

DECLARATION OF CONDOMINIUM OWNERSHIP

FOR

COVENTRY CONDOMINIUM

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: Certificate of Auditor
:
: A copy of this Declaration with
: drawings attached was filed with
: this office on August 11, 1997.
:
: George D. Buchanan,
: Licking County Auditor
:
:
: By: George D. Buchanan
: adc

DECLARATION SUBMITTING PROPERTY TO THE PROVISIONS OF
CHAPTER 5311 OF THE OHIO REVISED CODE
FOR
COVENTRY CONDOMINIUM

DECLARATION OF CONDOMINIUM made this 15th day of August, 1997, by Coventry Condominiums, Newark, Ltd., an Ohio limited liability company (hereinafter referred to as "Developer").

RECITALS

Developer is the holder of title, in fee simple, to a parcel of land, upon which it has constructed thirty six (36) residential living units, five (5) single detached Garage Bay Units, and twelve (12) single attached Garage Bay Units (hereinafter described as the "Land"), and desires to declare the Land and all buildings, structures, and improvements thereon as a condominium, and by this Declaration establish a plan for individual ownership of portions of the Land, buildings, structures and improvements in accordance with the Ohio Condominium Property Laws. These thirty six (36) residential living units, five (5) single detached Garage Bay units, and twelve (12) single attached Garage Bay Units, shall constitute all of the Condominium.

DECLARATION

The Developer hereby submits the Land, together with all buildings and improvements thereon, and all rights and easements appurtenant thereto, including those created hereafter, to the provisions of Chapter 5311 of the Ohio Revised Code and to this Declaration, and does hereby make and establish the following plan for condominium ownership of such Condominium Property. All Exhibits attached to this Declaration are fully incorporated by reference.

ARTICLE I

Definitions

A. The following words and phrases used in this Declaration and in the Bylaws of Coventry Condominium Owner's Association, Inc. which are attached hereto, shall have the following meaning ascribed to them:

1. "Act" shall mean Chapter 5311 of the Revised Code of Ohio, the Ohio Condominium Act, as amended from time to time.
2. "Assessments" shall mean and refer to those amounts levied by the Association in order to enable it to adequately operate, maintain, reconstruct, and repair the Condominium Property, or otherwise further the aims of the Association.
3. "Association" shall mean and refer to Coventry Condominium Owners Association, Inc., established in accordance with the Act and incorporated as an Ohio non-profit corporation pursuant to Chapter 1702 of the Ohio Revised Code by Articles of Incorporation filed in the Office of the Secretary of State of Ohio on July 23, 1997. Association shall include the term corporation, and, where appropriate, reference to the term corporation in the Articles of Incorporation shall mean and include Association.
4. "Board" and "Board of Managers" shall mean and refer to the Board of natural individuals who shall be residents of the State of Ohio and who shall manage the business, operation and affairs of the Association on behalf of the Owners. The Board of Managers shall be those individuals originally appointed by Developer in accordance with the Bylaws. Such Board of Managers shall fulfill the requirements of a Board of Managers as required by the Act. The Board of Managers shall serve as the Trustees of the Corporation for all purposes contemplated by Chapter 1702 of the Ohio Revised Code.
5. "Bylaws" shall mean and refer to the governing regulations as are adopted pursuant to the Act for the regulation and management of the Association, and shall be identical to the Code of Regulations of the Association as required by the provisions of Chapter 1702 of the Ohio Revised Code. A true copy of the Bylaws is attached hereto and made a part hereof as Exhibit "A".
6. "Common Areas" and "Common Areas and Facilities" shall mean all of the Condominium Property, except that portion thereof described in this Declaration as constituting a Unit or Units.
7. "Condominium Property" and "Condominium" shall mean the parcel of land containing a total of approximately 3.814 acres which is described in Exhibit "B", a copy of which is attached hereto and made a part hereof, all buildings and other improvements situated thereon and all easements, rights and appurtenances pertaining thereto.
8. "Declaration" shall mean this instrument by which the condominium property is submitted to the Act, as it may be lawfully amended from time to time.

9. "Drawings" shall mean the drawings for the Condominium, as defined in the Act, filed simultaneously with the submission of this Declaration for recording, and attached hereto as Exhibits "C" and "D" and made a part hereof, as the same may be lawfully amended from time to time.

10. "Limited Common Areas" and "Limited Common Areas and Facilities" shall mean those portions of the Common Areas serving exclusively one Residential Unit or more than one but less than all Residential Units, the enjoyment, benefit or use of which are reserved to the lawful occupants of that Unit or Units either in this Declaration, or by the Board.

11. "Limited Exterior Service Facilities" shall mean all plumbing, electrical, heating, cooling and other utility or service fixtures, compressors, equipment, tanks, lines, pipes, wires, ducts and conduits which are designed to serve only a single Unit but which are situated outside the boundaries of that Unit. Such facilities are also limited common areas and facilities and are reserved for the exclusive use of the Unit which they are designed to serve.

12. "Majority of Unit Owners" shall mean and refer to the Owners of more than fifty percent (50%) of the voting power of all Unit Owners.

13. "Occupant" shall mean a person or persons lawfully in possession of a Unit, regardless of whether that person is a Unit Owner.

14. "Owner" or "Unit Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Unit which is part of the Condominium Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

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

16. "Unit" and "Units" shall mean that portion or portions of the Condominium Property described as a Unit or Units in Article IV hereof, and shall include both Residential Units and Garage Units, as described in Article IV.

B. Unless the context clearly indicates otherwise and to the extent not inconsistent with the definitions included in this Article I, all definitions set forth in the Act are incorporated herein by reference.

