declarant and "Lake" means a body of water, which now exists or is later constructed by Declarant in a Lake Area

<u>Section 2.14</u> "Lot" or "Lots" means, as the context requires, any parcel or parcels of land designated as such upon a preliminary plat, the Plat (as hereinafter defined), or, after construction, that parcel of land upon which there is constructed a Dwelling Unit that is conveyed to an Owner (as hereinafter defined) by the Declarant. Subject to any necessary approval of the appropriate governmental authority, a "Lot" may contain portions of real estate greater or less than its originally platted dimensions should the Declarant deem it advisable in order to accommodate the construction of a Dwelling Unit.

<u>Section 2.15</u> "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, including contract sellers, but otherwise excluding those having such interest merely as security for the performance of an obligation. Unless specifically indicated to the contrary, the term "Owner" shall include the Declarant.

<u>Section 2.16</u> "Park" shall mean any portion of the Real Estate which the Declarant, in the Declarant's sole and absolute discretion designates on a Plat as a "Reservation" to be dedicated or donated to any local governmental entity, as a public park for public use or for other purposes.

Section 2.17 "Plat" means the subdivision plats of the Property, which are recorded with the Warren County Recorder's Office, as the same may be hereafter amended or supplemented pursuant to this Declaration.

<u>Section 2.18</u> "Provider" shall mean and refer to the entity or entities, which provides Provider Services (as hereinafter defined).

<u>Section 2.19</u> "Provider Services" means any and all cable television, telecommunications, alarm/monitoring, internet, telephone or other lines, conduits, wires, amplifiers, towers, antennas, satellite dishes, equipment, materials and installations and fixtures (including those based on, containing and serving future technological advances not now known), if installed by Declarant pursuant to any grant of easement or authority by Declarant within the Property.

<u>Section 2.20</u> "Turnover Date" means the date upon which the right and power to appoint Directors to the Association's Board passes from Declarant and/or Builder to the collective Lot Owners in the Association, as provided herein after.

<u>Section 2.21</u> "Sign" - For purposes hereof, the term "sign" shall be construed and interpreted to mean any visible medium displayed *for the purpose* of conveying or communicating a message, whether erected as a billboard, signboard, banner, light(s), flag or other physical surface, or electronic- or light-generated display. The use of letters, symbols and words are not necessarily required for a medium to convey or communicate a message, and therefore be construed to be a sign. Comparably, some media designed for the purpose of being a "decoration" may have words and/or letters on them, but may not be construed as signs since their purpose is decoration. The Board's determination of whether a medium is a decoration (and not a 'sign'), or a purposeful communication (therefore, a 'sign'), is final and binding.

#### ARTICLE III Property Rights, Easements and Encroachments

<u>Section 3.1</u> <u>Owners' Easements of Enjoyment of Common Area</u>. Every Owner shall have a nonexclusive right and easement of enjoyment, in common with all Owners, in and to any Common Area, which nonexclusive right and easement of enjoyment shall be appurtenant to and shall pass with title to every Lot (in the form of a right to membership in the Association), subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of recreational facilities, if any, situated upon the Common Area owned by the Association;

(b) The right of the Association to suspend the voting rights and right to use of any recreational facilities, if any, by any Owner (i) for any period during which any assessment remains unpaid and (ii) for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(c) The right of the Association to promulgate reasonable rules and regulations governing the use of the Common Area owned by the Association including, without limitation, parking, swimming, boating, fishing, (including the denial thereof of any such rights) and upon improvements, additions or alterations to the Lots and the Common Area owned by the Association;

(d) The rights of Declarant as provided in this Declaration, as the same may be amended from time to time;

(e) The right of the Association to mortgage any or all of the Common Area owned by the Association. Prior to the Turnover Date, the Declarant shall have the right to mortgage all or any of the Common Area owned by the Association in its sole discretion, and the approval of the Members of the Association shall not be required. After the Turnover Date, such right shall be subject to the approval of two-thirds (2/3) of the membership of each class of members of the Association; (f) The easements reserved elsewhere in this Declaration and the right of the Association to grant further reasonable utility easements across and through the Common Area owned by the Association for the benefit of its members;

(g) The right of the Association to dedicate or transfer all or any part of the Common Area owned by the Association to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members or otherwise allowed pursuant to this Declaration, as amended. No such dedication or transfer, except as allowed pursuant to this Declaration, shall be effective unless there is recorded an instrument agreeing to such dedication or transfer signed by (i) the Declarant during the Development Period; or (ii) after the Development Period, seventy five percent (75%) of the membership of each class of members of the Association;

(h) If ingress or egress to any Lot is through the Common Area, any conveyance or encumbrance of such Common Area is subject to such Lot Owner's easement for ingress and egress;

(i) The right of the Declarant to erect any signs (i) advertising the sale of the Property or any Lot and/or (ii) identifying the Subdivision; and

(j) All other rights, obligations and duties as set forth in this Declaration, as the same may be from time to time amended or supplemented.

<u>Section 3.2</u> <u>Delegation of Use</u>. In accordance with the By-Laws and any reasonable and nondiscriminatory rules and regulations promulgated from time to time by the Association, and subject to the rights of others as set forth in this Declaration, any owner may assign his or her right of enjoyment of the Common Area owned by the Association, to family members, guests, tenants or contract purchasers who reside on the Lot.

## Section 3.3 Certain Obligation and Access Rights to the Common Area.

(a) The Association, subject to the rights of the Owners as set forth in this Declaration, shall be responsible for the management and control, for the exclusive benefit of the Owners as provided herein, of the Common Area owned by the Association and for the maintenance of the same in good, clean, attractive, safe and sanitary condition, order and repair.

(b) The Association shall have and is hereby granted a general right of access and easement to all of the Common Area owned by the Association and across the Lots, at reasonable times and at any time in case of emergency as reasonably required by its officers, directors, employees and their agents and independent contractors, to the full extent necessary or appropriate to perform its obligations and duties as set forth in this Declaration. The easements and rights specified herein also are reserved for the benefit of Declarant, during the Development Period, and Builder, so long as Builder, or any of their affiliates or successors own any portion of the Property and for so long as those entities may be liable under any builder's warranty.

## Section 3.4 General Drainage, Utility, Sewer and Other Development Easements.

The following rights reserved in this Section shall not be exercised, after the conveyance of any Lot, in a manner that (i) unreasonably and adversely affects any Dwelling Unit or portion thereof located upon such Lot or the Owner's use or enjoyment thereof, or (ii) unreasonably restricts the rights of ingress and egress to such Lot. The following rights and easements reserved by Declarant and/or its successors and assigns in this Section shall run with the land, and Declarant's right to further alter or grant easements shall automatically terminate and pass to the Association after the Development Period.

(a) Declarant hereby reserves unto itself and unto any public or private utility, a general easement ("General Drainage, Utility, and Sewer Easement") for drainage, utility and sewer purposes in, on and over all of the Common Area and any Lot, so as to permit Declarant to properly install and allow to be maintained all electrical, telephone, water, gas and sanitary and storm sewer, to serve any Dwelling Unit constructed on the Property; provided, however, that only those Providers which receive the Declarant's explicit written permission shall be permitted within the General Drainage, Utility, and Sewer Easement. This General Drainage, Utility, and Sewer Easement shall include all areas of the Property outside any Dwelling Units, except for any areas covered by chimneys, or patios. Improvements or permanent structures installed within the Common Area are subject to the rights (including the right to remove where reasonably necessary without duty of replacement or reimbursement) of the Declarant and any public or private utility to construct, maintain, repair or remove any necessary facilities. By virtue hereof, Declarant reserves the right to install a lake(s) or pond(s) on any Common Area. The rights hereunder and easements hereby reserved survive the conveyance, by the Declarant to the Association, of any Common Area. This easement shall be in addition to any easement defined upon a Plat as a drainage, sewer, utility, cable, landscape, sign, transmission, flowage or similar type easement.

Declarant reserves unto itself during the Development Period, and thereafter (b) unto the Association, an easement ("Lake Easement") and right-of-way in and to any Lake Area(s), Pond Area(s) and/or Detention Area(s), or areas now or hereafter shown on the Plat as a "Block", "Common Area", or "Lake," "Pond" or "Detention Area," or any other Common Area within the Property used as a water retention or detention area, or on which a Lake now exists or is later constructed, for the purpose of fulfilling any maintenance obligations set forth in this Declaration and/or establishing and maintaining proper surface water drainage throughout the Property, and an easement of ingress and egress through so much of the remainder of the Property as is reasonably necessary or appropriate, to perform such actions as Declarant or the Association deem necessary or appropriate, for the purpose of establishing and maintaining proper surface water drainage throughout the Property, which such actions shall include the construction, repair and maintenance of retention and detention ponds or lakes in accordance with the requirements of applicable law and of all governmental agencies having jurisdiction (without undertaking any obligation or duty to exceed such requirements).

(c) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, an undefined sign and facilities easement ("Sign and Facilities Easement") to install, erect, construct and maintain an entryway sign or signs, directional signs, signs advertising the Property or the Lots therein, lighting, walkways, pathways, fences, walls and any other landscaping, architectural and recreational features or facilities considered necessary, appropriate, useful or convenient, anywhere upon the Property (except upon any Lot after the first conveyance thereof). Any such signs shall comply with any applicable zoning requirements and all such facilities shall be maintained by the Association as a part of its Common Area maintenance obligations.

(d) Declarant reserves unto itself during the Development Period, and thereafter unto the Association, the full right, title and authority to:

(i) Relocate, alter or otherwise change the location of any drainage, flowage, utility, sewer and lake, Sign and Facilities Easement, or any facility at any time located therein or thereon;

(ii) Grant such further easements, licenses and rights-of-way, temporary or permanent, exclusive or non-exclusive, surface or otherwise, as Declarant may deem necessary or appropriate, for ingress and egress, utility and similar purposes on or within any portion of the Property, for the benefit of the Property or any portion thereof; and,

(iii) Describe more specifically or to change the description of any drainage, flowage, utility, sewer, lake, sign and facilities easement or any other easement, license or right-of-way now or hereafter existing on the Property, by written instrument, amended plat or amendment to the Plat recorded in the Office of the Recorder of the County in which the Property is located.

(e) Declarant, the Association, and each of its respective agents shall have an easement for access to Common Areas for the purpose of constructing structures and other improvements in and to the Lots and for installing, maintaining, repairing, and replacing such other improvements to the Property (including any portions of the Common Areas) as are contemplated by this Declaration or as Declarant desires, in its sole discretion, and for the purpose of doing all things reasonably necessary and proper in connection therewith, provided in no event shall Declarant have the obligation to do any of the foregoing. In addition to the other rights and easements set forth herein and regardless of whether Declarant at that time retains ownership of a Lot, Declarant and its agents shall have an alienable, transferable, and perpetual right and easement to have access, ingress and egress to the Common Areas and improvements thereon for such purposes as Declarant deems appropriate, provided that Declarant shall not exercise such right so as to unreasonably interfere with the rights of owners in the Subdivision.

(f) The title of the Association (as to the Common Area owned by the Association during the Development Period) and of any Owner of any Lot shall be subject to the rights and easements reserved herein.

<u>Section 3.5</u> <u>Easement for Emergency Purposes</u>. An easement is hereby dedicated and granted for use in the case of an emergency, by emergency vehicles such as fire trucks, police cars and ambulances and emergency personnel, public and private, over and upon the Common Area.

Section 3.6 Fee Title to Lot. The fee title to any Lot described as bounded by any street, lane, walkway, park, pond, lake, or any other common property which has not been dedicated or accepted by the public and the fee title to any Lot shown on any Plat as abutting upon any such common property shall not extend upon such common property and the fee title to such common property is reserved to the Declarant to be conveyed to the Association for the common enjoyment of all residents in the Subdivision.

