

CODE OF REGULATIONS
OF
TIMBER CREEK HOMEOWNERS ASSOCIATION

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ARTICLE I

DEFINITIONS

The definitions of the Declaration of The Timber Creek Homeowners Association are incorporated herein by reference and made a part hereof.

ARTICLE II

MEMBERSHIP

SECTION 1. Membership.

Each person or entity who is a record Owner of fee simple title or beneficial interest in any Cluster Lot of the Properties shall automatically be a Member of the Association, provided that any such person or entity who holds such interest merely as a security for the payment of money or performance of an obligation shall not be a Member. When more than one person or entity holds such interest, or interests, all such persons or entities shall be Members, but for quorum, voting, consenting and all other rights of Membership, such persons shall collectively be counted as a single Member, and entitled to one (1) vote for each such Cluster Lot or Living Unit, which vote shall be exercised as they among themselves determine.

A Member shall be entitled to one (1) vote for each Cluster Lot owned by such Member.

SECTION 2. Suspension of Membership Rights.

The membership rights of any person whose interest in The Properties is subject to assessments under Article IV of the Declaration, whether or not such Member is personally obligated to pay such assessments, may be suspended by action of the Trustees during the period when the assessments remain unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored.

ARTICLE III

BOARD OF TRUSTEES

SECTION 1. Number and Qualification.

The affairs of the Association shall be managed initially by a Board of three (3) Trustees, until the date when 22 Cluster Lots improved with Living Units have been conveyed to homeowners; upon the happening of such event the number of Trustees shall be increased to five (5) at the annual meeting following such event. Thereafter, the affairs of the Association shall be managed by a board of five (5) Trustees, all of whom must be Members of the Association. At the organization meeting of the Association, not less than one (1) of the Trustees shall be a representative of Summer Hill Homes, Inc. ("Summer Hill") who shall serve on the Board, until the date when 22 Cluster Lots improved with Living Units have been conveyed to homeowners as above provided.

SECTION 2. Election of Trustees; Vacancies.

The Trustees shall be elected at each annual meeting of Members of the Association or at a special meeting called for the purpose of electing Trustees. At a meeting of Members of the Association at which Trustees are to be elected, only persons nominated as candidates shall be eligible for election as Trustees, and the candidates receiving the greatest number of votes shall be elected, except as provided in Section 1. In the event of the occurrence of any vacancy or vacancies in the Board of Trustees, however caused, the remaining Trustees, though less than a majority of the whole authorized number of Trustees, may, by the vote of a majority of their number, fill any such vacancy for the unexpired term.

SECTION 3. Term of Office; Resignations.

Each Trustee shall hold office for a term of two (2) years following his election, except as hereafter provided, and until his successor is elected, or until his earlier resignation, removal from office or death. Any Trustee may resign at any time by oral statement to that effect made at a meeting of the Board of Trustees or in a writing to that effect to take effect immediately or at such other time as the Trustee may specify. Members of the Board of Trustees shall serve without compensation. At the first meeting of the Members of the Association, the term of office of one Trustee shall be fixed so that such term will expire on the date of the second annual meeting of Members of the Association, and the term of office of two Trustees shall be fixed so that such term will expire on the date of the third annual meeting of the Members of the Association. At the expiration of such initial term of office of each respective Trustee, his successor shall be elected to serve for a term of two (2) years.

SECTION 4. Organization Meeting.

Immediately after each annual meeting of the Association, the newly elected Trustees and those Trustees whose terms hold over shall hold an organization meeting for the purpose of electing officers and transacting any other business. Notice of such meeting need not be given.

SECTION 5. Regular Meetings.

Regular meetings of the Board of Trustees may be held at such time and places

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

SECTION 6. Special Meetings.