ARTICLE II

Name, Purpose and Legal Description

The name by which the Condominium Property shall be known is hereby established as the Coventry Condominium (hereinafter referred to as "Condominium").

The purpose for which the Condominium Property is submitted to the provisions of the Act is to provide separate individual parcels of real estate (hereinafter referred to as "Units"), to which the fee simple title, together with its undivided interest in the Common Areas may be conveyed for residential and garage purposes.

The legal description of the land which is hereby submitted to the operation of the Act pursuant to this Declaration is attached as Exhibit "B", and is made a part hereof.

ARTICLE III

Description of Buildings

There are seven (7) buildings which have been constructed on the 3.814 acre parcel described in Exhibit B. Six (6) of the buildings contain the living areas for thirty six (36) Residential Units and twelve (12) single attached Garage Bay Units and one building contains the five (5) detached Garage Bay Units.

The principal materials of which the buildings are constructed are: concrete, wood, aluminum siding, asphalt shingles, drywall, metal clad entrance doors and vinyl clad interior doors, wall and ceiling insulation and aluminum double pane windows.

ARTICLE IV

Unit Designations, Descriptions and Boundaries

A. The graphical designations of each Unit, its location, approximate area and number of rooms is detailed in the set of drawings and schedules contained in Exhibit "D"; the drawings are in accordance with and pursuant to the requirements of the Act.

Each Unit shall constitute a single freehold estate and shall consist of the space in the building designated by that unit's designation on the Drawings that is bounded by the undecorated interior surfaces of the perimeter walls, unfinished surface of the floor, and the unfinished interior surface of the ceiling, all projected, if necessary by reason of structural divisions such as interior walls and partitions, to constitute a complete enclosure of space, and

all improvements within that space. Without limiting the generality of the foregoing, each Unit shall include, as applicable:

1. the decorated surfaces, including paint, lacquer, varnish, wallpaper, carpet, tile and other finishing material applied to floors, ceilings, and interior and perimeter walls.
2. all windows, screens and doors, including the frames, sashes and jambs and the space occupied thereby, and the hardware therefore;
3. all fixtures and appliances installed for the exclusive use of the Unit, commencing at the point of disconnection from the structural body of the building and from utility pipes, lines or systems serving the entire building or more than one Unit thereof, including, without limiting the generality hereof, built-in cabinets, and air conditioning units, and components thereof, if any, serving only that Unit;
4. all control knobs, switches, thermostats and electrical outlets and connections affixed to or projecting from the walls, floors and ceilings which service either the Unit or the fixtures located therein, together with the space occupied thereby;
5. all space between interior walls, excluding the space occupied by structural and component parts of the building and by utility pipes, wires, ducts and conduits intended to serve other units;
6. all plumbing, electric, heating, cooling and other utility or service lines, pipes, wires, ducts or conduits which serve either the Unit or the fixtures located therein, and which are located within the bounds of the Unit;
7. the garages attached to certain of the units in the six (6) single story buildings, as shown in the drawings.
8. the single attached and detached Garage Bay Units,

excluding therefrom, however, all of the following items located within the bounds of that Unit:

1. any structural element of the building contained in all interior walls;
2. all space occupied by any Common Areas and Facilities located within the bounds of that Unit; and
3. all Limited Exterior Service Facilities which serve any other Unit.

From each Residential Unit there is immediate access to those Limited Common Areas as designated on the Drawings for the exclusive use of the Unit to which they are adjacent.

The tables attached to and made a part of hereof as Exhibit E set forth for each Unit, residential and garage, its designation, the percentage of interest in the Common Areas and Facilities appurtenant to such Unit, the number of rooms, and the approximate sizes in square feet of the Units.

ARTICLE V

Description of Common and Limited Common Areas and Facilities

The Common Areas and Facilities of the Condominium Property, undivided interest in which are owned by the Unit Owners in such percentages as are expressed in the table in Exhibit E consist of the Land, limited exterior service facilities, supporting walls, fixtures and other parts of the buildings which are within the boundaries of the Units, but which are necessary for the existence, support, maintenance, safety, or comfort of any other part of the Condominium Property, and all parts of the Condominium Property situated outside the boundaries of the Units including parking areas, signs, lighting, sidewalks, fences, and landscaping. Certain portions of the common areas and facilities including but not limited to porches, patios, driveways adjacent to garages, and air conditioning compressors are also designated as Limited Common Areas and Facilities and each is reserved for the exclusive use of the Unit from which there is direct access to such Limited Common Area and Facility or which such Limited Common Area and Facility is designated to serve as shown in the drawings.

The Common Areas and Facilities shall be owned by the Unit Owners as tenants in common, and ownership thereof shall remain undivided. No Unit Owner may waive or release any rights in the Common Areas and Facilities. Further, the undivided interest in the common Areas and Facilities owned by a Unit shall not be separated from the Unit to which it appertains, and is not subject to partition.

ARTICLE VI

Decoration of the Limited Common Areas

Subject to the restrictions contained in Article VII of this Declaration, each Unit Owner shall be entitled to make suitable decorative improvements to the patio which is a Limited Common Area to which said Unit has access, but if any such improvements are constructed, they shall be repaired and maintained at the sole expense of the Unit Owner. If any such improvements should not, in the judgment of the Board of Managers, be adequately repaired and/or maintained, then the Board shall first give written notice to the Unit Owner. If the Unit Owner does not complete such repairs or maintenance within thirty (30) days after receipt of such written notice by the Unit Owner, then such repairs or maintenance shall be undertaken by

the Association and the cost thereof shall be assessed against the Unit Owner as provided in the Bylaws of the Association or the Board may order the improvement removed. No unit owner may make any changes to the exterior of a unit, or to the separate building containing the garage units without the prior written consent of the Board.