Designated Drainage, Utility, and Sewer Easements. There are strips of Section 3.7 ground designated on the Plat as drainage easements, utility easements, and/or sanitary or storm sewer easements, or any combination thereof (hereafter collectively "D&UE Easements"), which are hereby reserved for the non-exclusive use for such purposes by the appropriate governmental entities, public utilities, private utilities and Provider(s) for the installation and maintenance of swales, ditches, mains, ducts, poles, lines, wires, pipes, drains, sanitary sewers, manholes, detention and retention areas or other drainage facilities, and for ingress and egress to accomplish such maintenance and installation; provided, however, that only Providers which receive the Declarant's explicit written permission shall be permitted to be within the D&UE Easement. No permanent structure of any kind, including patios, decks, driveways, walkways, landscaping, and trees, shall be built, erected or maintained on or within any such drainage easements, utility easements, and/or sanitary or storm sewer easements, except by the Declarant or its assigns. Fences may be permitted with a variance at the discretion of the Board of Directors or Design Review Committee, but is not guaranteed, however any approved fence located within the D&UE Easement shall not impede the flow of water, and Owner shall be responsible for removing the fence if there is an issue that needs to be addressed within the D&UE Easement. Purchasers of Lots in this Subdivision shall take title subject to all such easements hereby created and subject at all times to (i) the rights of proper authorities to service and maintain all such drainage, utility and sanitary or storm sewer facilities and easements and (ii) the rights of such governmental entities, public utilities, and private utilities of ingress and egress to access all said easements. All proper governmental agencies or departments and public and private utilities are hereby given the right to obtain access to all such easement areas to perform maintenance and to perform such maintenance as may be necessary to protect that easement and servitude rights. The drainage easements hereby created are reserved (i) for the use of Declarant during the Development Period, for access to and installation, repair or removal of a drainage system, either by surface drainage or appropriate underground installations for the Property and adjoining properties and (ii) for the non-exclusive use of the Association, or any applicable governmental authority for access to and maintenance, repair and replacement of such drainage system. It shall be the responsibility of the Association and the Owners of the areas enclosed within drainage easements to maintain any drainage areas in such condition that the flow of storm drainage waters on, across and from said areas shall not be impeded, diverted or accelerated. Such use for storm water movement or retention or detention is hereby declared to be an easement and servitude upon said land for the benefit of the Owners of other land included within the Plat, upstream or downstream, affected by such use and for any proper governmental agency or department of any private or public utility. It shall be the responsibility of the Association and the Owner of any Lot or parcel of land within the Plat to comply at all times with the provisions of the drainage plan as approved for the applicable Plat by the appropriate governmental agency or department and the requirements of all drainage permits for such Plat issued by those agencies. Failure to so comply shall operate as a waiver and release of the Declarant, the developer, or their engineers and agents from all liability as to damage caused by storm waters or storm drainage.

Further, there are easements and servitudes upon the land within the Plat in favor of surface water runoff along natural valleys and drainage channels running to Owners or other land contained within the Plat upstream and downstream. It shall be the responsibility of the Association and the Owners of these natural valleys and channels to use their land and maintain said natural valleys and channels in such manner and condition that the flow of storm drainage waters on, across, from and to such areas shall not be impeded, diverted or accelerated.

Section 3.8 Designated Easements for Landscaping, Mounding, Screening and Signage. Within any strips of ground shown or designated on a Plat as a landscape easement, landscape maintenance easement, landscape maintenance access easement, or by any similar language indicating a landscaping purpose, Declarant hereby reserves unto itself, its affiliates and successors, if any, or any designated Builder during the Development Period, and thereafter unto the Association, the exclusive and sole right to (i) erect signs which advertise the Property or availability of Lots, and/or identify the Subdivision and (ii) install landscaping, mounding, walls, and screening. Notwithstanding anything in this Declaration to the contrary, no planting shall be done, and no hedges, walls, signs, fences or other improvements shall be erected or maintained in the area of such easements, except by the Declarant during the Development Period and thereafter by the Association. Furthermore, notwithstanding anything in this Declaration to the contrary, no planting shall be done, and no hedges, walls, fences, structures, signs, or other improvements shall be erected between (i) the area of any such easements and (ii) any perimeter roadway, public highway or right-of-way along the perimeter or boundary of the Property, except by the Declarant.

<u>Section 3.9</u> <u>Street Dedication</u>. All streets now or hereafter located upon the Property are hereby dedicated to the public.

<u>Section 3.10</u> <u>Easement Work</u>. Notwithstanding any architectural approval under Section 6.2 below, during the course of any maintenance, service, repair or work upon any easement, the Declarant, the Association, any private utility, any public utility, and/or any governmental entity shall have the right and the authority, without any obligation or liability whatsoever to any owner, to remove, damage, or destroy any fence or other structure or landscaping built, erected, maintained or planted in any easement described in Section 3.8 and Section 3.9 above.

<u>Section 3.11</u> <u>No Access</u>. There may be strips of ground designated on the Plat as "no access strips", "no access", "no access easement", "no access esmt", or by other similar language. Vehicular ingress, egress, and traveling and/or the construction of improvements for such ingress and egress and/or traveling, is prohibited on, over, or across any such strips or areas.

<u>Section 3.12</u> <u>Reservation of Right to Grant Easement</u>. The Declarant hereby reserves the right, in its discretion, to (i) grant easements upon, under, over and across the Property for the benefit of land which is adjacent to the Property and/or (ii) to obtain, for the benefit of the Property, easements, upon, under, over and across the real estate which is adjacent to the Property.

#### **ARTICLE IV**

## Association Membership, Voting Rights, Board of Directors, and Professional Management

<u>Section 4.1</u> <u>Membership</u>. Initially, the person(s) who serve as incorporator(s) of the Association shall be the member(s) (the "Initial Member(s)"). The Initial Member(s) shall remain

member(s) of the Association until the Association Articles of Incorporation are accepted by the Ohio Secretary of State, at which time the Initial Member(s) shall cease to be member(s) unless they also qualify as Class A or Class B members. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Apart from the Initial Member(s), a membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot.

<u>Section 4.2</u> <u>Classes of Membership and Voting Rights</u>. The Association shall have the following two classes of voting membership:

<u>Class A</u>. Class A members shall be all Owners with the exception of the Declarant. Class A members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as members holding an interest in such Lot determine among themselves, but in no event shall more than one vote be cast with respect to any Lot.

<u>Class B</u>. The Class B member shall be the Declarant. The Declarant shall be entitled to three (3) votes for each Lot on the Property until such time as Declarant owns no Lots or decides to surrender its Membership and turn over complete control of the Association to the Class A members, whichever date is earlier.

Prior to the Turnover Date, the Association shall not be required to hold any meetings, and all of the voting power of all classes of membership shall be exercised by the Declarant. After the Turnover Date, each member in good standing shall be entitled to voting rights as described above, and as provided in the By-Laws.

<u>Section 4.3</u> <u>Board of Directors</u>. From and after the Turnover Date, the Owners shall elect a Board of Directors of the Association as prescribed by the Association's Articles and Bylaws. The Board of Directors shall manage the affairs of the Association. Prior to the Turnover Date, the Board of Directors need not be members of the Association. After the Turnover Date, the Board of Directors shall be members of the Association and only those listed on title. In connection with the formation of the Association, the Declarant may designate a temporary Board Member whose role and power shall be limited to obtaining an employer's identification number for the Association, and who, upon the fulfillment of that role, shall cease in all regards to be a Director of the Association.

<u>Section 4.4</u> <u>Professional Management</u>. Notwithstanding anything to the contrary contained in this Declaration, the Declarant and/or the Board of Directors may retain and pay for the services of a person or firm (the "Managing Agent"), which may include Declarant or any affiliate or successor of Declarant, to manage and operate the Association, including its property, to the extent deemed advisable by the Board. Personnel may be employed directly by the Association or may be furnished by the Managing Agent. To the extent permitted by Applicable Law, the Board may delegate any other duties, powers and functions to the Managing Agent. In addition, the Board may adopt transfer fees, resale certificate fees or any other fees associated with the provision of management services to the Association or its Members. The members hereby release the Association and the members of the Board and Committee Members from liability for any omission or improper exercise by the manager of any such duty, power or function or function so delegated.

<u>Section 4.5</u> <u>Suspension of Voting Rights</u>. In the event any Owner shall be in arrears in the payment of assessments, such Owner's right to vote as a member of the Association shall be suspended and shall remain suspended until all payments are brought current, all in accordance with the provisions of the Association's By-Laws. In the event any Owner shall be in default of the performance of any of the terms of this Declaration, such Owners right to vote as a member of the Association shall be suspended and shall remain suspended until all defaults are remedied as provided in the By-Laws.

Section 4.6 Budget. The Association shall prepare an annual budget in accordance with Ohio law.

<u>Section 4.7</u> <u>Proxy Votes</u>. Any proxy given by a Member shall comply with the requirements of Ohio law.

<u>Section 4.8</u> <u>Non-Liability of Directors, Officers, and Committee Members</u>. The directors and officers of the Association and members of the Architectural Control Committee, and all committees and designated agents thereof, shall not be liable to the Owners or any other persons for any error or mistake of judgment in carrying out their duties and responsibilities as directors or officers of the Association or as members of the Architectural Control Committee, or any committee or designated agents thereof, except for their own individual willful misconduct or gross negligence.

Section 4.9 **Indemnification** To the fullest extent permitted by Applicable Law, the Association will indemnify any person who was, or is, a party, or is threatened to be made a party to any threatened pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is, or was, a director, officer, committee member, employee, servant or agent of the Association against expenses, including attorneys' fees, reasonably incurred by such person in connection with such action, suit or proceeding if it is found and determined by the Board or a court of competent jurisdiction that he or she: (i) acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association; or (ii) with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of nolo contendere or its equivalent, will not of itself create a presumption that the person did not act in good faith or in a manner which was reasonably believed to be in, or not opposed to, the best interests of the Association or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

<u>Section 4.10</u> <u>Insurance</u>. The Board shall purchase and cause to be maintained, at the expense of the Association, Directors and Officers insurance on behalf of any person who is acting as a director, officer, committee member, employee, servant or agent of the Association against any liability asserted against or incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Association would have the power to indemnify such person against such liability or otherwise.

#### ARTICLE V Covenant for Maintenance Assessments

<u>Section 5.1</u> <u>Creation of the Lien and Personal Obligation of Assessments</u>. Each Owner of any Lot by acceptance of a deed therefore (except Declarant, as more specifically provided in Section 5.6 below), whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

(a) "Regular Yearly Assessments" for maintenance, repairs and ordinary operating expenses, including Common Expenses; and

(b) "Special Assessments" for capital improvements and operating deficits and for special maintenance or repairs as provided in this Declaration.

A "Working Capital Assessment", payable upon the sale or transfer of any (c) Lot, in an amount set forth in the annual budget, which shall be due at the time of such sale or transfer (if applicable, a "Working Capital Assessment"). Such Working Capital Assessment need not be uniform among all Lots, and the Declarant or the Board is expressly authorized to levy Working Capital Assessment of varying amounts depending on the size, use and general character of the Lots and housing type constructed thereon, then being made subject to such levy. The Association may use the working capital to discharge operating expenses. Notwithstanding the foregoing provision, the following transfers will not be subject to the Working Capital Assessment: (i) foreclosure of a deed of trust lien, tax lien, or the Association's Assessment lien; (ii) transfer to, from, or by the Association; or (iii) voluntary transfer by an Owner to one or more co-owners, or to the Owner's spouse, child, or parent. Additionally, the Declarant and an Owner who is a Builder will not be subject to the Working Capital Assessment; however, the Working Capital Assessment will be payable by any Owner who acquires a Lot from the Declarant or a Builder. In the event of any dispute regarding the application of the Working Capital Assessment to a particular Owner, the determination by the Declarant during the Development Period, and the Board thereafter, regarding application of the exemption will be binding and conclusive without regard to any contrary interpretation of this Section 5.1(c). The Working Capital Assessment will be in addition to, not in lieu of, any other Assessments levied in accordance with this Article 5 and will not be considered an advance payment of such Assessments. The Working Capital Assessment hereunder will be due and payable to the Association immediately upon each transfer of title to the Lot, including upon transfer of title from one Owner of such Lot to any subsequent purchaser or transferee thereof. The Declarant during the Development Period, and thereafter the Board, will have the power to waive the payment of any Working Capital Assessment attributable to a Lot (or all Lots) by the Recordation of a waiver, which waiver may be temporary or permanent. The Working Capital Assessment shall be in addition to any set-up fee or transfer fee pavable to the Association and/or to its manager, if applicable.