Special meetings of the Board of Trustees may be held at any time upon call by the President or any two (2) Trustees. Written notice of the time and place of each such meeting shall be given to each Trustee either by personal delivery or by mail, telegram or telephone at least two (2) days before the meeting, which notice need not specify the purpose of the meeting; provided, however, that in the event of attendance of any Trustee at any such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice shall be deemed to be a waiver by him of notice of such meeting. Such notice may be waived in writing either before or after the holding of such meeting, by any Trustee, which writing shall be filed with or entered upon the records of the meeting. Unless otherwise indicated in the notice thereof, any business may be transacted at any organization, regular or special meeting of the Trustees.

SECTION 7. Quorum; Adjournment.

A quorum of the Board of Trustees shall consist of a majority of the Trustees then in office; provided, that a majority of the Trustees present at a meeting duly held, whether or not a quorum is present, may adjourn such meeting from time to time. If any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting. At each meeting of the Board of Trustees at which a quorum is present, all questions and business shall be determined by a majority vote of those present, except as may be otherwise expressly provided in the Declaration or in the Code of Regulations.

SECTION 8. Removal of Trustees.

At any regular or special meeting of Members of the Association duly called, at which a quorum shall be present, any one or more of the Trustees may be removed with or without cause by the vote of Members entitled to exercise at least sixty-five percent (65%) of the voting power of the Association, and a successor or successor to such Trustee or Trustees so removed shall then and there be elected to fill the vacancy or vacancies thus created. Any Trustee whose removal has been proposed by the Members of the Association shall be given an opportunity to be heard at such meeting.

SECTION 9. Fidelity Bonds.

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

SECTION 10. Indemnification of Trustees and Officers.

Each Trustee and Officer shall be indemnified by the Owners against all

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

ARTICLE IV

OFFICERS

SECTION 1. Election and Designation of Officers.

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

SECTION 2. Term of Office; Vacancies.

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

SECTION 3. The President.

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

SECTION 4. The Vice-President.

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

SECTION 5. The Secretary.

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

and all other written instruments, along with the President, or in the absence of the President, the Vice-President.

SECTION 6. The Treasurer.

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

The Treasurer shall keep proper books of account and cause an annual review of the Association books to be made by a public accountant or accounting firm at the completion of each fiscal year. He shall prepare an annual budget and an annual income and expense statement and balance sheet for the Trustees, for presentation on or before its regular annual meeting.

SECTION 7. Other Officers.

The Assistant Secretaries and Assistant Treasurers, if any, and any other officers which the Board of Trustees may appoint shall, respectively, have such authority and perform such duties as may be determined by the Board of Trustees.

SECTION 8. Delegation of Authority and Duties.

The Board of Trustees is authorized to delegate the authority and duties of any officer to any other officer and generally to control the action of the officers and to require the performance of duties in addition to those mentioned herein.

ARTICLE V

MEETINGS OF MEMBERS

SECTION 1. Annual Meeting.

The regular annual meeting of the Members shall be held on the second Monday of the month of January in each year at seven o'clock p.m., or at such other date and time as may be designated in the notice of such meeting by the Board of Trustees.

SECTION 2. Special Meetings.

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

SECTION 3. Notices of Meetings.

Not less than seven (7) nor more than sixty (60) days before the day fixed for a meeting of the Members of the Association, written notice stating the time, place and purpose of such meeting shall be given by or at the direction of the Secretary of the Association or any other person or persons required or permitted by these By-Laws to give such notice. The notice shall be given by personal delivery or by mail to each member of the Association who is an Owner of record of a Cluster Lot, or Living Unit located in The Properties as of the day next preceding the day on which notice is given. If mailed, the notice shall be addressed to the Members of the Association at their respective addresses as they appear on the records of the Association. Notice of the time, place and purposes of any meeting of Members of the Association may be waived in writing, either before or after the holding of such meeting, by any Members of the Association, which writing shall be filed with or entered upon the records of the meeting. The attendance of any Member of the Association at any such meeting without protesting, prior to or at the commencement of the meeting, shall be deemed to be a waiver by him or notice of such meeting.

SECTION 4. Quorum, Adjournment.