ARTICLE VII

Use of Condominium Property and Restrictions Thereon

A. Proper Use of Condominium Property. Each Residential Unit shall be used as a residence for a single family and for no other purpose; provided, however, that Developer may use any Unit for sales purposes during the initial sales period. Common Areas may be used by each Unit Owner in accordance with the purposes for which they are intended and reasonably suited; no Unit Owner may hinder or encroach upon the lawful rights of the other Unit Owners to such Common Areas. Each of the Garage Units shall be utilized for normal garage purposes only.

B. Restrictions.

1. There shall be no construction in the Common Areas without nor shall anything be stored in the Common Areas without the prior consent of the Board of Managers, except as hereinafter expressly provided.

2. Each Unit Owner shall maintain his own Unit and keep it in good order and repair. In the event that a Unit Owner should not provide proper repair or maintenance to his or her unit, then the Board shall give notice to the affected Unit Owner of the necessary repair or maintenance, and if said repair or maintenance is not performed within the reasonable time limit as specified in the notice, such repairs or maintenance shall be undertaken by the Association and the cost thereof shall be assessed against the Unit upon which such work is performed.

3. Nothing shall be done or kept in any Unit or in any Limited Common Area or in the Common Areas which will increase the rate of insurance for the building or the contents thereof beyond the rate applicable for residential units or garage units, without prior written consent of the Board of Managers. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Areas which will result in the cancellation of insurance on any of the buildings or the contents thereof, or which will be in violation of any law.

4. Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the buildings and no signs, awnings, canopies, shutters or radio or television antennas shall be affixed or placed upon the exterior walls, patios or roofs of any part thereof without the prior written consent of the Board of Managers.

5. No noxious or offensive activities shall be carried on in any Unit, Limited Common Areas, or in the Common Areas nor shall anything be done therein either willfully or negligently which may be or become an annoyance or nuisance to the other Unit Owners or occupants.
6. Nothing shall be done to any Unit or to any Limited Common Area or in the Common Areas which will impair the structural integrity of the buildings or which would structurally change any building.
7. No clothes, sheets, blankets, laundry of any kind or any other articles shall be hung out or exposed in any part of the Common Areas or Limited Common Areas. The Common Areas and the Limited Common Areas shall be kept free and clear of rubbish, debris and other unsightly material.
8. No industry, business, trade, occupation or profession of any kind, be it commercial, religious, educational, charitable or otherwise, may be conducted, maintained, or permitted on any part of the Condominium Property. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.
9. The Board of Managers shall have the power to make such regulations as may be necessary to carry out the intent of these restrictions, and shall have the right to bring lawsuits to enforce the rules and regulations promulgated by the Board of Managers. The Board shall further have the right to levy fines for violations of these regulations. For each day a violation continues after notice it shall be considered a separate violation. Any fine so levied is to be considered as an Assessment to be levied against the particular Unit Owner involved, and collection may be enforced by the Board in the same manner as the Board is entitled to enforce collection of Common Expenses and Assessments.
10. The Common Areas including driveway areas may be used, subject to such reasonable rules and regulations as may be promulgated by the Board, for general use by Unit Owners, their families, tenants and their guests.
11. No Unit or any part thereof shall be used for transient or hotel purposes. Transient or hotel purposes shall be defined as (a) rental for any period less than thirty days, or (b) any rental if the occupants of a Unit are provided customary hotel services such as room service for food and beverages, maid service, the furnishing of laundry and linen, busboy service and like services.
12. No structure of a temporary nature, trailer, storage building, garage, barn or other outbuilding, or dish type antennae for the reception of television or radio signals shall be placed on the Condominium Property at any time, either temporarily or permanently, except as authorized by the Board of Managers.
13. No exterior additions or alterations to any building situated on the Condominium Property, nor changes in hedges, trees, plantings, fences, walls or other structures shall be commenced, erected or maintained until the construction plans and specifications showing the nature, kind,

and shape, height, materials and location of the same shall have been submitted to and approved in writing as to quality of workmanship and materials, harmony of external design and color with existing structures, and as to location with respect to topography and grade elevation by the Board of Managers or by three or more representatives appointed by the Managers. Changes to plantings in those Limited Common Areas designated as patio areas for an individual unit shall not be subject to such review.

14. No boats, trailers, trucks, or other vehicles, except delivery trucks in the course of making deliveries or temporarily servicing the Condominium Property, shall be permitted to park or remain on any portion of the Common Areas or the Limited Common Areas. Operative personal automobiles shall include small vans and pickup trucks and similar vehicles not exceeding three-quarters ton in capacity.

ARTICLE VIII

Alteration of Units

Unit owners shall be entitled to make any interior alterations to their units, so long as such alterations are made only to and within the Units as designated and described in Article IV of this Declaration, and so long as the plans for such alterations have received the prior written approval of the Board of Managers.

In reviewing such plans, the Board shall give particular consideration to whether the plans as submitted to them would impair the structural integrity of the building, whether the plans would impair any plumbing, electric, heating, cooling or other utility or service line, pipe, wire, conduit or duct providing service to any other Unit and whether such plans would require the relocation of any such utility service equipment which constitutes a part of the Condominium property. In reviewing any such plans, the Board shall be entitled to retain such architects, engineers, contractors, or consultants as it may deem necessary to review said plans on behalf of the Association and to charge the expense of such review as a common assessment. The consent of the Board to such plans shall not be unreasonably withheld.