(d) "Lot Assessments" which may be in the form of fines and other penalties, or assignments of increased costs incurred by the Association in connection with chargeable expenses to Lot Owners who violate the provisions of this Declaration, and which shall be assessed in accordance with the provisions of Ohio law.

Such assessments shall be established, shall commence upon such dates and shall be collected as hereinafter provided. All such assessments, together with prejudgment interest at twelve percent (12%) per annum (or, if such rate exceed the highest rate permissible by applicable law, then the highest rate permissible by applicable law), costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall also be the personal, joint and several obligation of such Owner's successors in the title, as provided herein after.

(e) "Townhome Services Assessments", attributable to all Lots at the Property which receive site maintenance services provided by the Association, such as lawn mowing and related landscape maintenance. The amount of the Townhome Services Assessments shall be determined by the Board based on the total cost of providing such services to the affected Lots, divided by the number of affected Lots, and shall be added to the amount of the Regular Yearly Assessments to determine the actual, full assessment amount payable by the Owners of affected Lots. The combined amount of the Regular Yearly Assessment and the Townhome Services Assessment as payable by Lots receiving maintenance services, shall be subject to Sections 5.2, 5.3 and 5.7 hereof. For Lots on which a Townhome Services Assessment applies, the Board may establish assessment payment due dates that are monthly, quarterly, semi-annually or annually, in the Board's discretion.

<u>Section 5.2</u> <u>Purposes of Regular Yearly Assessments</u>. The Regular Yearly Assessments levied by the Association shall be used exclusively, in the reasonable discretion of the Board of Directors of the Association, for the promotion of the recreation, health, safety and welfare of the residents in the Property, for the improvement, maintenance and repair of the Common Area, for the performance of the obligations and duties of the Association (including the payment of maintenance costs on Lots receiving site maintenance services through the HOA and which pay Townhome Services Assessments) and for other purposes only as specifically provided herein; provided, however, that notwithstanding the levy of assessment provided in this Section 5.2, the Board of Directors shall have no obligation or liability to any person with respect to health, safety and welfare, all as provided in the Association's organizational documents . As and to the extent provided for by Applicable Law, a portion of the Regular Yearly Assessments shall be set aside or otherwise allocated in a reserve fund for the purpose of providing repair and replacement of the Common Area, and other capital improvements which the Association is required to maintain.

#### Section 5.3 Amount of Regular Yearly Assessments.

(a) The amount of the Regular Yearly Assessment on any Lot shall be set forth in the annual budget. Annually, the Board shall prepare a budget fixing the uniform rate for the Regular Yearly Assessment as to all Lots, and fixing the uniform rate of the Townhome Services Assessment as payable by Lots receiving site maintenance services through the HOA, based on a fiscal year estimate of income and expenses, and reserve needs. (b) So long as such action complies with Applicable Law, the Board of Directors from time to time may fix the Regular Yearly Assessment and Townhome Services Assessment, without any vote of the membership, at any amount not in excess of the Board's reasonable determination of the amount necessary to cover anticipated operating costs and reserve needs.

(c) The failure or delay of the Board to prepare or serve the annual or adjusted budget on any 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 estimated budget, the Owner shall continue to pay his annual installment at the then existing rate established for the previous period.

<u>Section 5.4</u> <u>Special Assessments for Capital Improvements and Operating Deficits</u>. In addition to the Regular Yearly Assessments authorized above, the Association may levy a Special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement which the Association is required to maintain, or to recover any operating deficits which the Association may from time to time incur, provided that, after the Turnover Date, any such assessment shall have the approval of two-thirds (2/3) of the votes entitled to be cast by those Members who cast votes in person or by proxy at a meeting duly called for this purpose.</u>

<u>Section 5.5</u> <u>Meetings – Notice and Quorum</u>. Written notice of any meeting called for the purpose of taking any action authorized under this Article shall be sent to all Members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting in accordance with the terms and provisions of the By-Laws. At such meeting, the number of Members in attendance in person or by proxy, shall constitute a quorum, as provided in the By-Laws.

<u>Section 5.6</u> <u>Uniform Rate of Assessment</u>. Regular Yearly Assessments, Townhome Services Assessments and Special Assessments for capital improvements and to recover operating deficits must be fixed as a uniform rate for all Lots that are subject thereto. Lot Assessments may vary in amount, based upon the particular facts attendant to the issuance of such Lot Assessment(s). Declarant and any individual or entity purchasing a Lot or Lots solely for the purposes of construction of a for-sale Dwelling Unit thereon (a "Builder") shall not be obligated to pay any Regular Yearly Assessments, Townhome Services Assessments, Special Assessments or Lot Assessments

<u>Section 5.7</u> <u>Date of Commencement of Yearly Assessments: Due Dates</u>. The Regular Yearly Assessment provided for herein shall commence as to each Lot within a recorded Plat on the date of closing, on a pro-rated basis, on the conveyance of a Lot by the Declarant to an Owner (other than Builder), or by Builder to an Owner who is an end-user. The Board of Directors shall fix any increase in the amount of the yearly assessments scheduled to become effective as of January 1 of a new year, on or before December 31 of the prior year. Any increase scheduled to become effective at any other time of the year shall require at least thirty (30) days notice to the Owners in advance of the effective date of such increase. Written notice of any increase in the Regular Yearly Assessment, and written notice of any Special Assessment and such other assessment notices as the Board of Directors shall deem appropriate, shall be sent to every Owner subject thereto pursuant to the terms of the By-Laws. The due dates for all assessments, and the assessment and collection periods (i.e., annual, monthly, lump-sum or otherwise) for any Special Assessments, shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate in recordable form signed by an Officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate from the Association regarding the status of assessments for any Lot shall be binding upon the Association as of the date of its issuance. Due dates for Lot Assessments shall be as established by the Board from time-to-time.

Effect of Nonpayment of Assessments: Remedies of the Association. If Section 5.8 any assessment (or periodic installment of such assessment, if applicable) is not paid on the due date established therefore pursuant to this Declaration, then a late fee and interest may be charged thereon, and the entire unpaid assessment (together with late fees and interest thereon, costs and reasonable attorneys' fees as provided in this Declaration) shall become delinquent, immediately due and payable in full, and shall constitute a continuing lien on the Lot to which such assessment relates, binding upon the then Owner, his/her heirs, devisees, successors and assigns. The personal obligation of the then Owner to pay such assessments, however, shall pass to such Owner's successors in title, who shall be jointly and several liable for the payment thereof. If any assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum (or, if such rate exceeds the highest rate permissible by applicable law, then the highest rate permissible by applicable law), and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, or both. In such event, there shall be added to the amount of such assessment the costs and attorney's fees of preparing and filing the complaint in such action; and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided, costs of the action and reasonable attorneys' fees to be fixed by the court. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area owned by the Association or abandonment of his Lot.

<u>Section 5.9</u> <u>Subordination of the Lien to Mortgages: Sale or Transfer</u>. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. The sale or transfer of any Lot pursuant to the foreclosure of any first mortgage on such Lot or any proceedings or deed in lieu thereof shall extinguish the lien of all assessments becoming due prior to the date of such sale or transfer, except and to the extent that proceeds are available through such proceeding to pay all or part of the amount owed to the Association. No sale or transfer of any Lot (whether voluntary or pursuant to foreclosure or otherwise) shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien of assessments or personal liability of successor owner(s) for sums becoming due prior to the date of such sale or transfer of any Lot shall not affect the lien for prior assessments by a binding certificate from the Association, issued pursuant to this Declaration, as to whether or not such assessments have been paid.

<u>Section 5.10</u> <u>Declarant/Builder Loan</u>. In the event the Association is operating at a deficit, the Declarant and/or Builder may, at Declarant and/or Builder's option, contribute toward the Association budget in order to assist with the operating costs. Any such advances made by

Declarant and/or Builder may be treated as a loan, payable on demand by Declarant and/or Builder. This Section shall be subject to the limitations established by Applicable Law.

#### ARTICLE VI Use Restrictions

<u>Section 6.1</u> <u>Lot Use and Conveyance</u>. All Lots shall be used exclusively for single family detached residential purposes, except that Declarant, during the Development Period, reserves (a) the rights provided in this Declaration respecting the Property generally, and (b) the right to subdivide, dedicate or otherwise convey or designate all or any portion of any one or more Lots which it may own from time to time for recreational or other common uses and benefit of all Owners and other members of the Association. Any Lot or portion thereof so designated for common use shall become part of the Common Area owned by the Association, and reasonable rules and regulations shall be promulgated and enforced with respect thereto so that the use and enjoyment of adjacent Lots by the Owners thereof shall not be unreasonably disturbed. Except as provided in the Declaration, no Lot shall be subdivided to form units of less area. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the covenants, conditions and restrictions contained herein.

Leasing. No portion of the Real Estate may be used as an apartment house, Section 6.2 flat, lodging house, hotel, bed and breakfast lodge, Airbnb or any similar purpose, but the Dwelling Unit constructed on a Lot may be leased for residential purposes. All leases shall be in writing, shall be subject to the terms of this Declaration, and shall require the tenant to comply with this Declaration. All leases shall be for a term of at least one year, and must contain the following verbiage, "Tenant agrees to comply with all rules, regulations, and covenants of the Association. Any violation of any Association rule, regulation, or covenant by the tenant or their guests shall constitute a breach of this Lease Agreement." The Owner must provide to its lessee copies of this Declaration, the Articles, the Bylaws of the Association, and any rules and regulations which may be promulgated by the Board of Directors and then in effect. Notice of any lease, together with phone, e-mail and mailing address information for each Owner and each tenant, together with such additional information as may be required by the Board of Directors, must be remitted to the Association by the Owner on or before the expiration of ten (10) days after the effective date of the lease. All leases must be for the entire Dwelling. Notwithstanding anything contained in this Declaration, the Articles, the Bylaws of the Association and any rules and regulations which may be promulgated by the Board of Directors, no Dwelling Unit may be advertised for lease as a shortterm rental on any short-term rental websites, such as Airbnb, VRBO, HomeAway or other similar websites, as determined in the sole and absolute discretion of the Board. Violations of this Section shall result in fines levied by the Association in amounts determined from time to time by the Board of Directors. Notwithstanding the foregoing, Declarant and its affiliates shall be exempt from the rental restrictions contained in this Section 6.2, and this Section 6.2 may not be amended or modified without Declarant's written and acknowledged consent. The Board shall have the power to adopt reasonable limitations on the number of homes in the community that may be subject to leases at any given time, and/or creating reasonable owner-occupancy time requirements prior to leasing, provided however that such rules conform to state and federal fair housing laws, and allow for variances that the Board may grant in the case of hardships.

Animals. Except as provided herein, no person may keep, breed, board or Section 6.3 raise on any Lot or in or upon any part of the Common Property, any animal, livestock, farm animal (including but not limited to horses, chickens, ducks and pigs regardless of size), or poultry of any kind. Reptiles may be kept as personal pets, but may not be bread and is limited to no more than three reptiles. No animal may be kept, bred, boarded or raised on the Property for any commercial purpose. Common domestic pets such as (i) cats and/or dogs but not livestock or farm animals, and (ii) pets that are kept only inside of the residence at all times other than when under the direct, personal control and supervision of the Pet's owner, are permitted for noncommercial, and nonbreeding purposes. All permitted domestic pets shall be properly restrained when outside of the house and shall not be permitted to roam free or loose on the Property, other than on the Lot of the owner of such pet(s). No animal, including a domestic pet, shall be kept on the Property if the size, type or characteristics of such animal, or number of such animals, constitute a nuisance (including aggressive behavior, or unreasonable volume or repetitive barking or odor). Proper Lot maintenance as required elsewhere herein shall include the obligation to regularly remove pet waste from an Owner's Lot. Outdoor pet houses, animal cages, dog runs and other similar objects, whether or not affixed to the ground, are prohibited -

<u>Section 6.4</u> <u>Outside Storage</u>. All clotheslines, equipment, garbage cans, service yards, woodpiles or storage piles shall be kept from view of neighboring homes and streets. All rubbish, trash or garbage shall be regularly removed from the premises and shall not be allowed to accumulate thereon. Trash must be stored in enclosed containers. No Open Storage of any kind is permitted. No storage buildings or structures of any kind are permitted, whether attached to or detached from the principal structure on a Lot and specifically including without limitation, sheds or barns (nor pre-fabricated plastic, composite or other "Rubber-Maid" or comparable type units exceeding three feet [3'] in height or 24 cubic feet of storage capacity). No structure of any kind is permitted within any area designated on a recorded plat for Shaker Farms as a "Drainage Easement."