Except as may be otherwise provided by law or by the Declaration, at any meeting of the Members of the Association, the Members of the Association entitled to exercise a majority of the voting power of the Association present in person or by proxy shall constitute a quorum for such meeting, provided, however, that the Members of the Association entitled to exercise a majority of the voting power represented at a meeting of Members, whether or not a quorum is present, may adjourn such meeting from time to time. If any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting.

SECTION 5. Majority Vote.

The vote of a majority at a meeting at which a quorum is present shall be binding upon all Members for all purposes except where in the Declaration, or the Code of Regulations a higher percentage vote is required.

SECTION 6. Order of Business.

The order of business of meetings of the Members of the Association shall be as follows:

- (1) Calling of meeting to order.
- (2) Proof of notice of meeting or waiver of notice.
- (3) Reading of minutes of preceding meeting.
- (4) Reports of Officers.

- (5) Reports of Committees.
- (6) Election of Inspectors of election.
- (7) Election of Trustees.
- (8) Unfinished and/or old business.
- (9) New Business.
- (10) Adjournment.

ARTICLE VI

PROXIES

SECTION 1. Authorized.

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

SECTION 2. Requirements and Duration.

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

SECTION 3. All Proxies Revocable.

All proxies shall be revocable at any time by actual notice to the Secretary of the Association by the Member making such designation. Notice to the Association in writing or in open meeting of the revocation of the designation of a proxy shall not effect any vote or act previously taken or authorized.

ARTICLE VII

ANNUAL BUDGET

SECTION 1. Preparation of Estimated Budget. Annual Assessments.

Each year on or before December 1st, the Board of Trustees of the Association shall prepare an estimated Budget of the total amount of cash required to pay the cost of labor,

materials, taxes, insurance, services and supplies which will be required during the ensuing calendar year for the rendering of all services and the payment of all other Association expenses, together with a reasonable amount considered to be necessary for a reserve for contingencies and replacements, and shall on or before December 15th notify the Owner of each Living Unit subject to assessment in writing as to the amount of such estimated Budget, and reasonable itemization thereof. Said "estimated cash requirements" shall be assessed to said Owners annually according to the proportionate shares set forth Article VI of the Declaration. Said annual assessment shall be paid to the Association by the Owners above specified in twelve (12) equal annual installments on or before the first day of each calendar month commencing January 1st of the ensuing calendar year. On or before the date of the annual meeting of each calendar year, the Trustees shall supply to all Owners an itemized accounting of the income and expenses for the preceding calendar year actually incurred and paid, and showing the net amount over or short of the actual expenditures plus reserves.

SECTION 2. Reserve for Contingencies.

The Association shall build up and maintain a reasonable reserve as provided in the Declaration. Extraordinary expenditures not originally included in the annual estimate which may be necessary for the year, shall be charged first against such reserve. If the "estimated cash requirement" proves inadequate for any reason, including non-payment of any Owner's assessment, the Board of Trustees shall prepare an estimate of the additional cash requirements necessary for the balance of the year, ("adjusted estimated budget") which additional amount of cash requirement shall be assessed to all of the Living Unit Owners, and shall be considered as part of the annual assessment. The Association shall serve notice of such further assessment on all Living Unit Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become due and payable no later than thirty (30) days after the delivery or mailing of such notice of further assessments.

SECTION 3. Budget for First Year.

When the first Board of Trustees elected hereunder takes office, it shall determine the "estimated cash requirement," as hereinabove defined, for the period commencing June 1, 2001 and ending on December 31, 2002. Assessments shall be levied against the Owners during said period as provided in Article V, Section 2 of the Declaration.

SECTION 4. Failure to Prepare Annual Budget.

The failure or delay of the Association to prepare or serve the annual estimated Budget or adjusted estimated Budget on an Owner shall not constitute a waiver or release in any manner of such Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Owner shall continue to pay the annual charge at the existing rate established for the previous year until such new annual or adjusted estimate shall have been mailed or delivered.