ARTICLE IX

Unit Owner's Association and Voting

Developer has caused to be formed, for the purpose of administering the Condominium Property, a non-profit Ohio corporation called Coventry Condominium Owners Association, Inc., (hereinafter referred to as the "Association"). Each Unit Owner upon acquisition of the title to a Unit, shall automatically become a member of the Association; such membership shall terminate upon the sale or other disposition of the ownership of the Unit, at which time the new Owner of such Unit shall automatically become a member of the Association.

Each Unit shall cast a vote equivalent to that Unit's percentage of interest in the common areas and facilities as set out in Exhibit E on each matter properly submitted to the members for vote, except that Developer hereby retains the right to appoint and remove members of the Board as set forth in Article III, Section 2 of the By-laws.

The voting rights of any Unit Owner who is in arrears in the payment of assessments as provided in Article XII hereof shall be suspended until such assessment are paid, except as to questions submitted to the vote of the members pursuant to Articles XI, XVIII, and XIX of the Declaration.

ARTICLE X

Insurance

A. Authority to Purchase; Named Insured. All insurance policies covering the Condominium Property shall be purchased by the Association. The named insured shall be the Association individually and as agent for the Owners, without naming them, and as agent for their mortgagees. Provision shall be made for the issuance of mortgagee endorsements and memoranda of insurance to the mortgagees of Owners.

B. Coverage. The Association shall obtain and maintain in effect, for the benefit of all Unit Owners, the following insurance coverage:

1. Casualty. All buildings and improvements upon the condominium property shall be insured on the replacement guarantee basis in an amount not less than 100% of the actual replacement cost of such buildings and improvements, exclusive of the cost of foundations, footers and excavations, but such insurance shall not include coverage on the furniture or other personal property supplied or installed by the Unit Owners. The amount of such insurance shall be determined annually by the Board of Managers and shall at all times be sufficient to prevent the Unit Owners from becoming co-insurers under the terms of any applicable co-insurance clause or provision. Such coverage shall afford protection against:

(a) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement with reasonable deductible per peril and

(b) Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the Condominium Property including but not limited to vandalism and malicious mischief.

2. Public Liability. Public liability in such amounts and with such coverage as shall be required by the Board of Managers, except that such liability coverage shall be in an amount not less than \$1,000,000. Such insurance shall cover each member of the Board, all officers of the Association, and the project manager, if any, as well as each Unit Owner, against claims of persons who are not members for liability, including broadened liability endorsement.

3. Workmen's Compensation. Workmen's compensation policy to meet the requirements of law.

4. Managers' Liability. Coverage for the members of the Board of Managers when acting in their official capacity in such amount as shall from time to time be determined to be desirable, if such coverage can be obtained by the Board at a reasonable cost.

5. Other. Such other insurance as the Board of Managers shall determine from time to time to be desirable.

C. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense. However, nothing herein shall be construed in any way to prejudice Owners from carrying their own insurance policies, except as set out in Paragraph H of this Article X.

D. Insurance Trustee; Shares of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Owners and their mortgagees as their interests may appear. In the event any proceeds of insurance are payable by reason of an insured loss, the Board of Managers may in their sole discretion, appoint a trustee to whom such proceeds would then be payable. Such proceeds shall be utilized to pay for the cost of repair or restoration of the part or parts of the Condominium Property damaged or destroyed as follows:

1. Common Areas and Facilities. Proceeds on account of damage to Common Areas and Facilities shall be held in undivided shares for each Owner, such share being the same as the undivided share in the Common Areas and Facilities appurtenant to his Unit.

2. Units. Proceeds on account of damage to Units shall be held in the following undivided shares:

(a) When the Condominium Property is to be restored - for the Owners of damaged Units in proportion to the cost of repairing the damage suffered by each Owner, which cost shall be determined by the Board of Managers.

(b) When the Condominium Property is not to be restored - an undivided share for each Owner of the damaged Units, such share being the same as the undivided share in the Common Areas and Facilities appurtenant to his Unit.

3. Mortgages. In the event a mortgagee endorsement has been issued as to a Unit, the share of the Owner shall be held in trust for the mortgagee and the Owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, except as provided in Article XI hereof, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of such proceeds made to the Owner and mortgagee pursuant to the provisions of this Article.

E. Distribution of Proceeds. Proceeds of insurance policies received shall be distributed to or for the benefit of the beneficial Owners in the following manner:

1. Expenses of the Trust. All expenses of the Trustee, if any, shall be paid first or provisions made for such payment.

2. Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost of such as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial Owners, remittances to Owners and their mortgagees being payable jointly to them. This provision is a covenant for the benefit of any mortgagee of any Unit and may be enforced by such mortgagee.

3. Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damage for which proceeds are paid shall not be repaired or reconstructed, the remaining proceeds shall be distributed to the beneficial Owners, remittances to Owners and their mortgagees being payable jointly to them.

F. Association as Agent. The Association is irrevocably appointed agent for each Owner and for each holder of a mortgage or other lien on a Unit and for each owner of any other interest in the Condominium Property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

G. Waiver of Subrogation. All policies of physical damage insurance shall contain waivers of subrogation and of any defense based on co-insurance or of invalidity arising from any acts of the insured, if such waivers can be obtained.

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

ARTICLE XI

Reconstruction or Repair After Casualty

A. Determination to Reconstruct or Repair. In the event any part of the Condominium Property shall be damaged by casualty, the determination of whether or not such damaged Condominium Property shall be reconstructed or repaired shall be made in the following manner:

1. Common Areas and Facilities. If the damaged improvement is any of the Common Areas and Facilities, the damaged Common Areas and Facilities shall be reconstructed or repaired.