<u>Section 6.5</u> <u>Front and Side Yard Setback Lines</u>. Front Building (i.e. "set-back") lines are hereby established as shown on the Plat. Between such Front Building lines and the right-of-way lines there shall be erected, placed or altered no structure or part thereof. The building lines which are from public right-of-way lines are parallel to and measured perpendicularly from these public right-of-way lines. On corner Lots, building lines relative to each street on which a Lot has frontage are considered to be "Front Setback Lines", even if the plat reflects different setback distances from the relevant rights-of-way.

<u>Section 6.6</u> <u>Side and Rear Setbacks</u>. The minimum side yard and minimum rear yard requirements shall be those established by the applicable zoning and subdivision control ordinances, subject to variances granted to Declarant by applicable zoning authorities.

<u>Section 6.7</u> <u>Parking; Motor Vehicle Repairs</u>. No commercial vehicles, boats, trailers, campers, buses or mobile homes shall be parked or stored on the street in the Subdivision, or on any Lot (except in an enclosed structure shielded from view), for any time period longer than forty-eight (48) consecutive hours, or ninety-six (96) cumulative hours in any thirty (30) day period, and the burden of establishing that said time periods have not been exceeded is borne by the Owner of the Lot on or in front of which such parking occurs, and/or by the owner of the vehicle. The foregoing notwithstanding, nothing contained herein shall prohibit the reasonable use of such

vehicles as may be necessary during construction of residences on the Lots. In addition, no automobile or other motorized vehicle of any type or description which is not functionally or legally operable on public highways shall be kept, stored, operated or maintained on or in front of any Lot within the Subdivision for a period longer than seven (7) days (the burden of proving that such time period has not been exceeded in each/any instance is borne by the Owner of the Lot on or in front of which the vehicle is located, and/or the owner of the vehicle), unless the same is entirely contained and shielded from view within a permitted structure. Any vehicle so kept, stored, operated or maintained shall be considered a nuisance, and the Board shall have the right and authority, but not the obligation, to have the same removed at the owner's expense. The Board may adopt special parking requirements if and as deemed appropriate by the Board from time to time, relative to the Lots on which Townhomes are constructed.

As used herein, the word "trailer" shall include trailer coach, house trailer, mobile home, automobile trailer, camp car, camper or any other vehicle, whether or not self-propelled, constructed or existing in such a manner as would permit occupancy thereof, or the storage or conveyance of machinery, tools or equipment, whether resting on wheels, jacks, tires or other foundation. The word "commercial vehicle" shall include and mean every type of vehicle, whether or not motorized, which is designed and used exclusively or primarily for other than personal transportation of ten or fewer persons at one time. Vehicles larger than ten-person passenger vans are conclusively presumed to be commercial vehicles, whereas passenger cars, passenger vans (full-sized or mini-vans), pickup trucks, sports-utility vehicles, and motorcycles are presumed to be designed and used for personal transportation. Vehicles which are not conclusively presumed to be commercial by virtue of their size, and which are used by the operator thereof for both business and personal purposes, shall not be considered "commercial vehicles" merely by virtue of advertising information painted or otherwise affixed thereto, but may be deemed to be Commercial Vehicles by virtue of the extent thereof, or by virtue of a combination of such factors as determined by the Board such as size, type, nature, amount of signage and licensure. The Board's determination that a vehicle meets the definition of a "trailer" or "commercial vehicle" (or boat, camper, bus or mobile home) shall be deemed final and conclusive.

The repair of inoperative motor vehicles or material alteration of motor vehicles shall not be permitted on any Lot unless entirely within a garage permitted to be constructed per the terms of the Declaration. The Board has the right and power to adopt and enforce reasonable rules concerning the parking of any vehicle permitted on the Property. In addition to its authority to levy Lot Assessments as penalties for the violation of such rules, the Board shall be authorized to cause the removal of any vehicle violating such rules.

Section 6.8 <u>Nuisances</u>. No noxious or offensive activities shall be carried on or be permitted to exist on any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance. Any structure or building permitted to be constructed on a Lot by this Declaration, which may be all or in part destroyed by fire, wind, storm or any other reason, shall be rebuilt and restored to its previous condition within a reasonable length of time, and all debris accumulated in connection therewith shall be removed within a reasonable time after any such occurrence. It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly or unkempt condition on his or her Lot. The pursuit of hobbies or other activities, specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any Lot. Nothing which could cause embarrassment, discomfort, annoyance or nuisance to the occupants of other portions of the Subdivision or which result in a cancellation of any insurance for any portion of the Subdivision, or which would be in violation of any law or governmental code or regulation shall be permitted in the Subdivision. Without limiting the generality of the foregoing provisions, no horns, whistles, bells or other sound devices, except security and fire alarm devices used exclusively for such purposes, shall be located, used, or placed within the Subdivision. Any Owner, or his family, tenants, guests, invitees, servants, or agents, who dumps or places any trash or debris upon any portion of the Subdivision shall be liable to the Association for the actual costs of removal thereof or the sum of \$150.00, whichever is greater, and such sum shall be added to and become a part of that portion of any assessment next becoming due to which such Owner and his Lot are subject.

<u>Section 6.9</u> <u>Permitted Uses</u>. No use shall be made of any Lot except as permitted by this Declaration and the applicable zoning and subdivision control ordinances under which this Property is developed.

<u>Section 6.10</u> <u>Drains and Vents</u>. No house footing drain or roof water drain shall be discharged into the sanitary sewers.

<u>Section 6.11</u> <u>Residential Use</u>. Lots may be used only for residential purposes and only for one single-family dwelling with an attached garage as is usual and incidental to the use of residential lots and not otherwise prohibited hereunder. All Lots in this Subdivision shall be designated as residential Lots, and no home shall exceed two and one half (2-1/2) stories or thirty-five (35) feet in height. All homes must have a minimum of a two (2) car garage.

<u>Section 6.12</u> <u>Size</u>. Subject to any further restrictions imposed by any recorded commitment, every single-family dwelling erected (regardless of whether a traditional single-family home, or townhome), placed, altered or maintained on any Lot shall have a minimum living area, exclusive of open porches, unfinished basements and attached garages, of not less than what is required by the applicable zoning and subdivision control ordinances.

<u>Section 6.13</u> <u>Unsightly Growth</u>. In order to maintain the standards of the Property, no weeds, underbrush or other unsightly growths shall be permitted to grow or remain upon any Property, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. In the event an Owner fails to comply with this Section 6.13, Declarant, the Association and/or any third party hired by Declarant and/or the Association, shall have the right to enter onto the Property to cut weeds, underbrush or other unsightly growths and/or clear the refuse from the Property at the expense of the Owner. In such an event, there shall be a lien against said Property for the expense thereof, which lien shall be due and payable immediately. If such lien is not promptly paid, the Association and/or the Declarant may file suit and recover such amount together with reasonable attorneys' fees and costs of collection.

<u>Section 6.14</u> <u>Site Visibility</u>. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between three (3) feet and twelve (12) feet above the street shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street right-of-way lines and a line connecting points forty (40) feet from the intersection of said street lines, or in the case of a rounded property corner from the intersection of the street right-of-way lines extended.

The same sightline limitations shall apply to any Lot within ten (10) feet from the intersection of a street right-of-way line with the edge of a driveway pavement or alley line. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines. No fences shall be permitted to be constructed between the front setback line and the street curb.

<u>Section 6.15</u> <u>Semi-Tractor Trucks, Trailers, Etc.</u>. No semi-tractor trucks or semitrucks shall be permitted on the Property except moving trucks actually engaged in the move-in or move-out of residents in the community. No trailers, boats, campers, mobile homes, disabled vehicles, and/or storage vehicles of any description, shall be permitted to park on the Property or a Lot for more than 24 hours unless fully enclosed in a garage, or unless the same is necessary and incident to the Declarant's, Builders' or Association's business on the Property.

Section 6.16 Sign Limitations. No Signs of any character shall be erected, posted or displayed upon the Property, except: (i) marketing Signs installed by the Developer (or by one or more builders with Developer's approval) while marketing the Lots and residences for sale; (ii) street and identification Signs installed by the government, Association or the Developer; (iii) one temporary real estate Sign not to exceed six square feet in area advertising that such Lot is for sale or rent; and (iv) for a reasonable period of time before, and not to exceed three (3) days after a public governmental election in which the Lot Owners are permitted to vote, up to three (3) temporary political Signs of not more than six (6) square feet each, expressing support for or opposition against an individual candidate or issue which is the subject of the current election. Political Signs containing information or expressing opinions other than simple support for or opposition against a specific candidate or issue may be removed by the Association, and not more than one Sign for or against any specific candidate or issue may be posted or displayed on any one Lot. No such Signs may be posted in the Common Area without the approval of the Board. Placards smaller than 1 square foot identifying the presence of a security/alarm system, are permitted, to a maximum of 2 such placards per Lot. For purposes hereof, dogs and other animals, regardless of nature and training, are not considered to be a "security/alarm system".

The foregoing notwithstanding, the Board shall have the authority and discretion to allow

- (i) "life event" Signs on Lots, such as birth announcement(s), graduation announcement(s), birthday or anniversary celebration Signs, or the like; and
- (ii) civic affiliation Signs on Lots, such as school attendance, extra-curricular school program participation, or sports team support (amateur, school and/or professional) and the like (but not political group affiliation Signs or Signs promoting or opposing political movement[s] or agenda[s], nor signs promoting any commercial venture or entity), if the Board in its sole and absolute discretion deems the life event and/or civic affiliation Signage to be consistent with the residential character of the neighborhood, and if the Board finds that the size, character, type and period of placement of the Sign on the Lot in question, is reasonable. The Board may limit the number, size and duration of placement of Signs permitted pursuant to this subparagraph, in its sole and absolute discretion.

In addition, Declarant specifically deems it to be disadvantageous to the community for there to be Decorations and Displays in the community of an excessive nature, the term 'excessive' referring to any and all characteristics of such Decoration and/or Display, including but not limited to size, style, color, volume, brightness, placement and/or duration. As such, no decorations or displays, including but not limited to "Holiday Decorations, Life Event Decorations and Seasonal Decorations" may be erected, placed, displayed, performed or otherwise caused to exist or occur on any Lot, without the express, prior written approval of the Association's Design Review Board (or Board of Directors if no Design Review Board exists), which approval may be withheld in the sole and absolute discretion of the Association. In reviewing and considering an application for a given Decoration or Display, the Association shall act in a non-discriminatory manner as related to race, religion, creed, color and national origin of the applicant. Signs determined by the Board to be political Signs shall not be construed as "Decorations" or "Displays" for purposes of this subsection. The foregoing notwithstanding, prior, written approval shall not be required for reasonably sized and styled displays (as judged by the Board) celebrating a holiday nationally recognized in the United States, which are placed for a period of not more than one week during which such holiday occurs, or in the case of Christmas, between November 30 and January 15 of the next following year; nor is Design Review Board approval required for life reasonable life event displays located on a Lot for one week or less.