SECTION 5. Books and Records of Association.

The Association shall keep full and correct books of account and the same shall be open for inspection by any Owner or any representative of an Owner duly authorized in writing, at such reasonable time or times during normal business hours upon at least Ten (10) days advance written notice. Upon ten (10) days notice to the Board of Trustees and payment of a reasonable fee, any Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

SECTION 6. Status of Funds Collected by Association

All funds collected hereunder shall be held and expended solely for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all of the Owners, and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the use, benefit and account of all of the Owners in the proportion set forth in Section 1 of this Article.

SECTION 7. Remedies for Failure to Pay Assessments.

If an Owner is in default in the payment of the aforesaid charges or assessments for thirty (30) days, the Board of Trustees may bring suit for and on behalf of the Association, to enforce collection thereof or to foreclose the lien therefor as provided in the Declaration.

ARTICLE VIII

AMENDMENTS

SECTION 1. Procedure.

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

SECTION 2. Conflicts.

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

SECTION 3. Rights Not Impaired.

No amendment shall be effective to impair or dilute any rights of Members that are governed by the recorded Declaration applicable to The Properties (as, for example,

membership and voting rights) which are part of the property interests created thereby.

ARTICLE IX

GENERAL PROVISIONS

SECTION 1. Copies of Notice to Mortgage Lenders.

Upon written request to the Board of Trustees of any duly recorded mortgage or trust deed against any Living Unit, the Board of Trustees shall give such mortgage holder a copy of any and all notices permitted or required by the Declaration or these Code of Regulations to be given to the Owner or Owners whose Living Unit ownership is subject to such mortgage or trust deed.

SECTION 2. Service of Notice on Devisees and Personal Representatives.

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

SECTION 3. Disposition of Assets Upon Dissolution.

Upon dissolution of the Association, the assets, both real and personal of the Association shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association; or shall be disbursed to the Members in equal shares, one (1) such share for each Cluster Lot.

SECTION 4. Non-Waiver of Covenants.

No covenants, restrictions, conditions, obligations or provisions contained in the Declaration applicable to The Properties or these Code of Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches which may occur.

SECTION 5. Agreements Binding.

All agreements and determinations lawfully made by the Association in accordance with the procedure established in the Declaration and these Code of Regulations shall be deemed to be binding on all Owners, their successors, heirs and assigns.

SECTION 6. Severability.

The invalidity of any covenant, restriction, condition, limitation or any other provision of these Code of Regulations, or of any part of the same, shall not impair or affect in any

manner the validity, enforceability or effect of the rest of these Code of Regulations.

SECTION 7. Action Without a Meeting.

Any action which may be authorized or taken at a meeting of the Members or of the Trustees, as the case may be, may be authorized or taken without a meeting with the affirmative vote or approval of, and in a writing or writings signed by, all of the Members or all of the Trustees, as the case may be, who would be entitled to notice of a meeting for such purpose, or, in the case of Members, such other proportion or number of voting members, not less than a majority, as the Articles of Incorporation, Declaration, or Code of Regulations permit. Any such writings shall be filed with or entered upon the records of the corporation. Any certificate with respect to the authorization or taking of any such action which is required to be filed in the office of the Secretary of State shall recite that the authorization or taking of such action was in a writing or writings approved and signed as specified in this section. This section is pursuant to Section 1702.25 of the Ohio Revised Code.

IN WITNESS WHEREOF, the undersigned Owners have executed this Code of Regulations this ___ day of _____, 2001.

SUMMER HILL HOMES, INC.:

By _____
President

By _____
Secretary

FIRST PLACE BANK

By: _____
Albert P. Blank, Sr. Vice President

and By: _____
Craig Carr, Secretary

(ADDITIONAL SIGNATURES CONTINUED ON NEXT PAGE)

OWNERS SIGNATURES TO CODE OF REGULATIONS OF
TIMBER CREEK ASSOCIATION, CONTINUED

NAME

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