2. Buildings.

(a) Lesser Damage. If the damaged improvement is any one or more of the buildings which contains Units to which 50% or less of the Common Areas and Facilities are appurtenant, the damaged property shall be reconstructed and repaired.

(b) Major Damage. If the damaged improvements is to one or more of the buildings and if Units to which more than 50% of the Common Areas are appurtenant are found by the Board to be not tenatable, then the damaged property will be reconstructed or repaired unless within sixty (60) days after the casualty the Owners

of units to which 75% of the Common Areas and Facilities are appurtenant, and if applicable, the holders of the first mortgages on such units, agree in writing not to undertake such reconstruction or repair, in which event the Condominium will be terminated without agreement as elsewhere provided.

B. Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building or according to plans and specifications approved by the Board of Managers. Any restoration or repair which is not substantially in accordance with the original plans and specifications must be approved by holders of first mortgages on units to which at least 51% of the Common Areas and Facilities are appurtenant which are subject to such mortgages.

C. Responsibility. If the damage is only to those parts of a Unit for which the responsibility of maintenance and repair is that of the Owner then the Owner shall be responsible for reconstruction and repair after casualty to the extent that such reconstruction and repair is not covered or provided by the insurance provided under Article X, Paragraph B (1) above.

D. Estimates of Costs. Immediately after a determination is made to rebuild or repair damage to Condominium Property for which the Board of Managers has the responsibility of reconstruction and repair, the Board of shall obtain reliable and detailed estimates of cost to rebuild or repair.

E. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Board or if at any time during reconstruction and repair the funds for the payment of the costs of reconstruction and repair are insufficient, assessments shall be made against the Owners who own the damaged Units and against all Owners in the case of damage to Common Areas and Facilities, in sufficient amounts to provide funds for the payment of such costs. Such assessments against Owners for damage to Units shall be in proportion to the cost of reconstruction and repair of their respective Units. Such assessments on account of damage to Common Areas shall be in proportion to the Owner's share in the Common Areas. Provided, however, in the event that the insurance proceeds are insufficient to pay the Trustee's fees and expenses if any, and to make needed repairs and any Owner is unable to pay an assessment to make up such insufficiency, then such Owner's mortgagee, if any, shall have the option to make up said insufficiency or to require the Board of Managers, the insurance Trustee, if any, and the insurer to pay such mortgage as its interests may appear from the insurance proceeds.

ARTICLE XII

Payments of Common Expenses and Other Expenses by Owners

A. Determination by Board of Managers. As provided elsewhere herein, the Board of Managers shall determine all matters relating to maintenance, repair and replacement of the Common Areas and also all matters relating to the Common Expenses.

B. Unit Owner's Covenant to Pay. Each Unit Owner by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) annual operating assessments or charges, (2) special assessments for capital improvements (such assessments to be fixed, established and collected from time to time as hereinafter provided). The annual and special assessments together with such interest therein and costs of collection thereof, as hereinafter provided, shall run with and be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made except as limited under Paragraph K of this Article XII. Each such assessment, together with such interest and costs, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessments become due. The personal obligation shall not pass to his successors in title unless expressly assumed by them and consented to by the Association.

C. Purpose of Assessments. The assessments levied by the Association shall be used for the purpose of promoting the health, safety and welfare of the owners and occupants of the Condominium and, in particular, for the improvement and maintenance of the Condominium Property, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas and Facilities and of the Units situated upon the Condominium Property.

D. Proration of Costs. The Board of Managers shall, as far as is applicable, prorate all assessments among all the Unit Owners in proportion to their ownership in the Common Areas and Facilities as set forth in Article IV and Exhibit E.

E. Annual Budget; Payment. The total amount of the charges required for each fiscal year including, but not limited to the cost of wages, materials, insurance, utility and other services and supplies, shall be estimated by the Board of Managers at least one month prior to the beginning of each fiscal year. Such estimate may also include an amount for unanticipated or underestimated costs, charges, expenses and deficit incurred in any prior year or years and may further include amounts to be accumulated in any reserve funds for expenditures which may be required in future years for other than ordinary current maintenance, repairs, costs, and expenses. Such "estimated cash requirement" shall be assessed as a common assessment to the Unit Owners in accordance to each Unit Owner's percentage of ownership in the Common Areas. On or before the first day of each fiscal year and on the first day of each and every month of said fiscal year, each Unit Owner shall be obligated to pay to the Association or as it may direct, one-twelfth of the assessment made pursuant to this Article. On or before the date of the annual meeting in each fiscal year, the Association shall supply to all Unit Owners, an

itemized accounting of all Common Expenses actually incurred in the preceding fiscal year, together with a tabulation of the amounts collected pursuant to the estimates provided, showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each Unit Owner's percentage of ownership of the Common Areas to the next monthly installments due from Unit Owners under the current year's estimate, until exhausted and any net shortage shall be added according to each Unit Owner's percentage of ownership in the Common Areas to the installments due in the succeeding six months after rendering of the accounting.

F. Additional Assessments. In the event that the Board decides that additional monies are required in addition to those set forth in the annual budget, the Board shall give the Unit Owners at least thirty days written notice of the total monies required, allocating said amounts among the Unit Owners, together with the time for payment of said proportionate amounts which may be at one time or in installments, as the Board decides, provided, however, that if Unit Owners representing 40% of the votes of the Association object in writing to said additional assessments within fifteen days after mailing of such notice, the Board shall call a special meeting of the Unit Owners for the purpose of obtaining approval of said assessments, at which meeting the assessments proposed by the Board to be approved must receive a vote of 50% of the number of votes represented and entitled to vote at such meeting.

G. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Board of Managers may levy in any fiscal year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of any improvement upon the Common Areas, provided that any such assessment other than for repair or reconstruction after a casualty shall have the assent of a majority of the vote of the members of the Association who are voting in person or by proxy at a meeting duly called for this purpose. Special assessments for capital improvements must be fixed at a uniform rate for all Units and may be collected on a monthly basis.

H. Common Expenses Payable by the Developer. Until the sale of the first Unit in the Condominium, the Developer shall be solely responsible for all Common Expenses. Following the first closing, the Unit Owner to whom title shall have been vested shall be responsible for his proportionate share of Common Expenses as shown in Exhibit E, and the Developer shall pay Common Expenses for unsold Units.

I. Effect of Nonpayment of Assessments; Remedies for the Association. If any Assessment is not paid within ten days after the due date, the Board, at its option, without demand or notice, may (a) declare the entire unpaid balance of the assessment immediately due and payable and, (b) charge interest from the due date at the rate of eight percent (8%) per annum or at the maximum rate allowable under Section 1343.01 of the Ohio Revised Code on the entire unpaid balance (or on any overdue installment, alone, if the Board has not exercised its option to declare the entire unpaid balance due and payable); (c) charge a late fee in an

amount as determined by the Board of Managers; (d) the Association may file a lien in the Recorder's Office of Licking County, Ohio, for all or any part of the unpaid balance, and interest and costs as provided by the Act; and (e) the Association may bring an action at law against the Unit Owner personally obligated to pay the same for all or any part of the unpaid balance or foreclose the lien provided for in Section 5311.18 of the Act against the Unit; the interest and costs of such action shall be added to the amount of such Assessment. No Unit owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Common Area or by abandonment of his Unit. All Unit Owners shall have the right to appeal provided to them by Section 5311.18(c) of the Ohio Revised Code.

J. Subordination of the Lien to Mortgages. The lien of the Assessment provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Unit shall not affect any Assessment lien of record.

K. Limitation on Collection of Unpaid Assessments. Notwithstanding any other provisions of this Article XII, no first mortgagee who obtains title to a Unit pursuant to the remedies in its mortgage or through foreclosure will be liable for more than six (6) months of the unpaid dues or assessments charged against that Unit before the date of the acquisition of title to the Unit by the mortgagee. A sale or transfer of a Unit pursuant to a foreclosure of a first mortgage shall extinguish a subordinate lien for common expense charges and assessments which became payable prior to such sale or transfer. Any such sale or transfer pursuant to foreclosure shall not relieve the purchaser or transferee of the Unit from liability for, nor the Unit so sold or transferred from the lien of, any common expenses charged thereafter which become due.

ARTICLE XIII

Maintenance, Repair, Replacement, Improvements

A. Care of Common Areas and Facilities. Except as limited by Paragraph B of this Article XIII, the cost of landscaping, gardening, snow removal, painting, cleaning, maintaining, decorating, repairing and replacing the Common Areas and Facilities and of painting, cleaning, and decorating of the exterior surfaces of the buildings shall be borne by the Association and charged to all Unit Owners as a Common Expense (unless such maintenance, repairs, or replacements were necessitated by the negligence, misuse, or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner) and the Association shall have the exclusive right and duty to require the same for the Common Areas.

B. Care of Units and of Certain Limited Common Areas and Facilities. All maintenance of and repair to any Units, structural or non-structural, ordinary or extraordinary (other than maintenance of and repair to any Common Areas contained therein and not necessitated by the negligence, misuse or neglect of the Owner of such Unit) shall be the duty and responsibility of the Owner of each Unit. For maintenance purposes, the air conditioning

system for each residential unit, including the compressor, and all Limited Exterior Service facilities which constitute a part of the air conditioning system, shall be maintained by the Unit Owner whose unit is served by the system. No change in the type, size, or color of the compressor situated in the Common Area shall be made, however, without the prior consent of the Board. Ordinary maintenance for any patio shall be the responsibility of the Owner of the Unit which such Limited Common Area is appurtenant. If such maintenance or repair to a Unit is deemed necessary, in the discretion of the Association, to protect the Common Areas or any other portion of a building and the Owner of said Unit has failed to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Association to said Unit Owner, the Association shall levy a special assessment against such Unit Owner for the cost of said maintenance or repair and cause such repairs or maintenance to be made. Such special assessments shall be subject to the provisions of Paragraph I of Article XII hereof.

C. Certain Maintenance of Units. Unit Owners shall not have the right to paint or otherwise decorate or change the appearance of any portion of the exterior of any building in which a Unit or a garage is located. The Unit Owner is responsible to promptly report to the Association any defect or need for repairs, the responsibility for which is that of the Association.

D. Additions, Alterations or Improvements by the Board of Managers. Whenever, in the judgment of the Board of Managers, Common Areas and Facilities shall require additions, alterations or improvements the cost of which is in excess of \$5,000.00, said alterations or improvements shall not be made unless they have been approved by a majority of the Unit Owners present and voting at a meeting. When said approval has been obtained, all Unit Owners shall be assessed for the cost thereof as a Common Expense. In the event of any emergency which would cause damage to any building(s) or part(s) thereof, the Board may expend sums in excess of \$5,000.00 to protect said building(s) or part(s) and the judgment of the Board of Managers shall be final.

ARTICLE XIV

Service of Process

The name of the person to receive service of process for the Association shall be the statutory agent of the Ohio non-profit corporation which serves as the Association, said agent presently being Earl Shurtz, P.O. Box 477, 1919 Lancaster Road, Granville, Ohio 43023.