<u>Section 6.17</u> <u>Lakes, Lake Area(s)</u>. Except as otherwise provided, no individual using a Lake, if any, has the right to cross another Lot or trespass upon shoreline not within a Common Area owned by the Association, subject to the rights of the Declarant, the Association, their employees, heirs, successors and assigns as set forth in this Declaration. No one shall do or permit any action or activity which could result in pollution of any Lake, diversion of water, elevation of any Lake level, earth disturbance resulting in silting or any other conduct which could result in an adverse effect upon water quality, drainage or proper Lake management except as provided in the Declaration. A Lake may not be used for swimming, ice skating, boating, or for any other purpose, except for drainage of the Property, unless expressly and specifically approved by the Board of Directors in writing and allowed by law. Lakes and Lake Area may or may not exist on the Property, and the reference throughout this Declaration to Lakes and Lake Areas is made in order to address Lakes and Lake Areas, if any, which now exist or are later constructed upon the Property. The installation on the Property of any Lake or Lake Area shall be within the sole discretion of the Declarant, and under no circumstances shall the Declarant be required or obligated to install any Lake or Lake Area. Only the Declarant and the Association shall have the right to store items or develop recreational facilities upon any Common Area owned by the Association adjacent to a Lake.

<u>Section 6.18</u> <u>Rules and Regulations</u>. The Board of Directors from time to time may promulgate further rules and regulations concerning the use of Lots and the Common Area owned by the Association, including but not limited to rules and regulations creating or modifying architectural standards for Improvements. Rules and Regulations my vary as adopted for application to Lots on which traditional single-family homes have been erected, or on which townhomes have been erected. After the Turnover Date, a majority of those Owners voting at a meeting called for the purpose may rescind or modify any rule or regulation adopted by the Board

of Directors. Copies of all rules and regulations shall be furnished by the Board to all Owners at the Owner's last known address, prior to the time when the same shall become effective, provided however that the ACC may adopt new architectural standards in response to receiving design review applications from Owners for which prior standards had not been imposed. The Association shall have current copies of the Declaration, Articles and By-Laws, and other rules concerning the Property as well as its own books, records and financial statements available for inspection by Dwelling Unit Owners or by holders, insurers and guarantors of first mortgages, that are secured by Dwelling Units in the Property. These documents shall be available during normal business hours or under other reasonable circumstances.

<u>Section 6.19</u> <u>Swimming Pools and Playground Equipment</u>. Above-ground swimming pools are prohibited on the Property. In ground swimming pools are prohibited on Townhome Lots, and otherwise must have a five-foot (5') (minimum) fence that encloses the backyard or an automatic pool cover. The presence of an in-ground pool on a Lot without an enclosing fence, even if permitted by local laws and ordinances, shall constitute the Lot Owner's waiver and release of the Association, its Board Members and manager, from any liability arising from incidents or events related to the non-presence of a fence. Hot tubs and spas are permitted with Architectural Control Committee approval. "Swim-spas" may not exceed twelve feet in length or width. All playground equipment must be approved by the Architectural Control Committee and shall be constructed of wood.

<u>Section 6.20</u> <u>Trampolines and Basketball Goals</u>. Trampolines will not be approved, unless in the rear yard on a Lot enclosed by an approved fence and securely anchored to the ground. Portable basketball goals shall not be permitted. Permanent basketball goals are permitted following review and approval of the Architectural Control Committee.

<u>Section 6.21</u> <u>Mailboxes</u>. No mailboxes installed may be installed upon a Lot. Only USPS approved gang mailboxes may be installed and maintained by the Association as part of the Common Area.

<u>Section 6.22</u> <u>Notice of Zoning Commitments</u>. Shaker Farms is zoned as a Planned Unit Development ("PUD") Notice is hereby given that certain written commitments may have been made in connection with the zoning of all or part of the Property (hereafter "Commitments"). The Commitments may pertain, without limitation, to Common Areas, tree preservation areas, mounding, buffers, architectural commitments, and landscape buffers, and are more particularly stated in the applicable Ordinance, which is incorporated by reference herein. Unless and until any such Commitments are vacated or released per their terms, the Association shall comply with the terms and conditions thereof. The Property shall be subject to the Commitments and all covenants, conditions, easements, restrictions and limitations of record, and to all governmental zoning authority and regulations affecting the Property, all of which are incorporated herein by reference.

<u>Section 6.23</u> <u>Occupations</u>. No Lot or Dwelling Unit located thereon shall be used for any purpose other than as a single-family residence, except a home occupation which is both permitted under local ordinance and the guidelines below:

(a) Any home occupation must be conducted entirely within the residence and conducted solely by a member of the immediate family residing in said Dwelling Unit;

(b) Any home occupation must be clearly incidental and secondary to the use of the Dwelling Unit for residential purposes;

(c) There can be no sign or display that will indicate from the exterior of the Dwelling Unit that the Dwelling Unit is being used, in whole or in part, for any purpose other than that of a residential dwelling;

(d) No commodity can be sold from the Lot or Dwelling Unit located thereon;

(e) No person can be employed on the Lot or Dwelling Unit other than a member of the immediate family residing in the Dwelling Unit;

(f) No manufacturing or assembly operations can be conducted, nor may commodities or parts therefor be delivered to or stored at the Property; and

(g) Customers cannot enter upon the Lot or Dwelling Unit for the purpose of conducting business.

In no event shall the following similar activities be conducted for business purposes: child care, barber shop, styling salon, animal hospital, kennel, any form of animal care or treatment such as dog training, or any similar activities.

Section 6.24 Fences. The Architectural Control Committee, prior to any installation, must approve any fencing and landscaping screening. It is the goal to keep all fencing or screening harmonious with the architectural character of the Subdivision. No fence or screen will be approved which obstructs necessary sight lines for vehicular traffic. Undue obstruction of views from adjoining properties and amenity areas will be taken into consideration by the Architectural Control Committee when reviewing fences for approval. The Architectural Control Committee has the power and authority to prohibit entirely, or limit as it sees fit, the placement of fences on Townhome Lots. No front yard fencing is permitted, except on a Lot on which there is maintained a sales office or model home by Declarant or Builder. If approved by the Architectural Control Committee, fences may be privately installed but must be constructed to professional levels of quality, design, material, composition, and color as determined by the Architectural Control Committee. Nonprofessionally installed fences may be inspected by the Architectural Control Committee after completion in order to ensure that the fence is of a professional quality, and final approval of such fences shall be deemed withheld until completion of this final review. All fences shall be kept in good repair by the Owner. No fence shall be located any closer to the front Lot line than the rear foundation line of the residence, and in no event shall fences be located closer to any street than the front and side yard building line(s), as applicable, shown on the recorded plat. Fences shall not be erected in such a fashion as to 'jog' around utility junction boxes. Owners must still maintain areas outside of their fence, in accordance to what is shown on the recorded plat. Notwithstanding any provision of this Declaration to the contrary, no fencing of any kind shall be permitted in any platted easement.

Subject to approval by the Architectural Control Committee, fences may only be constructed of white PVC, white vinyl, wrought iron, cedar or treated pine, and the Architectural Control Committee reserves the right to disapprove any one of the materials specified herein on a case-by-case basis. <u>Galvanized fencing, chain-link fencing and stockade fencing will not be</u>

<u>permitted</u>. Fences shall be a maximum of four feet (4') in height. The Architectural Control Committee must approve all fencing materials, design, and location. The Architectural Control Committee will approve landscape screening materials, design, and location on an individual basis. Natural Stone and masonry walls shall only be constructed with the approval of the Architectural Control Committee, which shall be determined on an individual basis. The Architectural Control Committee may adopt other fencing standards from time-to-time, as it deeps appropriate.

The exact location, material, color, finish and height of the fence and rendering or photograph thereof shall be submitted to the Architectural Control Committee for written approval at least thirty (30) days prior to proposed construction. If, however, approval has not been received by applicant in writing within thirty (30) days after submittal, then said request shall be considered DENIED.

Section 6.25 <u>Animal Kennels</u>. Animal kennels, dog houses, dog-runs and any similar items are prohibited.

<u>Section 6.26</u> <u>Driveways</u>. All driveways shall be concrete. Any modifications (i.e. color changes, stamping) must be approved by the Architectural Control Committee.

<u>Section 6.27</u> <u>Garages</u>. Garages shall only be used for the parking of Vehicles and/or minimal storage and shall not be used or converted for living or recreational activities. Kitchens or "Dirty Kitchens" shall not be installed within a garage.

<u>Section 6.28</u> <u>Flagpoles and Flags</u>. Flagpoles and wall mounted flagpoles are allowed, but require an architectural application and approval. Flags may not exceed 15 square feet in size. Flags may not display curse words or otherwise bear obscene or sexually explicit words or images, nor may flags be erected that, in the determination of the Board, are "Signs" as defined herein.

Section 6.29 Solar Panels. Solar panels are permitted subject to the following:

(a) All plans must be preapproved by the Architectural Review Committee prior to installation pursuant to all applicable Shaker Farms Covenants, Conditions and Restrictions of record. Applications submitted to the Architectural Review Committee must include the following: (i) a diagram "drawn to scale" by the licensed contractor installing the system showing where the system will be installed; (ii) photos of the roof area where the array will be mounted; (iii) material to be used and/or manufacturer's description of the system, photos and/or pictures of the system and color of the system; and (iv) photos of similar existing systems as examples.

(b) Solar panels must be mounted on non-street-facing, sides and rear roof surfaces only, and may not cover more than 25% of the entire area of all roof surfaces on the house.

(c) The manner of placement of all components of the solar system should be integrated into the design of the home. The color of the solar system components should conform to the color of the roof shingles to the extent possible. Solar "shingles" that mimic the look of a composite shingle are acceptable but should match the color of the current roof shingles as much as is practical. (d) The highest point of a solar panel array will be lower than the ridge of the roof where it is attached.

(e) All painted surfaces will be kept in good repair.

(f) The installation of all solar heating and cooling systems shall only be done by a qualified professional installer approved by the Architectural Control Committee. No DIY projects will be allowed.

(g) In the event that any or all of the foregoing requirements for solar panels are deemed and/or found by a court of competent jurisdiction to be unenforceable under Ohio law, then and in such event, solar panels shall be prohibited in their entirety in the subdivision, excepting only solar panel installations previously submitted for, approved and installed in accordance with the provisions of this Section 6.28.

<u>Section 6.30</u> <u>Development and Sale Period</u>. Nothing contained in this Article 6 shall be construed or interpreted to restrict the activities of Declarant or a Builder in connection with the development of the Property and sale of Lots. During the Development Period, Declarant or a Builder shall be entitled to engage in such activities and to construct, install, erect and maintain such facilities, upon any portion of the Property at any time owned or leased by Declarant or a Builder, as in the sole opinion of Declarant or a Builder may be reasonably required, or convenient or incidental to, the development of the Property and sale of the lots; such facilities may include, without limitation, storage areas, signs, parking areas, model residence, construction offices, sales offices and business offices.

## ARTICLE VII Maintenance, Repairs and Replacements

<u>Section 7.1</u> <u>By Owners</u>. The Owners of each Lot shall jointly and severally have the duty and responsibility, at their sole cost and expense, to keep their Lot and all Improvements thereon in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times. The Board, in its sole discretion, shall determine whether a violation of the maintenance obligations set forth in this Section 7.1 has occurred. Such maintenance includes, but is not limited to the following, which shall be performed in a timely manner, as determined by the Board, in its sole discretion:

- (a) Prompt removal of all litter, trash, refuse, and wastes.
- (b) Lawn mowing and edging.
- (c) Tree and shrub pruning.
- (d) Replacement of dead trees and other dead landscaping.
- (e) Watering.
- (f) Keeping exterior lighting and mechanical facilities in working order.

- (g) Keeping lawn and garden areas alive, free of weeds, and attractive.
- (h) Keeping planting beds free of turf grass and weeds.

(i) Keeping sidewalks, curbs, tree wells, landscape borders, walkways, alleys and driveways in good repair.

- (j) Complying with Applicable Law.
- (k) Repainting of Improvements.
- (1) Repair of exterior damage, and wear and tear to Improvements.

Section 7.2 Association's Lot Maintenance Right. The Board shall have the right, but not the duty, to designate portions of Lots (including the exterior of single-family residences thereon), for maintenance by the Association at the Lot Owner's expense. The designation by the Board may be based on circumstantial categories, such as vacant lots, unoccupied residences, or on the Association's experience with a particular Owner or category of Owners. The type of maintenance designated by the Board for performance by the Association is not required to be uniform for all designated lots, and may change from time to time, as determined in the Board's sole discretion. The Board's designation may be based on several considerations, including but not limited to, the Board's reasonable belief that an Owner is not able or willing to maintain his or her Lot in accordance with the requirements set forth in this Declaration. The Board, in its sole discretion, shall determine all aspects of the maintenance to be performed by the Association pursuant to a designation contemplated by this Section 7.2, including, but not limited to, the scope, quality, quantity, frequency, timing, cost and the performer. The full cost of all expenses incurred pursuant to this Section 7.2 to maintain, repair or replace an Owner's Lot shall be an individual Assessment against such Owner's Lot, secured by a lien against such Owner's Lot and collectable in the same manner as provided in this Declaration.

Separate and apart from the foregoing, the Board shall have the right and duty to cause the Association to provide maintenance services consisting of routine lawncare and planting bed care, on the Townhome Lots. Such Lots shall be subject to the Townhome Services Assessment as provided in Article V hereof. The Board shall have the discretion to establish (and modify from time-to-time as it sees fit) the standards according to which Townhome Lot maintenance is provided. Any additions to, removal from or modifications to site landscaping and/or hardscaping on Townhome Lots must be approved in advance by the Architectural Control Committee, and increased maintenance expenses resulting from such changes shall be charged to the Owner of the Lot as an Individual Assessment.

# Section 7.3 Common Properties and Lawns by the Association.

(a) The Association, as part of its duties, and as part of the Common Expenses, shall provide for:

(i) Maintenance of the Common Area, which shall include, but shall not be limited to, fertilizing, treating any Lakes, Ponds, Detention Basins, mowing

and replanting when necessary of the grass and trees and maintenance of any other improvement within the Common Area;

(ii) Maintenance of the entry signs, permanent subdivision identification signs, and landscaping installed by the Declarant in any Common Area, or any Landscape Easement, Landscape Maintenance Easement, Landscape Maintenance Access Easement or similar easement;

(iii) Except to the extent maintained by the City or other governmental entity, the maintenance of any street lights which are installed by Declarant and which are not located upon any Lot; and

(iv) The maintenance of any brick surface installed by Declarant on any internal street or entryway.

The Board of Directors may adopt such other rules and regulations concerning maintenance, repair, use and enjoyment of the Common Area owned by the Association (or any items deemed Common Area for purposes of maintenance only) as it deems necessary.

(b) Notwithstanding any obligation or duty of the Association to repair or maintain any of the Common Area owned by the Association (or any items deemed Common Area for purposes of maintenance only), if, due to the willful, intentional or negligent acts or omissions of an Owner or a member of his family or of a guest, tenant, invitee or other occupant or visitor of such Owner, damage shall be caused to the Common Area owned by the Association (or any items deemed as such for purposes of maintenance only), or if maintenance, repairs or replacements shall be required thereby which would otherwise be at the Common Expense, then such Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Association, unless such loss is covered by the Association's insurance with such policy having a waiver of subrogation clause. If not paid by such Owner upon demand by the Association, the cost of repairing such damage shall be added to and become a part of the assessment to which the Owner's Lot is subject.

(c) The authorized representatives of the Association, the Board of Directors and the Managing Agent for the Association (if any) are hereby granted an easement for access upon and to any Lot as may be required in connection with maintenance only, repairs or replacements of or to the Common Area owned by the Association or any items deemed as Common Area for purposes of maintenance only, including, but not limited to, access to any easements reserved by any Plat of any portion of the Property for such purposes.

<u>Section 7.4</u> <u>Shared Structural Elements</u>. Attached townhome Units share structural components such as party walls and common roofs. Owners whose Townhome Units include shared structural members shall be obligated to pay their fair, pro-rata share of the cost of necessary maintenance, repairs and/or replacement, and to cooperate in good faith with any and all other Owners with whom each and any such structural element(s) is/are shared, in determining when, whether, and to what extent, maintenance, repairs and

replacement are needed. If Owners who share a structural element cannot agree on the terms according to which maintenance, repair and/or replacement are to take place, issues concerning such matters are to be submitted to the Design Review Board which shall have the discretion and authority to mediate, and if necessary arbitrate the Owners' differences, and to render a final, binding decision on all issues so submitted. Rules for any mediation or arbitration shall be as established by the Design Review Board.

Common Walls. Each Owner has the full and absolute right to make use of (a) the portion of any common wall that is open and exposed to such Owner's Unit, as fully as any and all other non-common walls in such Owner's Unit, provided only that no Owner shall make any use of a common wall that diminishes the common wall's structural integrity, or unreasonably interferes with the rights of the other Unit Owner's ability to make comparable use of the portion of the common wall that is open and exposed to such other Unit Owner's Unit. Owners shall be jointly and severally responsible for maintaining the common wall(s) located between their Units and shall share equally in the cost of all repairs, replacements, and maintenance that may be necessary to keep the common wall in good condition. In the event that any repairs are necessary, the Owners shall promptly undertake such repairs in a manner consistent with the original construction of the common wall, and in such a manner as to avoid the loss of structural integrity of the common wall as to either of Owners' Units. The Owners shall coordinate with each other to ensure that the repairs are completed in a timely and cost-effective manner. The cost of any repairs, replacements, or maintenance shall be shared equally between the Owners, regardless of the cause of the need for repairs or the reason for the maintenance, excepting only repairs, maintenance or replacement necessitated by the gross negligence or willful misconduct of one Owner, in which case the costs shall be borne entirely by the Owner whose gross negligence or willful misconduct created the need for the repairs, maintenance and/or replacement. Neither Owner shall be liable to the other for any consequential damages, inconvenience or similar damages arising from the need to maintain, repair or replace a common wall. For shared costs, each Owner shall be responsible for paying their share of the cost within 30 days of receiving an invoice from the other Owner.

(b) <u>Roofs</u>. Roof maintenance, repair and replacement costs shall be deemed to be a shared cost as between Owners, only to the extent that the roof on which maintenance, repairs and/or replacement is/are necessary is a roof structure that actually extends on a common plane across lot line boundaries and over multiple Units. In such a case, all Owners of the Units over which such a roof structure exists shall be jointly and severally responsible for maintaining, repairing and replacing the roof, and shall share pro-rata (based on the square footage of the relevant Units) in the costs thereof. Roof maintenance, repairs and replacement, if, when and as necessary, shall be performed in the manner necessary to result in all affected Units being and remaining safely habitable. All materials used in roof maintenance, repairs and replacement shall cause all roofs in the Community to have a common type, style and color of roof, as closely as is practically feasible based on materials availability.

(c) <u>Insurance</u>. Each owner shall maintain adequate insurance coverage for their respective interests in the common wall(s) and roof(s), and shall provide proof of insurance to the other Owner(s) upon request

## ARTICLE VIII Architectural Control Committee

Declarant has a substantial interest in ensuring that Improvements within the Property maintain and enhance Declarant's reputation as a community developer and do not impair Declarant's ability to market and sell all or any portion of the Property. Until Declarant has delegated its right to appoint and remove all members of the ACC to the Board as provided in this Declaration, the ACC will be acting solely in Declarant's interest and will owe no duty to any other Owner or the Association. Notwithstanding any provision in this Declaration to the contrary, Declarant may appoint a single person or entity to exercise the powers of the ACC.

<u>Section 8.1</u> <u>Construction of Improvements</u>. No Improvement may be erected, placed, constructed, painted, altered, modified or remodeled on any Lot, and no Lot may be re-subdivided or consolidated with other Lots or Property, by anyone other than Declarant without the prior written approval of the ACC.

#### Section 8.2 Architectural Control Committee.

Composition. The ACC will be composed of not more than three (3) (a) persons (who need not be Members or Owners) appointed as provided below, who will review Improvements proposed to be made by any Owner other than Declarant. Declarant will have the right to appoint and remove (with or without cause) all members of the ACC. Declarant may assign its right to appoint all members of the ACC to the Association by written instrument, and thereafter, the Board will have the right to appoint and remove (with or without cause) all members of the ACC. Any assignment by Declarant of the right to appoint and remove all members of the ACC may be withdrawn until expiration of twenty-four (24) months after the expiration of the Development Period. If Declarant withdraws its assignment of the right to appoint and remove all members of the ACC, then on the date of such withdrawal, Declarant will have the right to appoint and remove (with or without cause) all members of the ACC. Declarant's right to appoint all members of the ACC will automatically be assigned to the Association upon the expiration of twenty-four (24) months after the expiration of the Development Period. Declarant, at its option, may create and assign specific duties and responsibilities to one or more sub-committees consisting of members and/or nonmembers of the ACC. In the event responsibilities and duties are assigned to a sub-committee, those responsibilities and duties will no longer be discharged by the ACC unless the sub-committee exercising such duties and responsibilities is dissolved by Declarant. The right to create, dissolve, and appoint members of such sub-committees will reside exclusively with Declarant until such time as Declarant has assigned its right to appoint members of the ACC to the Association. The ACC will have the right to employ consultants and advisors as it deems necessary or

appropriate. The ACC and/or its appointee(s)/designee(s) shall have the right and power to charge a reasonable fee to perform application review and related services.

Design Guidelines. Declarant shall have the right, but shall have no (b)obligation to, adopt certain design guidelines for the Dwelling Units and other Improvements to be constructed on the Property (the "Design Guidelines") and, during the Development Period, will have the power from time to time, to adopt (unless previously adopted by Declarant), amend, modify, or supplement the Design Guidelines, if any. Declarant may adopt differing standards applicable to traditional single-family homes by comparison to those applicable to Townhomes. Upon expiration or termination of the Development Period, the ACC, or any sub-committee thereof created pursuant to Section 8.2(a), will have the power from time to time, to adopt (if not previously adopted by Declarant), to amend, modify, or supplement the Design Guidelines, if any; provided, however, that any amendment to the Design Guidelines made by a sub-committee will only apply to the Improvements under the jurisdiction of such sub-committee, and during the Development Period, any such amendment, modification or supplement must be approved in advance and in writing by the Declarant. In the event of any conflict between the terms and provisions of the Design Guidelines, if any, and the terms and provisions of this Declaration, the terms and provisions of this Declaration will control. In addition, the ACC will have the power and authority to impose a fee for the review of plans, specifications and other documents and information submitted to it pursuant to the terms of this Declaration. Such charges will be held by the ACC and used for the sole purpose of defraying the administrative expenses incurred by the ACC in performing its duties hereunder; provided, however, that if a third-party entity is designated to perform the design review function, such fee(s) may be payable to and retained by such entity, otherwise any excess funds held by the ACC will be distributed to the Association at the end of each calendar year for the sole purpose of contributing to the payment of the Association's operating expenses. The ACC will not be required to review any plans until a complete submittal package, as required by this Declaration and the Design Guidelines, is assembled and submitted to the ACC. The ACC will have the authority to adopt such additional procedural and substantive rules and guidelines (including, without limitation, the imposition of any requirements for certificates of compliance or completion relating to any Improvement and the right to approve in advance any contractor selected for the construction of Improvements), not in conflict with this Declaration, as it may deem necessary or appropriate in connection with the performance of its duties hereunder.

(c) <u>Actions of the Architectural Control Committee</u>. The ACC may, by resolution unanimously adopted in writing, designate one or more of its members, or an agent acting on its behalf, to take any action or perform any duties for and on behalf of the ACC, except the granting of variances. In the absence of such designation, the vote of a majority of all the members of the ACC taken at a duly constituted meeting will constitute an act of the ACC.

(d) <u>Failure to Act</u>. In the event that any plans and specifications are submitted to the ACC as provided herein, and the ACC fails either to approve or reject such plans and specifications for a period of thirty (30) days following such submission, rejection of such plans and specifications by the ACC will be presumed. In furtherance, and not in

limitation, of the foregoing, any failure of the ACC to act upon a request for a variance will <u>not</u> be deemed a consent to such variance, and the ACC's written approval of all requests for variances will be expressly required.

(e) <u>Right to Appeal ACC Denial to Board</u>. After such time as the Declarant has delegated or otherwise assigned to the Board the right to appoint all members of the ACC, in the event the ACC denies an Owner's request for approval of plans and specifications, the Owner may appeal such decision to the Board. The Owner's right to appeal shall expire if a request for appeal is not made to the Board, in writing, within thirty (30) days after the denial was issued by the ACC. If a request for appeal from an ACC decision is received by the Board within such period, the Board will, within a reasonable period of time after receipt of such request, review the ACC denial along with any additional information submitted to the Board by the Owner. The Board will then issue a decision on the approval or denial of the submitted plans and specifications and in so doing, has the power to overturn, uphold, or approve with additional conditions the decision of the ACC.