ARTICLE XV

Easements

A. Enjoyment of Common Areas and Facilities. Every Owner shall have a right and easement of enjoyment and ingress and egress to the Common Areas and such easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

1. the right of the Board of Managers to make reasonable rules concerning use of the Parking Area located in the Common Areas.
2. any and all other rules and regulations promulgated by the Board with respect to the use of the Common Areas.

B. Encroachment and Support. Each Unit and the Condominium Property included in the Limited Common Areas and in the Common Areas shall be subject to an easement for encroachments created by construction, settling and overhangs as designed or constructed. A valid easement for said encroachments and for the maintenance of same, so long as they stand, shall and does exist. In the event that any building is partially or totally destroyed and then rebuilt, the Owners of the Units so affected agree that minor encroachments of part of the adjacent Unit or Common Areas and Facilities due to construction shall be permitted and that a valid easement for said encroachments and the maintenance thereof shall exist. Every portion of a Unit contributing to the support of an abutting Unit shall be burdened with an easement of support for the benefit of such abutting Unit.

C. Utilities. There is hereby granted a blanket easement upon, across, over and under all of the Condominium Property for ingress, egress, installation, replacing, repairing, and maintaining all utilities. By virtue of this easement, it shall be expressly permissible for the providing utility company to erect and maintain the necessary poles and other necessary equipment on said Condominium Property and to affix and maintain utility wires, pipes, equipment, circuits and conduits on, above, across and under the roofs and exterior walls of the Units and Common Areas. No sewers, electrical lines, water lines, or other utilities may be installed or relocated on said Condominium Property except as initially programmed and approved by the Developer or hereafter approved by the Board of Managers. Should any utility company furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, the Association shall have the right to grant such easement on said property without conflicting with the terms hereof. The easements provided for in this Article shall in no way affect any other recorded easement on the Condominium Property.

D. Ingress and Egress. Every Owner and his guests, and/or tenants, shall have a right of reasonable ingress and egress to his Unit over and through the Common Areas and Facilities.

Each Unit Owner shall have an easement over sidewalks and driveways for direct access to Empire Drive a public street, in the City of Newark, Ohio.

E. Other. There is hereby granted a blanket easement to the Board of Managers, Association, or its officers, agents and employees, to any Manager employed by or on behalf of the Board or Association and to any appropriate political subdivision and its lawful agents, to enter upon the Condominium Property or any part thereof (including Units) for the purpose of maintaining the safety, health, and welfare of all persons using the same and for repair and maintenance of the Common Areas. Except in the event of emergencies, the rights accompanying the easements provided for in this subsection shall be exercised only during reasonable hours with the prior consent of the Unit Owner affected by the exercise of such easement. Without limiting the generality of the foregoing, said easements shall include the ingress and egress for police and fire protection, and trash and refuse collection.

F. Reservation of Easements by Developer. Developer reserves an easement across the Common Areas and Facilities for the purpose of providing access to all areas of the condominium property which are, or are soon to be, under construction, until such time as all Residential Units, garages, common areas and facilities are completed.

ARTICLE XVI

Pipes, Ducts, Cables, Wires, Conduits, Public Utility Lines, and Other Common Elements Located Inside the Units

Each Unit Owner shall have an easement in common with the Owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Areas located in any of the other Units and serving his Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Areas serving such other Unit. The Board and its agents shall have the right of access to each Unit to inspect same to remove any violations as set forth in this Declaration or Bylaws as from time to time in effect and to maintain, repair, or replace the Common Areas and Facilities contained therein or elsewhere in the buildings.

ARTICLE XVII

Exclusive Ownership and Use

Each Unit Owner is entitled to exclusive ownership, use and possession of his Unit, to ownership of an undivided interest in the Common Areas and Facilities in such percentage as hereinbefore expressed in Exhibit E to this Declaration and to exclusive use and possession of the Limited Common Areas and Facilities which appertain to that Unit.

ARTICLE XVIII

Amendment of Declaration and Bylaws

A. Any amendment to this Declaration, including any amendment which may effect an amendment of the Bylaws, may be adopted at a meeting of the Unit Owners, held for such purpose, by the affirmative vote of the Unit Owners exercising not less than seventy-five percent (75%) of the voting power of all Unit Owners, or without a meeting by a writing signed by all of the Unit Owners. The percentage of interest in the Common Areas and Facilities held by each Unit Owner as expressed in this Declaration shall not be altered except by an Amendment to this Declaration unanimously approved by all Unit Owners. The consent of eligible holders of first mortgages on Units to which at least 51% of the votes of Units subject to a mortgage appertain shall be required to amend any provision of the Declaration or Bylaws, or to add any material provisions thereto, which establish, provide for, govern or regulate any of the following:

1. Voting;
2. Assessments, assessment liens, or subordination of such liens;
3. Reserves for maintenance, repair and replacement of the Common Areas;
4. Insurance or fidelity bond;
5. Rights to use of the common elements;
6. Responsibility for maintenance and repair of the several portions of the Condominium;
7. Expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominium;
8. Boundaries of any Unit;
9. The interest in the Common Areas or Limited Common Areas;
10. Convertability of Units into Common Areas or of Common Areas into Units
11. Leasing of Units;

12. Imposition of any right of first refusal or similar restriction on the right of a Owner of a Residential Unit to sell, transfer or otherwise convey his or her unit in the Condominium;

13. Establishment of self-management of the Condominium or the association where professional management has been required by any of the agencies or corporation guaranteeing mortgages on Units in the Condominium.