(f)Variances. To avoid unnecessary hardship and/or to overcome practical difficulties in the application of the provisions of this Declaration, the ACC shall have the authority on a case-by-case basis to grant reasonable variances from the requirements of this Declaration and/or from architectural standards established pursuant hereto, provided that the activity or condition is not prohibited by applicable law; and provided further that, in its judgment, the variance is in the best interest of the community and is within the spirit of the standards of the ACC. No variance granted pursuant to this Section shall constitute a waiver of any provision of this Declaration as applied to any other person or any other part of the Property. Variances are intended to be able to be granted in circumstances in which the *physical attributes of a Lot* cause such Lot to be unique or meaningfully distinguishable from the physical attributes of other Lots in the Subdivision, such physical difference(s) giving rise to the above-described unnecessary hardship or practical difficulties. Variances are not intended to be available to enable an Owner to avoid the application of these Restrictions by virtue of such Owner's personal life circumstances or decision-making (i.e., having a dog that can jump more than 6' is NOT a justification for a variance to the 6' maximum fence height limitation; whereas having a Lot that abuts railroad tracks is such a justification).

(g) <u>Duration of Approval</u>. The approval of the ACC of any plans and specifications, and any variances granted by the ACC, will be valid for a period of one hundred and twenty (120) days only. If construction in accordance with such plans and specifications or variance is not commenced within such one hundred and twenty (120) day period and diligently prosecuted to completion within either: (i) one year after issuance of approval of such plans and specifications; or (ii) such other period thereafter as determined by the ACC, in its sole and absolute discretion, the Owner will be required to resubmit such plans and specifications or request for a variance to the ACC, and the ACC will have the authority to re-evaluate such plans and specifications in accordance with this Section 8.2(h) and may, in addition, consider any change in circumstances which may have occurred since the time of the original approval.

(h) <u>No Waiver of Future Approvals</u>. The approval of the ACC to any plans or specifications for any work done or proposed in connection with any matter requiring the approval or consent of the ACC will not be deemed to constitute a waiver of any right to withhold approval or consent as to any plans and specifications on any other matter, subsequently or additionally submitted for approval by the same or a different person, nor will such approval or consent be deemed to establish a precedent for future approvals by the ACC.

(i) <u>Non-Liability of Committee Members</u>. NEITHER DECLARANT, THE BOARD, THE ARCHITECTURAL CONTROL COMMITTEE, NOR ANY MEMBER OR DESGNEE/APPOINTEE THEREOF WILL BE LIABLE TO ANY OWNER OR TO ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR INJURY ARISING OUT OF THE PERFORMANCE OF THE ARCHITECTURAL CONTROL COMMITTEE'S DUTIES UNDER THIS DECLARATION.

# ARTICLE IX Insurance

<u>Section 9.1</u> <u>Owner's Insurance</u>. Each Owner will be required to purchase and maintain commercially standard insurance on the Improvements located upon such Owner's Lot. The Association will not be required to maintain insurance on the Improvements constructed upon any Lot. The Association shall obtain such insurance as is required by law, and may, also, obtain such insurance as it may deem necessary, including but not limited to such policies of liability and property damage insurance as the Board, in its discretion, may deem necessary. Insurance premiums for such policies will be a common expense to be included in the Assessments levied by the Association. The acquisition of insurance by the Association will be without prejudice to the right and obligation of any Owner to obtain additional individual insurance. During the Development Period, Declarant reserves the right to satisfy the insurance obligations of the Association with a master insurance program controlled by Declarant.

<u>Section 9.2</u> <u>Liability Insurance</u>. The Association shall purchase a master comprehensive general liability insurance policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time. Such comprehensive general liability insurance policy shall cover the Association, its Board of Directors, any committee or organization of the Association or Board of Directors, all persons acting or who may come to act as agents, or employees of any of the foregoing with respect to the Association. It shall also cover all Common Area owned by the Association, public ways and any other areas under the Association's control or supervision. The premiums for all such liability policies shall be a Common Expense.

<u>Section 9.3</u> <u>Fidelity Bonds</u>. The Association shall have blanket fidelity bonds for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The Association bonds shall name the Association as the obligee and the premium shall be paid as a Common Expense by the Association. Any Management Agent that handles funds for the Association shall be covered by its own fidelity bond, which must provide the same coverage required of the Association. The Association shall be named as an additional obligee in the Management Agent's bond. The fidelity bond shall cover the maximum funds that will be in the custody of the Association or its Management Agent at any time while the bond is in force. In addition, the fidelity bond coverage must at least equal one (1) years' assessments on all Dwelling Units in the Property, plus the Association's reserve funds. If available, the fidelity bonds must include a provision that calls for ten (10) days' written notice to the Association or insurance trustee before the bond can be cancelled or substantially modified for any reason.

<u>Section 9.4</u> <u>Miscellaneous Insurance Provisions</u>. The Association shall obtain any other insurance required by law to be maintained. The Association shall obtain directors and officers (D&O) liability insurance. The Association shall obtain any other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate. Such insurance coverage shall also provide for and over cross liability claims of one insured party against another insured party. Such insurance shall inure to the benefit of the Association, its Board of Directors and any Management Agent acting on behalf of the Association. The premiums for all such insurance coverage shall be a Common Expense.

<u>Section 9.5</u> <u>Casualty and Restoration</u>. Damage to or destruction of any Common Area actually owned by the Association due to fire or any other casualty or disaster shall be promptly repaired and reconstructed by the Association and the proceeds of insurance, if any, shall be applied for that purpose. The same obligation shall apply to an Owner, and not the Association, for damage or destruction to the Owner's Dwelling Unit. For purposes of this Section, repair, reconstruction and restoration shall mean construction or rebuilding of the damaged property to as near as possible the same condition as it existed immediately prior to the damage or destruction, with the same or a similar type of architecture.

<u>Section 9.6</u> <u>Insufficiency of Insurance Proceeds</u>. If the insurance proceeds received by the Association as a result of any such fire or any other casualty or disaster are not adequate to cover the cost of repair and reconstruction, or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing the Common Area actually owned by the Association or any improvements damaged or destroyed (or the costs thereof in excess of insurance proceeds received, if any) shall be paid by the Association which shall then have the right to levy a Special Assessment against all Lots for such deficiency.

<u>Section 9.7</u> <u>Surplus of Insurance Proceeds</u>. In the event that there is any surplus of insurance proceeds after the reconstruction or repair of the damage has been fully completed and all costs paid, such sums may be retained by the Association as a reserve or may be used in the maintenance and operation of the Property. The action of the Board of Directors in proceeding to repair or reconstruct damage shall not constitute a waiver of any right against any Owner for committing willful or malicious damage.

# ARTICLE X Mortgages

<u>Section 10.1</u> <u>Mortgagee Rights</u>. In addition to any other rights provided elsewhere in this Declaration to mortgagees, any lender or lenders holding a first mortgage or first mortgages upon any Lot or Lots, jointly or singly, may pay any real estate taxes or other taxes or charges which are in default and which may or have become a charge or lien against any Common Area owned by the Association or any other property owned by the Association; and may pay any overdue

premiums on any hazard, casualty, liability or other insurance policies or secure new insurance coverage on the lapse of any policies for any such property owned by the Association or covering any property for which the Association has an obligation to maintain insurance coverage. Any such lender or lenders making payments in accordance with this Section shall be entitled to immediate reimbursement therefor from the Association along with any costs incurred, including reasonable attorneys' fees.

<u>Section 10.2</u> <u>Notice to Mortgagees</u>. The Association, upon request, shall provide to any lender holding a first mortgage upon any Lot, a written certificate or notice specifying unpaid assessments and other defaults of the Owner of such Lot, if any, in the performance of such Owner's obligations under this Declaration, the Articles of Incorporation of the Association, its By-laws or any other applicable documents, which default has not been cured within sixty (60) days. A reasonable charge may be made by the Association for the issuance of any such certificate or notice, and any such certificate properly executed by an officer of the Association shall be binding upon the Association, as provided by this Declaration.

<u>Section 10.3</u> <u>Condemnation and Insurance Awards</u>. No provisions of this Declaration or any amendment thereto, shall give any Owner, or any other party, priority over any rights of the first mortgagee of a Lot pursuant to its mortgage in the same, of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of Common Area property.

<u>Section 10.4</u> <u>Right of First Refusal</u>. The Association DOES NOT have the "right of first refusal" to purchase any Dwelling Unit. Any "right of first refusal" subsequently granted to the Association through amendment of the Declaration, Association Articles, Association Bylaws or any other document governing the development and administration of the Lots must receive the prior written approval of the Federal Housing Administration or Secretary of the Department of Housing and Urban Development. Any "right of first refusal" subsequently added in the Declaration, Association Articles, Association Bylaws or any other document governing the development and administration of the Lots must need to the Declaration, Association Articles, Association Bylaws or any other document governing the development and administration of the Lots must not impair the rights of a first mortgagee to:

(a) Foreclose or take title to a Dwelling Unit, and the Lot upon which the Dwelling Unit is situated, pursuant to the remedies in the mortgage;

(b) Accept a deed or assignment in lieu of foreclosure in the event of default by a mortgagor; or

(c) Sell or lease a unit acquired by the mortgagee.

<u>Section 10.5</u> <u>Unpaid Dues or Charges</u>. Any first mortgagee who obtains title to a Dwelling Unit, and the Lot upon which the Dwelling Unit is situated, pursuant to the remedies in the mortgage or through foreclosure, will not be liable for the Dwelling Unit's unpaid dues or charges accrued before the acquisition of the title to the Dwelling Unit by the mortgagee.

# ARTICLE XI Development Rights

<u>Section 11.1</u> <u>Development by Declarant</u>. It is contemplated that the Property will be developed pursuant to a plan, which may, from time to time, be amended or modified. Declarant

reserves the right, but will not be obligated, to pursue the development, construction and marketing of the Property, the right to direct the size, shape, and composition of the Property, the right to create and/or designate Lots and Common Areas and to subdivide all or any portion of the Property pursuant to the terms of this Section 11.1, subject to any limitations imposed on portions of the Property by any applicable Plat. These rights may be exercised with respect to any portions of the Property and the Common Area. As each area is developed or dedicated, Declarant may designate the use, classification and such additional covenants, conditions and restrictions as Declarant may deem appropriate for that area.

<u>Section 11.2</u> <u>Special Declarant Rights</u>. Notwithstanding any provision of this Declaration to the contrary, at all times, Declarant will have the right and privilege: (i) to erect and maintain advertising signs (illuminated or non-illuminated), sales flags, other sales devices and banners for the purpose of aiding the sale of Lots in the Property; (ii) to maintain Improvements upon Lots as sales, model, management, business and construction offices; and (iii) to maintain and locate construction trailers and construction tools and equipment within the Property and the Common Area. The construction, placement or maintenance of Improvements by Declarant will not be considered a nuisance, and Declarant hereby reserves the right and privilege for itself to conduct the activities enumerated in this Section 11.2 until twenty-four (24) months after expiration or termination of the Development Period.

Section 11.3 Conveyance of Common Area to the Association. Common areas and Reserves designated as such on any recorded plat of any portion of the Property, shall be the maintenance responsibility of the Association, and the Association shall pay all costs associated therewith including but not limited to real estate taxes, if applicable, regardless of whether actual legal title thereto has been transferred to the Association. Declarant, and its assignees, reserves the right, from time to time and at any time, to designate by written and recorded instrument portions of the Property being held by the Declarant or a third party for the benefit of the Association, in the sole and absolute discretion of the Declarant. Upon the Recording of such designation, the portion of the Property identified therein will be considered Common Area for the purpose of this Declaration. Declarant and its assignees may also assign, transfer or convey to the Association interests in real or personal property within or for the benefit of the Property, for the Property and the general public, or otherwise, as determined in the sole and absolute discretion of the Declarant. All or any real or personal property assigned, transferred and/or conveyed by the Declarant to the Association shall be deemed accepted by the Association upon Recordation, and without further action by the Association, and shall be considered Common Area without regard to whether such real or personal property is designated by the Declarant as Common Area. If requested by the Declarant, the Association will execute a written instrument, in a form requested by the Declarant, evidencing acceptance of such real or personal property; provided, however, execution of a written consent by the Association shall in no event be a precondition to acceptance by the Association. The assignment, transfer, and/or conveyance of real or personal property to the Association may be by deed without warranty, may reserve easements in favor of the Declarant or a third party designated by Declarant over and across such property, and may include such other provisions, including restrictions on use, determined by the Declarant, in the Declarant's sole and absolute discretion. Property assigned, transferred, and/or conveyed to the Association may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests. Upon Declarant's written request, the Association will reconvey to Declarant any unimproved real property that Declarant originally conveyed to the Association for no payment.

<u>Section 11.4</u> <u>Addition of Land</u>. Declarant may, at any time and from time to time, add additional lands to the Property. Upon the Recording of a notice of addition of land, such land will be considered part of the Property for purposes of this Declaration, and such added lands will be considered part of the Property subject to this Declaration and the terms, covenants, conditions, restrictions and obligations set forth in this Declaration, and the rights, privileges, duties and liabilities of the persons subject to this Declaration will be the same with respect to such added land as with respect to the lands originally covered by this Declaration. To add lands to the Property, Declarant will be required only to Record a notice of addition of land containing the following provisions:

(a) A reference to this Declaration, which reference will state the document number or volume and initial page number wherein this Declaration is recorded;

(b) A statement that such land will be considered Property for purposes of this Declaration, and that all of the terms, covenants, conditions, restrictions and obligations of this Declaration will apply to the added land; and

(c) A legal description of the added land.

<u>Section 11.5</u> <u>Withdrawal of Land</u>. Declarant may, at any time and from time to time, reduce or withdraw from the Property, and remove and exclude from the burden of this Declaration and the jurisdiction of the Association any portion of the Property. Upon any such withdrawal and removal this Declaration and the covenants, conditions, restrictions and obligations set forth herein will no longer apply to the portion of the Property withdrawn. To withdraw lands from the Property hereunder, Declarant will be required only to Record a notice of withdrawal of land containing the following provisions:

(a) A reference to this Declaration, which reference will state the document number or volume and initial page number wherein this Declaration is recorded;

(b) A statement that the provisions of this Declaration will no longer apply to the withdrawn land; and

(c) A legal description of the withdrawn land.

<u>Section 11.6</u> <u>Assignment of Declarant's Rights</u>. Notwithstanding any provision in this Declaration to the contrary, Declarant may, by written instrument, assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any person or entity and may permit the participation, in whole, in part, exclusively, or non-exclusively, by any other person or entity in any of its privileges, exemptions, rights and duties hereunder.

## **ARTICLE XII** Grievance Resolution Procedure

**Section 12.1** Claims. Grievances shall be addressed pursuant to Applicable Law.

#### **ARTICLE XIII** General Provisions

Section 13.1 Right of Enforcement. In event of a violation, or threatened violation, of any of the covenants, conditions and restrictions herein enumerated, Declarant, the Association or any Owner and all parties claiming under them shall have the right to enforce the covenants, conditions and restrictions contained herein, and pursue any and all remedies, at law or in equity, available under Applicable Law, with or without proving any actual damages, including the right to assess Lot Assessments, to secure injunctive relief or secure removal by due process of any structure not in compliance with the covenants, conditions and restrictions contained herein, and shall be entitled to recover reasonable attorneys' fees and the costs and expenses incurred as a result thereof. The foregoing notwithstanding, no Owner may recover attorney's fees or consequential damages from the Declarant, Association or the agents thereof, absent a showing of bad faith and intentional wrong-doing. All rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, and failure of the Association to enforce any such provisions shall in no way be deemed a waiver of the right to do so thereafter. All expenses incurred by the Association in connection with any such proceedings, including court costs and attorneys' fees, together with interests thereon at the highest interest permitted by law, shall be charged to and assessed against any Owner violating any such provisions and shall be added to and deemed a part of his assessment and constitute a lien on his Lot and be enforceable as provided herein. If any Owner, or his guests, violates any provision of this Declaration, the Articles of Incorporation, the By-Laws, or the rules and regulations of the Association, the Board may, after affording the Owner an opportunity to be heard, levy a reasonable fine against such Owner, and such fine shall be added to and deemed a part of Owners' assessment and constitute a lien on his Lot and be enforceable as provided herein.

<u>Section 13.2</u> <u>Severability and Waiver</u>. The Declaration shall operate in congruence with Applicable Law and be enforceable to the fullest extent permitted at law or in equity. Invalidation of any one of the covenants, restrictions or provisions contained in this Declaration by judgment or court order shall not in any way affect any of the other provisions hereof, which shall remain in full force and effect. No delay or failure by any person to enforce any of the restrictions or to invoke any available remedy with respect to a violation or violations thereof shall under any circumstances be deemed or held to be a waiver by that person of the right to do so thereafter, or as estoppel of that person to assert any right available to him upon the occurrence, recurrence or continuation of any violation or violations of the restrictions.

<u>Section 13.3</u> <u>Assignment</u>. Declarant may at any time assign some or all of its rights and obligations under this Declaration. Such assignment shall be effective after it is executed and recorded by Declarant with the Recorder of the County in which the Property is located. After such assignment is recorded with the Recorder of the County in which the Property is located, Declarant shall have no further obligations or liabilities under the Declaration with respect to the rights or obligations assigned.

<u>Section 13.4</u> <u>Amendment</u>. This Declaration and the covenants, conditions and restrictions set forth in this Declaration, as from time to time amended in the manner hereafter set forth, shall run with the land and shall be binding upon the persons owning any portion of the Property and all parties closing under them.

(a) This Declaration may be amended or modified at any time by the Declarant during the Development Period and prior to the Turnover Date. After the Turnover Date, this Declaration may be amended from time to time by the Owners, subject to the following, by an instrument recorded in the Office of the Recorder of the County in which the Property is located, approved and signed by the then Owners, subject to the following:

(i) The Declarant's consent to an amendment shall be required if Declarant either: (a) owns one (1) or more Lots; or (b) not more than seven (7) years have passed since the original governing documents were first recorded.

(ii) The consent of the Owners to the amendment has been obtained as evidenced by either of the following:

(A) The vote of the required percentage of Owners at a meeting duly called for the purpose of considering the amendment; and/or

(B) A written instrument signed by the Owners.

Other than amendments by the Declarant, any amendment shall require at least a seventy five percent (75%) affirmative vote of the total number of all Owners for consent under this Section.

(iii) The consent of the eligible Mortgagee. The consent of an eligible Mortgagee must be indicated in a written instrument signed by the Mortgagee. However, a Mortgagee is considered to have consented to a proposed amendment if the Mortgagee does not respond to a written request for consent within thirty (30) days after the Mortgagee receives the request.

(b) Except as prohibited above, this Declaration may also be amended unilaterally by Declarant for so long as it is a Class B Member. Any amendment must be recorded with the County Recorder. Neither the Association, nor the Owners, shall effect any of the following changes without the prior written approval of the Declarant:

(i) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area owned directly or indirectly by the Association for the benefit of the Owners of the Dwelling Units. The granting of easements for public utilities or other public purposes consistent with the intended use of the Common Area owned by the Association by the Dwelling Unit Owners is not a transfer in the meaning of this clause;

(ii) Fail to maintain fire and extended coverage on insurable Common Area owned by the Association on a current replacement cost basis in an amount at least one hundred percent (100%) of the insurable value (based on current replacement costs);

(iii) Use hazard insurance proceeds for losses to any Common Area owned by the Association for other than the repair, replacement, or reconstruction of the Common Area owned by the Association. (c) The consent of the Owners to an amendment shall be evidenced by either of the following:

(i) The vote of the Owners at a meeting duly called for the purpose of considering the amendment; or

(ii) A written instrument signed by the Owners.

<u>Section 13.5</u> <u>HUD Amendment Approval</u>. All other provisions of the Declaration, Association Articles, Association By-Laws or any other document governing the development and administration of the Property notwithstanding, so long as there is a Class B membership, if required by applicable law, the Federal Housing Administration or Secretary of the Department of Housing and Urban Development shall have the right to review and approve amendments or changes to the Declaration and related documents relating to the following:

- (a) Annexation of real estate;
- (b) Dedication or mortgaging of Common Area;

(c) Mergers and consolidation of any Property, Common Area or the Association; and

(d) Amendment of the Declaration of Covenants, Conditions and Restrictions.

<u>Section 13.6</u> <u>Assignment</u>. Declarant may assign or otherwise transfer any and all of its rights as Declarant in whole or in part. Unless expressly provided elsewhere herein as to specific rights, all rights and duties of the Declarant shall be automatically deemed to be assigned to the Association from and after the time that neither the Declarant, nor any builder that acquired title to a Lot from the Declarant, owns 1 or more Lots.

<u>Section 13.7</u> <u>Condemnation, Destruction or Liquidation</u>. The Association shall be designated to represent the Owners in any proceedings, negotiations, settlements or agreements for the handling of any losses or proceeds from condemnation, destruction or liquidation of all or a part of the Common Area owned by the Association, or from the termination of the development. Each Dwelling Unit Owner, by his acceptance of a deed, appoints the Association as his attorney-in-fact for this purpose. Proceeds from the settlement will be payable to the Association for the benefit of the Dwelling Unit Owners and their mortgage holders. Any distribution of funds in connection with the termination of this development shall be made on a reasonable and an equitable basis.

<u>Section 13.8</u> <u>Borrowing Money</u>. Except as otherwise prohibited by Applicable Law, the Association may not borrow money during any calendar year on behalf of the Association in an amount that exceeds the greater of:

(a) five thousand dollars (\$5,000) during any calendar year; or

(b) if the Association operated under an annual budget in the previous calendar year, an amount equal to at least ten percent (10%) of the previous annual budget of the

Association; unless borrowing the money is approved by the affirmative vote of a majority of the members of the Association voting under this Section.

<u>Section 13.9</u> <u>Pronouns</u>. Any reference to the masculine, feminine or neuter gender herein shall, unless the context clearly requires to the contrary, be deemed to refer to and include all gender, and the singular shall include and refer to the plural and vice versa as appropriate.

Section 13.10 Safety and Security. Each Owner and resident of a Lot, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property within the Property and the Common Area. The Association may, but shall not be obligated to, maintain or support certain activities within the Property and the Common Area designed to promote or enhance the level of safety or security which each person provides for himself or herself and his or her property. However, neither the Association nor Declarant shall in any way be considered insurers or guarantors of safety or security within the Property or the Common Area, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any systems or measures, including security monitoring systems or any mechanism or system for limiting access to the Property or the Common Area, cannot be compromised or circumvented; or that any such system or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing any Residents of such Owner's Lot that the Association, its Board and committees, and the Declarant are not insurers or guarantors of security or safety and that each person within the Property assumes all risks of personal injury and loss or damage to the property, including any residences or Improvements constructed upon any Lot and the contents thereof, resulting from acts of third parties.

IN WITNESS WHEREOF, Forestar (USA) Real Estate Group Inc. has caused this Declaration to be executed as of the date first written above.

# FORESTAR (USA) REAL ESTATE GROUP INC., a Delaware corporation

	By:
	Printed Name:
	Its:
STATE OF	)
COUNTY OF	) SS: )

Before me the undersigned, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_\_, on behalf of Forestar (USA) Real Estate Group Inc.,

a Delaware corporation, and having been duly sworn, acknowledged execution of this Declaration of Covenants, Conditions and Restrictions of Shaker Farms.

Witness my hand and Notarial Seal this \_\_\_\_ day of \_\_\_\_\_, 2025.

Notary Public

My Commission Expires:

County of Residence:

This instrument was prepared by and after recording return to David A. Dye Co., LPA, P.O. Box 433, Grove City, Ohio 43123

# <u>EXHIBIT A</u>

# Legal Description