B. A certificate setting forth any amendment to the Declaration by the Unit Owners and the manner of its adoption shall be executed by the President or a Vice-President and by the Secretary or an Assistant Secretary of the Association in the manner provided for the execution of declarations in the Act. Such certificate shall be filed with the Auditor and Recorder of Licking County, Ohio, and such amendment shall be effective as an amendment to the Declaration or Bylaws, or both, as the case may be, as of the time it is delivered to the Recorder for record.

ARTICLE XIX

TERMINATION

The Condominium shall be terminated, and all or any portion of the Condominium property released from the operation of the Act only as provided therein.

ARTICLE XX

RIGHT OF FIRST REFUSAL HELD BY THE ASSOCIATION TO PURCHASE GARAGE UNITS

Prior to the sale of any Garage Unit, attached or detached, the Owner of such a Unit shall give to the Association a summary of the material terms of any bona fide written offer received by such Owner, and the Association shall have thirty (30) days after the receipt of written notice within which to enter into a contract to purchase the Unit on terms equal to those set out in such offer. If the Association does not elect to enter into a contract within such period of time, then the Owner of such Garage Unit shall be free to sell it to the person from whom the bona fide offer was received. If the Owner of the Garage Unit does not complete the sale of such Garage Unit to the person who made the offer of which the Association received notice, then the right of the Association to receive copies of any subsequent offers and to exercise its right of first refusal shall remain in effect.

The Developer shall not be subject to this right of first refusal upon the initial sale of the garage units.

ARTICLE XXI

Condominium Instrument Requirements

A. Chapter 5311 of the Ohio Revised Code, the Condominium Act, requires that certain information be provided in the Condominium instruments. Much of this is provided *elsewhere* in the Condominium organizational documents and in other documents, but in order that all such information be provided in this Declaration, various items of that information are set forth in the following sections of this Article.

B. Deposits. Any deposit or down-payment made in connection with the sale of an Unit will be held by the Developer in an escrow account until the deposit is delivered at settlement or returned to or otherwise credited to the Purchaser, or forfeited to Developer. If any deposit or down-payment of \$2,000.00 or more is held in escrow for more than ninety (90) days, interest at the rate of at least four percent (4%) per annum for any period exceeding ninety (90) days shall be credited to the Purchaser at settlement or upon return or other credit made to the Purchaser, or added to any forfeiture to the Developer.

C. Association Control. Except in its capacity as a Unit Owner of unsold Units, the Developer will not retain a property interest in any of the Common Areas after control of the Association is assumed by the Unit Owners. The owners of Units that have been sold by the Developer will assume control of the Association as prescribed in Division (C) of Section 5311.08 of the Ohio Revised Code.

D. Limited Warranties.

1. Warranties Affecting Units. The Developer shall furnish to each prospective purchaser the following warranties:

Warranty for one year covering the full cost of labor and materials for any repair or replacement of structural, mechanical, and other elements pertaining to each Unit, occasioned or necessitated by a defect in material or workmanship which warranty shall commence on the date the deed for the Condominium Unit being offered herein is filed for record.

Insofar as warranties are assignable, the Developer shall assign to the Purchaser of a Unit all express and implied warranties of manufacturers of the hydronic furnace, air conditioning units, range hood, disposal, hot water tank and dishwasher and other similar appliances installed and furnished as part of the Unit by the Developer. This assignment shall satisfy the Developer's obligation with respect to such appliances. The Developer's warranty is limited to the installation of any of the appliances so furnished.

2. Warranties Affecting Common Areas and Facilities. The Developer shall furnish to each prospective purchaser the following warranties:

Warranty for two years covering the full cost of labor and materials for any repair or replacement of roof and structural components, mechanical, electrical, plumbing, and common service elements serving the Condominium Property as a whole occasioned or necessitated by a defect of materials or original Declaration on the date the deed for the condominium Units being offered herein if filed for record following the sale of the first condominium ownership interest in the project.

The warranties provided in paragraphs 1 and 2 above shall apply only in the case of a purchaser in good faith for value

All warranties made by the Developer that exceed the statutory time periods with respect to any part of the Units or Common Areas and Facilities shall be assigned to each Purchaser insofar as said warranties are assignable.

ARTICLE XXII

Severability

The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration and, in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

ARTICLE XXIII

No Waiver

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of the failure to enforce the same, regardless of the number of violations or breaches which may occur.

ARTICLE XXIV

Gender and Tenses

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural and vice versa whenever the context so requires.

ARTICLE XXV

Covenants Running with the Land

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

The rights and obligations of the Developer shall enure to the benefit any Grantee from the Developer, and shall enure to the successors or assigns of the Developer.

Signed this 15th day of August, 1997.

In the presence of:

COVENTRY CONDOMINIUMS, NEWARK, LTD.

James Drake
Reese, Pyle, Drake & Meyer

By: [Signature]
Earl Shurtz, Managing Member

STATE OF OHIO
COUNTY OF LICKING, SS:

Before me, a Notary Public in and for said County and State, personally appeared the above named Earl Shurtz, Managing Member, of Coventry Condominiums, Newark, Ltd. an Ohio Limited Liability Company, who acknowledged that he did sign the foregoing instrument, and that the same is his free act and deed individually and the free act and deed for the said partnerships.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Newark, Ohio, this 15th day of August, 1997.

[Signature]
Notary Public

This instrument prepared by:
Robert N. Drake, Esquire
Reese, Pyle, Drake & Meyer
36 North Second Street
P.O. Box 919
Newark, Ohio 43058-0919
(614) 345-3431
cjk\coventry.dcc

Teresa Ann Berry
Notary Public
My Commission Expires
July 29, 1998